

****UPDATED & AMENDED PACKET****

MAY 22 - 23, 2023

WASHINGTON STATE HOUSING FINANCE COMMISSION

**COMMISSION MEETING &
BUDGET PLANNING SESSION PACKET**

WSHFC



**WASHINGTON STATE
HOUSING FINANCE
COMMISSION**

Opening doors to a better life

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

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Special Meeting & Budget and Planning Session (day 1 of 2)** in the **Mt. Washington Conference Center – Room C**, located at **10 East Alderbrook Drive, Union, WA 98592**, on **Monday, May 22, 2022 at 9:00 a.m.**, to consider the items in the agenda below.

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

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

Login information for Monday, May 22, 2023:

Webinar/ Meeting ID: 878 8630 5550

Passcode: 318442

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 pages six and seven below for instructions.

- I. Chair: Approval of the Minutes from the April 27, 2023, Special Meeting. 1**
(5 min.)

- II. Consider and Act on the Following Action Items:**

- A. Resolution No. 23-53, University Cooperative School, OID # 23-33A 2**
Lisa Vatske: A resolution approving the issuance of one or more series of tax-exempt revenue bonds to refund a portion of the Commission’s bonds previously issued to finance a portion of the acquisition, construction and equipping of an educational campus facility and finance the rehabilitation of an existing facility located at 5601 University Way NE, Seattle, WA 98105, owned and to be owned by University Cooperative School, a Washington nonprofit corporation and organization described under section 501(c)(3). Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$5,100,000. The public hearing was held April 27, 2023. (5 min.)

- B. Resolution No. 23-35, Copper Way Apartments, OID # 21-122A 3**
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 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. The public hearing was held February 23, 2023. (5 min.)

- C. **Resolution No. 23-36, Polaris at Totem Lake, OID # 21-42A** 4
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 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. The public hearing was held February 23, 2023. (5 min.)
- D. **Fenice Taylor:** Approval of Selection of Single Family Mortgage Servicing Rights Valuation and Analytics Firm. (5 min.) 5
- E. **Lisa Vatske:** Motion to delegate authority to the Executive Director to negotiate final terms and enter into a revolving loan agreement with Microsoft to fund the Commission’s targeted Community Development Land Acquisition Program. (5 min.)
- F. **Lisa DeBrock:** Motion to Delegate Authority to Executive Director to Select Consultant for Covenant Homeownership Program Study. (20 mins.)

Executive Session: If necessary, prior to action on the Motion, to discuss issues related to potential litigation.

- III. **Chair: Miscellaneous Correspondence and Articles of Interest** (5 min.)
 - A. **Miscellaneous Correspondence and Articles of Interest** 6
 - B. **HFC Events Calendar** 7
- IV. **Chair: Public Comment**
- V. **Adjourn**

Bill Rumpf, Chair

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

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

(please see the next page for Day 1 Budget & Planning Session agenda)

Monday, May 22, 2023

BUSINESS MEETING:

9:00 am Special Commission Business Meeting to approve necessary bond resolutions and other action items (please see agenda on pages one and two above)

Adjourn

BUDGET AND PLANNING SESSION:

9:45 am Chair: Call to Order – Planning Session (day 1 of 2) – Introductions

Housekeeping items – Steve Walker, Executive Director

9:50 **Multifamily Housing**

Market Update and Discussion:

- Mike Hemmens, Managing Director, Citi Community Capital
- Lisa Vatske, Director, MHCF Division

Division Report: Successes and Meeting Challenges in FY 2024 - Lisa Vatske

10:30 **Break**

10:40 **Homeownership**

Market Update and Discussion:

- Mina Choo, Managing Director, RBC Capital Markets
- Mike Awadis, Managing Director, Hilltop Securities Inc.
- Lisa DeBrock, Director, Homeownership Division

Division Report: Successes and Meeting Challenges in FY 2024

- Lisa DeBrock

11:40 **Overview of Proposed FY 2024 Budget** – Fenice Taylor, Senior Finance Director/Lucas Loranger, Senior Controller *****Materials in packet*****

12:15-1:30 pm **Lunch Break**

1:30 **Division Reports: Successes and Meeting Challenges in FY 2024:**

Asset Management and Compliance (AMC) - Wubet Biratu, AMC Director

Finance - Fenice Taylor

Administration/IT – Bob Peterson, Deputy Director

2:10 **State Legislative Update and Impact on Commission** – Steve Walker

2:20 **Performance Measures (financial and organizational) and Signature Authorities** – Steve Walker/Fenice Taylor

2:30 **Break**

3:00 - 4:30 ***Executive Session* – Executive Director’s Performance Evaluation**
Note: Consultant Gayle Johnson to be logged in via Zoom for the first 30 minutes.

Adjourn

(please see the next page for Day 2 agenda)

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Budget and Planning Session (day 2 of 2)** in the **Mt. Washington Conference Center – Room C**, located at **10 East Alderbrook Drive, Union, WA 98592**, on **Tuesday, May 23, 2023 at 9:00 a.m.**, to consider the items in the agenda below.

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

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

Login information for Tuesday, May 23, 2023:

Webinar/ Meeting ID: 883 2788 9829

Passcode: 234332

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

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

Tuesday, May 23, 2023

BUDGET AND PLANNING SESSION (continued):

9:00 am Chair: Call to Order – Planning Session (day 2 of 2)

Housekeeping items – Steve Walker

Planning Topics:

9:05 **Communications Activities Update and 40th Anniversary** - Margret Graham, Communications Manager

9:20 **Racial Equity Strategic Plan - Goals, Activities, Timeline** – Bob Peterson/Margret Graham/Steve Walker

9:50 **Rent Stabilization Policy** – laying the groundwork for the process and discussion ahead – Wubet Biratu/Lisa Vatske/Jackie Moynahan:

10:20 **HAF – One year in, the road ahead** - Lisa DeBrock/Rich Zwicker/Emily Northrup – Homeownership Division

10:40 **Update on hybrid work, technology, and future office space considerations** – Bob Peterson

11:00 **Chair: Discussion of FY 2024 Budget, External challenges, and direction to staff**

Adjourn

Public Engagement at Commission Meetings

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

Different Ways to Join a Commission Meeting:

1. Click [here](#) to go to the meeting directly for **Monday, May 22, 2023 (day 1 of 2)**.

Click [here](#) to go to the meeting directly for **Tuesday, May 23, 2023 (day 2 of 2)**

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

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- **Passcode: 234332**

3. To participate by phone, dial toll-free either: **1-(888) 788-0099 or 1-(877) 853-5247**.
4. Members of the public can attend the meeting in-person on either or both days at the meeting room location in the Mt. Washington Conference Center – Room C, located at 10 East Alderbrook Drive, Union, WA 98592

During Meetings:

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

Public Hearings:

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

Public Comment:

- **Purpose of Public Comment**
During this period, the Commissioners listen to public concerns and comments but do not generally engage in dialogue. Staff will follow up with commenters who request assistance or answers to questions, providing that contact information is shared. Anyone who wishes to speak during the public comment period can take this opportunity.
- **When to Comment**
The public comment period takes place near the end of the morning Commission business board meeting on day one only (and not at anytime during the Budget/Planning Session). The starting time for the public comment period depends on the length of the Commission’s other business.

Typically, the public comment period is reached after about 15-20 minutes (9:15-9:20 a.m.) but may be sooner or later.

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

To give us a sense of the number of people wishing to speak and help us call on you in an orderly fashion, the meeting Chair will ask you to use the Zoom “raise hand” feature to indicate you would like to speak. People participating on the telephone can press *9 to virtually “raise a hand.”

Whether or not you are able to virtually raise a hand, the Chair will provide time and opportunity for all to share their comments before closing the public comment period.

- **Timing of Comments:**

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

WASHINGTON STATE HOUSING FINANCE COMMISSION

COMMISSION MEETING MINUTES

April 27, 2023

The Commission meeting was called to order by Chair Bill Rumpf at 1:00 p.m. in the 28th Floor Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Seattle, Washington, and via Zoom teleconference. Those Commissioners present in person were Bill Rumpf, Nicole Bascomb-Green, Pedro Espinoza and Mike Pellicciotti. Those attending via Zoom were Alishia Topper, Albert Tripp, Corina Grigoras, Wendy Lawrence, Ken Larsen, and Lowel Krueger.

Approval of the Minutes

The March 2023 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 on this program: Tera Alborn, Sarah Watson, Kathleen (Kat) Komin, Lucas Loranger and Tanya Scratchley.

Two Years

Sarah Watson

Ten Years

Robin Denning

Sojung Choi

Employee of 1st Quarter (2023): Martina Norman-Maleski

Martina Norman-Maleski has been with the Commission for over 10 years and is truly an asset to the Homeownership Division.

Ms. Norman-Maleski is the first to ask to work on outstanding projects during down-time and steps up to fill in when someone is out of the office and take on their duties. She has also been instrumental in data input for homebuyer education classes that have

fallen behind, as well as being instrumental in getting our standards of performance documents into our system for our lender and real estate homebuyer education instructors. She processes our DPA reimbursement to our loan servicers in a timely fashion which is truly appreciated by our partners.

Ms. Norman-Maleski is part of our rate-setting team and sets daily rates on a rotating basis. As the market has changed over the last couple of years, which has made it very challenging to set rates, she has taken it in stride and faced this challenge head on. The commitment to our programs is visible as she takes on the role as a mentor to newer lenders seriously. The tireless efforts to guide them through the process and discuss individual programs in detail is appreciated as Ms. Norman-Maleski received a very nice compliment for going above and beyond the call of duty to explain in detail what was needed on a file to move forward.

Her warm and down-to-earth disposition, the willingness to help, and being a wonderful team player is why we nominate Martina Norman-Maleski for employee of the Quarter.

Congratulations Martina, Employee of the First Quarter of 2023.

**Public Hearing:
Ocean Pavilion,
OID # 23-39A**

The Chair opened a public hearing for Ocean Pavilion, OID #23-39A, at 1:06 p.m.

Mr. Jason Hennigan, Senior Finance Associate of the Multifamily Housing and Community Facilities (MHCF) Division, described the proposed issuance of one or more series of tax-exempt revenue bonds to refinance an existing debt of The Seattle Aquarium Society (the “Aquarium”), a Washington nonprofit corporation and organization described under section 501(c)(3) of the Internal Revenue Code, and finance the costs of the construction and equipping of a nonprofit facility, to be owned by the City of Seattle, Washington, located at 1500 Alaskan Way, Seattle, Washington. 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 \$70,000,000.

Mr. Hennigan introduced Derek Baker, Sr. Director of Strategic Initiatives & Government Affairs for the Aquarium, who was present in the Board Room. Also in attendance from the Aquarium were Mr. Rick Johnson, Vice President of Finance and Mr. Brad Rutherford, Chief Operating Officer.

Mr. Baker referenced the packet description as well as an architectural rendering that was presented on the screen and expounded on the project.

The project will bring the Aquarium’s conservation mission to life. The pavilion will be centrally located, providing a campus feel and a new experience for visitors. Additionally, the pavilion will increase the Aquarium space by approximately 40%

which he stated will broaden the programmatic impact will help empower a new generation of ocean conservationists. A key benefit is a program to deliver Aquarium tickets to multiple community partners, ensuring equal access for all to the Aquarium.

Mr. Baker then highlighted a few key components of the project:

- Representatives from the Salish community collaborated on the initial design, have worked with the architects and have provided ongoing support and workshops.
- The pavilion will be 100% fossil fuel free in working towards the goal of green-building certification.
- The project also enables the Aquarium to work globally with partners on the other side of the Pacific and they recently launched ReShark (www.reshark.org), a global conservation collective
- The project also includes a public rooftop park, a bridge connecting to Pike Place Market, and the oculus, all of which will allow the public to “reconnect” with the ocean and Seattle waterfront.

Financing is a critical part of project delivery. Estimated completion date is December 2024 and they have secured about 75% of the necessary funding.

Chair Rumpf mentioned that he visits regularly with a 2-year-old, and they both find it fascinating. He then asked why the Commission will contribute to the financing instead of the City of Seattle.

Mr. Baker replied that the City of Seattle contributed \$34,000,000 to the overall project and the Aquarium has also raised about half of the funds necessary from private sources. This financing by the Commission will bridge pledges that are extended over time and provide the final piece of the funding to complete the project.

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

Mr. Steve Walker commented that the Commission is excited to be a part of this project.

**Public Hearing:
University
Cooperative
School, OID # 23-
33A**

The Chair opened a public hearing for University Cooperative School, OID #23-33A, at 1:16 p.m.

Mr. Dan Schilling, Senior Bond Housing Credit Analyst in the MHCF division, described the proposed issuance of one or more series of tax-exempt revenue bonds to refund a portion of the Commission's bonds previously issued to finance a portion of the acquisition, construction and equipping of an educational campus facility and finance the rehabilitation of an existing facility located at 5601 University Way NE, Seattle, Washington, owned by University Cooperative School, a Washington nonprofit corporation, an organization described under section 501(c)(3) of the Code. 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 \$5,100,000.

Mr. Schilling introduced Mr. Jim Riley, Co-Head, University Cooperative School, who was appearing remotely.

Mr. Riley stated that the school moved into the Maxwell building in 2003 and then in 2007, thanks to funding from the Commission, began retrofitting the building. Additionally, they took out a loan with Sound Community Bank which allowed them to build a gym and music room and take over 1/3 of the basement space which was previously rented out. They are still able to rent out a portion of the building's basement.

This funding, along with funding from Sound Community Bank, would allow the school to build out the rest of the basement as well as finish the retrofit.

Mr. Riley highlighted some facts about the school:

- The school believes childhood is a journey and celebrates the individuality of each child. They believe school should be meaningful and fun and a place where children build a positive sense of who they are.
- They have a diverse student body - 40% of the students are BIPOC, and the school also seeks to involve the children in the community. They have a DEI committee and have increased the library's books by diverse authors.
- Much thought and intentionality went into redesigning the school to make it sustainable for the future.
- The renovation will occur in 2 phases over the next two summers: 1) expand space, 2) make better use of current space including a science lab, literacy center and art studio among other spaces and programs to enhance learning.

There were no comments from members of the public or Commissioners and the hearing was closed at 1:25 p.m.

**Public Hearing:
Resolution No. 23-
51, for the 2023
Allocation of
Credit for the
Housing Tax
Credit Program-
Fifth & Seneca
Project**

Ms. Lisa Vatske, Director of MHCF, provided a preamble to the public hearing. Ms. Vatske stated that this is the first 9% project hearing for the 2023 funding round. The materials in the packet were somewhat unfinished as the Commission was waiting on the Housing Trust Fund (HTF), and, thanks to them, we just recently were able to fully commit our Seattle/King County allocation.

Apple Health and Home funding and passage of the current budget late last week allowed us to move forward with our Seattle/King 9% allocations.

The HTF will fully-fund one of the projects so the Commission will be able to fund 4 of the 5 projects.

We are still within our policy of forward committing about 16% which is under the 20% policy cap. We are providing a max credit per-project waiver for this particular project.

An updated list will be provided in next month's packet. That will show the full allocation of our 2023 credits with a forward commitment.

Ms. Vatske then turned the floor over to Mr. Jacob Richardson, MHCF Manager, Tax Credits, who introduced Mr. Zak de Gorgue, Managing Director, Development, Brawner and Company (in person), and Ms. Anna Preyapongpisan, Regional Director of King County Affordable Housing Services, YWCA of Seattle-King-Snohomish (remote), to discuss the 5th and Seneca Project.

In addition to the description in the packet, Mr. de Gorgue stated that not only is the project an adaptive reuse to convert the Single Room Occupancy (SRO) units to studio and one-bedroom apartments, but it will also bring the building up to City of Seattle code requirements. The seismic strengthening of the building will include replacing plumbing, electrical and roofing. The exterior façade and wood windows will be restored.

As noted in the project budget, the Tax Credit Equity equals approximately \$25,000,000 with additional funding sources in loans and other financing. Closing is anticipated for June 2023.

Mr. de Gorgue then introduced Ms. Preyapongpisan who provided additional detail on the project.

This financing will allow the YWCA to continue its mission of eliminating racism and empowering women by providing affordable housing and services rooted in racial equity, social justice, and community needs to those structurally positioned furthest from opportunity and power. She further stated that as housing costs and other costs of living continue to rise, they remain focused on providing safe, affordable housing and

services to support our residents on their journeys from surviving to thriving. She then thanked the Commission for their consideration and partnership.

Chair Rumpf asked for clarification: is the building switching from transitional housing to permanent housing?

Ms. Prevapongpisan answered that it is all permanent housing currently, but they will be changing them from SROs to studios and one-bedrooms.

There were no comments from members of the public and the hearing was closed at 1:34 pm.

**Action Item:
Resolution No. 23-08, for the 2023 Allocation of Credit for the Housing Tax Credit Program**

Ms. Vatske stated this is a resolution authorizing the Executive Director to make reservations and/or allocations of 2023 Housing Tax Credits for the 5th and Seneca project in the amount of \$2,736,984.

Ms. Alishia Topper moved to approve the resolution. Ms. Nicole Bascomb-Green seconded the motion. The motion was approved unanimously.

Informational Report on Department of Commerce Activities

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

- The Governor appointed Commerce’s new Director, Michael Fong, who will start on May 8.
- Ms. Grigoras stated that Commerce is changing the method of reporting. The full Commerce report can be found in the packets while she will provide an overview at the monthly meetings and answer questions.

LEGISLATIVE SESSION

The legislative session adjourned on April 23rd and there was a good deal of progress on housing.

From the Capital Budget, the HTF will be receiving \$400,000,000 that will primarily be used for rentals and shelters. Of that, \$100,000,000 will be dedicated to Apple Health and Home, and \$60,000,000 is for home ownership projects for first time home buyers.

In addition to the HTF, there is also \$50,000,000 for transit-oriented housing development projects in collaboration with WSDOT.

The Commission received \$40,000,000 for its Land Acquisition Program (LAP). The Connecting Housing to Infrastructure Program (CHIP) received \$60,000,000, which

will be granted to local governments to offset costs for connection fees and infrastructure needs for affordable housing projects.

Ms. Grigoras touched on the operating budget which she estimates includes about \$1.2 billion dedicated to housing. This is a preliminary number due to Commerce, for the first time, receiving appropriations by program rather than an agency-wide general appropriation. Unfortunately, the Community Services & Housing budgets are still combined, but Ms. Grigoras is hopeful that will be resolved in the 2024 session.

MULTI-FAMILY HOUSING UNIT/ APPLE HEALTH & HOMES

Ms. Grigoras spoke to the HTF awards that were just released. Approximately \$44,000,000 of that will go to Apple Health & Homes and about \$39,000,000 from the remaining funds will go to the Rapid Capital Housing Acquisition program. All of those funds were dedicated to make projects that were partially funded in December, or wait listed in December, whole.

HOMEOWNERSHIP

Ann Campbell and Lisa DeBrock are working together to write the Interagency Agreement for the newly passed Covenant Homeownership program (HB1474). Commerce is also making preliminary plans to issue a new Notice of Funding Availability (NOFA) for the new home ownership dollars.

HOMELESSNESS ASSISTANCE UNIT

Commerce is currently responding to draft findings from the State Auditor's Office for the federal temporary COVID eviction rent assistance funding and Ms. Grigoras encouraged anyone with questions to reach out to her. She is happy to make connections with Commerce's internal auditor and the program manager.

HOUSING POLICY UNIT

Ms. Grigoras announced the hiring of their new Policy Advisor, Kirsten Jewell, who is joining Commerce after twenty years with King County. They are excited to have her on board.

The Right-of-Way (ROW) Safety Initiative has been making slow but very steady progress moving people into safer and more permanent housing. Additionally, the new budget dedicates approximately \$150,000,000, so it sounds like the program will continue.

LOCAL GOVERNMENT DIVISION

This division is working to interpret the two bills that were passed: HB 1337 & HB 1110 and she directed the Commissioners to the packet which contains more detailed information.

Finally, Ms. Grigoras added that if the staff and Commissioners are interested, her team could come up and give a more detailed presentation on items of interest.

Chair Rumpf touched on the recent legislation and impacts they will have. He indicated he would be interested in further discussion with Commerce regarding legislation and its impact on jurisdictions.

Executive Director's Report

Mr. Steve Walker, Executive Director, highlighted a number of points in the Executive Director's memo contained in the meeting packet.

MULTIFAMILY & COMMUNITY FACILITIES

Bond/4%: MHCF is finalizing the initial round of reviews on the 4% Bond applications and questions surrounding any deficiencies. They plan to request additional information prior to moving forward with allocations to 8 to 10 of the 22 applications. He also states that this reinforces the demand for the program and the Commission's limited resources.

LAP: Mr. Walker articulated about the attention this program received during the legislative session.

In an update from the packet, the Commission has secured a \$50,000,000 match for LAP funds from Microsoft. The Commission provided \$5,000,000 in PRI funds. These two sources will complement the Capital budget funds.

Health & Housing Initiative (H3H)

The Commission is one of six HFAs that applied for the Robert Wood Johnson Grant, and is working with the MHCF division to host a state leaders convention on May 25. Attending will be leadership from the Health Care Authority, the Commerce Department, and the Department of Social and Health Services. There is also a second event being planned for the Greater Columbia Basin in September.

The goal is to convene people to explore the intersection of health and housing with non-traditional partners. This convening will bring hospitals and others in the health

care industries together with the housing industry, to see where we have common cause, and how we might move forward collaboratively.

Sound Transit (ST)

The MHCF team has been in discussions with ST regarding surplus properties going to housing opportunities with a continual investigation in finding efficiencies by packaging those opportunities.

9% Program

Mr. Walker noted that Ms. Vatske would be elaborating on this later in the meeting.

HOMEOWNERSHIP

2SHB 1474, the Homeownership Covenant Act, passed with strong support, and Mr. Walker is meeting weekly with stakeholders. He especially recognized Ms. Corrina Obar who testified four times in support of the bill. Commerce has already begun drafting the Interagency Agreement between the Commission and Commerce.

The Commission is tasked with undertaking a critically important study identifying State actions that have negatively impacted homeownership by specific populations. The study must be completed by March 1, 2024. To that end, the Homeownership Division has already issued an RFP; responses are due on May 19. The hope is to be able to review the responses prior to the May 22 Board meeting so that a contractor can be secured as soon as possible to get the study underway.

As mentioned in the packet report, Homeownership staff participated in NAHREB's Realtist Week.

Mr. Walker said there were \$200,000,000 in new reservations which he found encouraging in the current market with rising interest rates.

HAF

Mr. Walker spoke to the successes with this program and how it is serving customers at the one-year mark of the program's rollout. The Commission is considering some minor changes while staying focused on the program's mission: ensuring the program reaches underserved communities first.

ASSET MANAGEMENT & COMPLIANCE (AMC)

Mr. Walker congratulated the AMC team on the completion of the first phase of the language accessibility assessment. They surveyed over 300 property managers and owners over the last 6 months, created participation incentives, and awarded prizes for people participating through a raffle. They gained really good information which will result in enhancements to all of the Commission's forms and communications not just

with landlords, but with residents and in multiple languages. There are links to the PowerPoint presentation and the survey in the Executive Director's written report. He stated that should the Commissioners want to learn more, a meeting with the AMC staff can be arranged.

Mr. Walker also stated that members of the AMC team attended the annual Affordable Housing Management Association conference earlier in the week.

FINANCE

Mr. Walker stated that the day before (April 26th), Finance priced a Single-Family Bond Issue.

Mr. Walker then asked Ms. Fenice Taylor, Senior Finance Director, to speak to the pricing. Ms. Taylor stated that strong participation from the underwriting team achieved access, yield and spread for both the taxable and the tax-exempt components. The tax-exempt bond proceeds will be used for Homeownership's House Key program, and the taxable bond proceeds will be used for the Home Advantage program. The bond is scheduled to close on May 18.

OTHER TOPICS OF DISCUSSION

Mr. Walker then resumed, mentioning the RFP for single family master servicing rights valuation and analytical services.

He also spoke to the State Auditor's Office annual accountability audit – he has been told the focus will be on purchasing cards, single-family bond program and multi-family tax credits and bonds. These topics should get more focused as the auditors gain an understanding of the complexity of those programs.

Mr. Walker then referenced Governor Inslee's appointment of Mike Fong as Commerce Director. He added that he has known Mr. Fong for many years and is excited to be working with him and for the Commissioners to get to know him better.

LEGISLATIVE CONFERENCE (LEGCON) DEBRIEF

Mr. Walker stated that LegCon was a very productive time. Both the staff delegation and attending Commissioners met with congressional staff including meetings with Senator Patty Murray, two great meetings with Congresswoman Suzan DelBene and a meeting with Senator Maria Cantwell.

Regarding the Housing Credit Improvement Act, contact started earlier this week on this topic, and next week Mr. Walker will be joining Congresswoman DelBene at two events where the expectation is this bill might be introduced. Senator Cantwell has also

reached out to arrange for some events at some of the Commission's properties. He is optimistic that it will be re-introduced in early May at the latest.

BUDGET PLANNING RETREAT

Mr. Walker reminded the Commissioners about the upcoming Budget Planning retreat on May 22 and 23. As the agenda is being finalized, he encouraged the Commissioners to reach out with any topics they'd like to see discussed.

9% TAX CREDIT PROGRAM POLICY CHANGES

Mr. Walker then handed the floor over to Ms. Vatske to provide additional details on the 9% program and proposed policy changes.

Ms. Vatske referenced the documentation under Tab 11 in the packet (page 149), which details the proposed changes, and provided more background on those changes.

Ms. Vatske highlighted that there was a survey process and staff attended several stakeholder meetings to discuss a reset similar to what was done in the bond program. The Commission laid out 7 core value statements.

([Multifamily9TaxCreditProgramValueStatements.pdf \(wshfc.org\)](#)): advancing racial equity being the overarching goal, but also aligning resources for affordable housing needs everywhere and ensuring continuing geographic distribution through the pool system.

The staff is investigating numerous topics including, but not limited to, utilizing limited resources, combining preservation with new construction with the goal of ensuring high quality and affordable housing for residents long-term.

These goals should be reflected in the policies and MHCF is currently investigating how to reset the criteria to ensure they are reaching those aforementioned goals. Conversations will be ongoing, but in the short term MHCF is proposing a few minor changes for the 2024 allocation process.

Aligning with the bond program, the total development cost limits (TDC) are being removed from the policy. There are also potentially some new building code changes which are also then being removed from the policy to allow for updates that are better timed with the application process.

MHCF is also updating their website through a separate process other than this annual policy reset.

In addition to this, there are three major changes being proposed:

1. 6.3 Housing Commitment for Priority Populations

The proposal is to lower the point minimum threshold for the non-metro pool to align with the metro pool minimum, which was changed two years ago. Ms. Vatske stated that stakeholders have communicated they want to have a broader mix of serving populations in need. Seattle/King will remain at 75% of the units for 35 points for current supportive housing. Non-metro will now join Metro in needing a minimum of 25% supportive housing for 25 points.

2. Health In Housing (new)

Ms. Vatske stated the next big change is a new point category for Health in Housing. The proposal is to incentivize partnerships with hospitals by awarding 5 points to projects that have a documented partnership with a healthcare provider that will benefit the project and/or its residents.

3. 6.20 Eventual Tenant Ownership

The proposal is to suspend the eventual tenant ownership points. She spoke to the challenges with implementing the tenant home ownership points. Now at the 15 year program mark, based on an evaluation of the compliance issues around implementation, they propose suspending incentive points at this time. The program is still part of the Code and applicants can still choose to provide for eventual tenant homeownership, but must discuss their plans with the Commission prior to the application date. It is the incentive points that will be suspended.

Currently these proposed changes are in the “comment” period and there is another stakeholder meeting scheduled for the week of May 1. The intent is to bring the changes forward for a public hearing and action in June.

LEGISLATIVE SESSION

Mr. Walker then gave a high-level update on the 2023 legislative session.

Recapping much of what Commerce spoke to earlier, he reiterated that it was a good year for housing bills.

The 2023 legislative session was billed as “the year of housing.” He spoke to the housing dollars included in the state budgets and also highlighted some of the more important legislation that passed including HB 1474 and HB 1110.

There is going to be a Governor bill signing event on some of the housing initiatives with HB1474 being front and center soon. The Governor’s office is trying to create a community event, most likely at the African American Museum or at Langston Hughes.

Land Use Bills

Mr. Walker spoke about land use bills and specifically HB1110. These mainly addressed the issue of creating more housing by embracing more density, i.e., allowing for duplexes, six-plexes, ADUs and DADU’s in single-family neighborhoods.

He also spoke to SB 5258 which names the Commission specifically, and is tied to a DPA program specifically for condominiums. He added that the land use bills are tied to the Growth Management Act (GMA) and offered to have a separate discussion with interested Commissioners.

Chair Rumpf commented that he would be interested in exploring whether there is some type of financing vehicle that the Commission could offer to smaller developments and/or if there’s a role for conduit financing.

Mr. Walker replied that this is yet to be determined. He believes the next conversation would be around the source of capital for six-plexes and any subsidies for rent and income restricted housing.

He then touched on another bill essentially where the state can reach into local jurisdictions in regards to permitting. It requires local jurisdictions to set permitting timelines and hold themselves accountable for those timelines, and if that does not occur, the state will publish a permitting timeline. It would be another tool for speeding production.

Mr. Walker then discussed that although House Bills 1388 and 1389 addressing rent stabilization did not pass, there is a budget proviso directing both the Commission and Commerce to study rent increases and to present findings on how rent increases are impacting and/or destabilizing residents in income-restricted housing. That report is due in December and there will be policies developed to address the findings. This is

very positive as we have rent burdened households in our portfolio. We expect a very participatory process, with open dialogue, without any predetermined outcomes, other than acknowledging that whatever we do on the rent side, we also must maintain the operations and the maintenance of these assets over time.

He mentioned that Commissioner Krueger, as an owner, operator, and manager of housing, has a very informed opinion on this issue. We will want him and others like him to provide input as well. The goal is to put something together that makes sense from all perspectives.

Chair Rumpf encouraged the Commissioners to provide input for the May budget planning session.

Mr. Walker provided a high-level list of items currently on the agenda, but also mentioned the agenda is still in draft form so items can be added.

Chair Rumpf requested the opportunity to unpack HB 1474 in more detail.

One additional key item is a discussion on revising the Commission's performance measures which are now outdated.

Mr. Kruger requested a continuing conversation on the interest rate environment and its impacts. Mr. Walker confirmed that this would be discussed with external experts.

Commissioners' Reports

There were no Commissioner reports.

Consent Agenda

The consent agenda was approved as distributed.

Public Comment

There were no public comments.

Adjournment

Chair Rumpf adjourned the meeting at 2:27 p.m.

Signature: _____

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 23-53

A RESOLUTION of the Washington State Housing Finance Commission authorizing a plan of finance relating to the issuance of a tax-exempt nonrecourse nonprofit revenue and refunding revenue bond in a principal amount of not to exceed \$5,100,000 to finance and refinance the acquisition, rehabilitation and equipping of a school facility owned by University Cooperative School, a Washington nonprofit corporation; approving the sale of the bond to Sound Community Bank pursuant to its purchase offer; approving the form of a financing 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 MAY 22, 2023

PREPARED BY:

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

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RESOLUTION NO. 23-53

A RESOLUTION of the Washington State Housing Finance Commission authorizing a plan of finance relating to the issuance of a tax-exempt nonrecourse nonprofit revenue and refunding revenue bond in a principal amount of not to exceed \$5,100,000 to finance and refinance the acquisition, rehabilitation and equipping of a school facility owned by University Cooperative School, a Washington nonprofit corporation; approving the sale of the bond to Sound Community Bank pursuant to its purchase offer; approving the form of a financing 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 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 a public notice and hearings as required by the Act; and

WHEREAS, Sound Community Bank (the "Bank") has offered to originate a loan in the principal amount of not to exceed \$5,100,000 (the "Loan") to University Cooperative School, a Washington nonprofit corporation (the "Borrower"), to (i) refinance existing taxable debt of the

Borrower used to finance and refinance the acquisition, rehabilitation and equipping of the school facility; (ii) refund a prior Commission bond used to finance and refinance the acquisition, rehabilitation and equipping of the school facility, and to pay all or a portion of the costs of issuing the prior bond; (iii) finance further rehabilitation and equipping of the school facility; and (iv) finance all or a portion of the costs of issuing the Bond (as defined herein) (together, the “Project”), 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 Nonprofit Revenue and Refunding Revenue Bond (University Cooperative School Project), Series 2023 in a principal amount of not to exceed \$5,100,000 (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. 23-33A, the Commission held a public hearing on April 27, 2023, and the Governor has, or by the closing on the Bond will have, approved the Project, the plan of finance 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”) and the Non-Arbitrage Certificate executed by the Commission of even date with the Bond (the “Tax Certificate”).

Section 2. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans for the financing and refinancing of eligible nonprofit 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 Bond are in furtherance of the Act and the Plan.

Section 3. Authorization of the Bond. The Commission hereby authorizes the issuance and sale of the Bond in a principal amount of not to exceed \$5,100,000 pursuant to and in accordance with the provisions of the Act and the Code.

Section 4. Approval of Documents. It is hereby found and determined that the Financing Agreement and the Tax Certificate conform to the requirements of the Commission, the Act and the Code and provide appropriate security for the Bond consistent with the Act and the Code.

The Financing 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, sale and delivery of the Bond 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 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 5. 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 6. 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 7. 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 22nd day of May, 2023.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Purchase Offer

SOUND COMMUNITY BANK

May 19, 2023

The Commissioners
c/o Steve Walker, Executive Director
Washington State Housing Finance Commission
1000 Second Ave, Ste 2700
Seattle, WA 98104-1046

Re: Washington State Housing Finance Commission Nonprofit Revenue and Refunding
Revenue Bond (University Cooperative School Project), Series 2023 (the "Bond")

Dear Honorable Commissioners:

Sound Community Bank ("Lender") is pleased to offer to purchase the above-referenced Bond in an aggregate principal amount of up to \$5,000,000, at a price of par, with the understanding that the purchase proceeds will be used by the Commission to purchase a loan being originated by Lender to University Cooperative School, a Washington nonprofit corporation.

The Bond will be dated the date of closing, anticipated to be May 25, 2023. The Bond, in the principal amount of \$5,000,000, will mature no later than June 1, 2033, subject to the conditions set forth in the loan documents.

The outstanding principal balance of the Bond will initially accrue interest at a fixed rate per annum of 5.500 percent, subject to adjustment from time to time pursuant to the loan documents.

Lender's offer is subject to a legal opinion from Pacifica Law Group LLP of Seattle, Washington, acceptable to Lender, and to other conditions set forth in the draft loan documents most recently circulated by Lender's counsel.

Sincerely,

SOUND COMMUNITY BANK

By:



Mike Ralph, Senior Vice President

Nonprofit Facilities Program

Project Name	University Cooperative School
Developer	University Cooperative School
Description	<p>Since 1975, University Cooperative School has remained true to its founding roots in progressive, child-centered education. The University Cooperative School community prioritizes equity, diversity, inclusion, and social justice in meaningful ways for our students and their families from kindergarten through 5th grade.</p> <p>The University Cooperative School is a community of children, teachers, and families. Together, they create an environment that is both vital and caring. At the school, children deepen their love of learning, build confidence in their voices, and come to value their own gifts and those of others.</p> <p>The Proceeds of the Bonds will be used to refund a portion of the Commission's bonds previously issued to finance a portion of the acquisition, construction and equipping of an educational campus facility, to finance the rehabilitation of an existing facility, and to pay all or a portion of the costs of issuing the Bonds.</p>
Location	5601 University Way NE Seattle, WA 98105
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	Refinance of existing debt and rehabilitation of an existing facility
<i>Financial Information</i>	
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$5,000,000

Total Estimated Project Costs	\$5,369,291
Bond Structure	Private Placement
Lender	Sound Community Bank
Action	Approval of Resolution No. 23-53
Anticipated Closing Date	May 2023

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 23-36

A RESOLUTION of the Washington State Housing Finance Commission authorizing a plan of finance relating to the issuance of a tax-exempt nonrecourse revenue note in a principal amount of not to exceed \$60,000,000, to finance the acquisition, construction and equipping of a 256-unit multifamily housing facility in Spanaway, Washington, to be owned by Copper Way Apartments, 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 MAY 22, 2023

PREPARED BY:

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

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RESOLUTION NO. 23-36

A RESOLUTION of the Washington State Housing Finance Commission authorizing a plan of finance relating to the issuance of a tax-exempt nonrecourse revenue note in a principal amount of not to exceed \$60,000,000, to finance the acquisition, construction and equipping of a 256-unit multifamily housing facility in Spanaway, Washington, to be owned by Copper Way Apartments, 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.

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 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 and other evidences of indebtedness 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"), grants an exemption from federal income tax for interest paid on obligations where the proceeds thereof 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 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 \$60,000,000 to the Commission (the "Funding Loan") to provide funds for the acquisition, construction and equipping of a multifamily residential rental facility with 256

housing units (the “Project”) located in Spanaway, Washington, to be owned by Copper Way Apartments, LLC, a Washington limited liability company (the “Borrower”); 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 Multifamily Revenue Note (Copper Way Apartments Project), Series 2023 (the “Note”) in the principal amount of not to exceed \$60,000,000; 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. 21-122A, the Commission held a public hearing as required by federal tax law, and the Governor has, or by the closing on the Note will have, approved the Project, the plan of finance 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 of eligible housing facilities under the Act 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 a plan of finance relating to the issuance and delivery of its Note to be designated “Multifamily Revenue Note (Copper Way Apartments Project), Series 2023” in a principal amount of not to exceed

\$60,000,000, 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 such documents, the documents contemplated therein, and any other necessary documents or certificates on its behalf, 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.

[Remainder of page intentionally left blank]

ADOPTED at a special meeting duly noticed and called this 22nd day of May, 2023.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Loan Commitment

May 18, 2023

The Commissioners
c/o Steve Walker, Executive Director
Washington State Housing Finance Commission
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

Re: Washington State Housing Finance Commission Multifamily Revenue Note (Copper Way Apartments Project), Series 2023

Dear Honorable Commissioners:

Citibank, N.A. ("Funding Lender") is pleased to offer to make a loan (the "Funding Loan") to the Washington State Housing Finance Commission (the "Commission") to be evidenced by the above-referenced Multifamily Revenue Note (the "Note") in an aggregate principal amount not to exceed \$41,992,500, which amount includes up to \$892,500 of recycled volume, with the understanding that the proceeds of the Funding Loan will be used by the Commission to purchase a loan being originated by Citibank, N.A. ("Mortgage Lender") to Copper Way Apartments, LLC, a Washington limited liability company ("Borrower") for purposes of financing the acquisition, construction and equipping of a multifamily rental housing development, located in the City of Spanaway, Washington, known or to be known as Copper Way Apartments, all pursuant to the provisions of the Funding Loan Agreement, dated as of June 1, 2023 (the "Funding Loan Agreement"), among the Funding Lender, the Commission and U.S. Bank Trust Company, National Association ("Fiscal Agent"), and a Borrower Loan Agreement, dated as of June 1, 2023 (the "Borrower Loan Agreement"), among the Commission, the Borrower, the Mortgage Lender and the Fiscal Agent.

The Note will be dated the date of closing, which is anticipated to be June 2, 2023. The Note is expected to mature on July 1, 2041. Principal on the Note will initially accrue interest at a variable rate equal to one-month Term SOFR (which shall have a floor of 0.50%) plus a spread of 2.00% until the Conversion Date, which can occur no later than January 1, 2027, and thereafter principal on the Note will accrue interest at a fixed rate to be locked just prior to closing not expected to exceed 12%. Interest only payments will be made from the closing date to the Conversion Date, and thereafter principal and interest are to be paid in monthly installments amortized over 40 years.

Our offer is subject to a legal opinion from Pacifica Law Group LLP of Seattle, Washington, acceptable to the Funding Lender, and to other conditions set forth in the Funding Loan Agreement, Borrower Loan Agreement, Construction Funding Agreement, and in the Borrower Loan application, all of which have been reviewed and approved by Borrower.

Very truly yours,

CITIBANK, N.A.

By: 

Name: Matt Knipprath

Title: Authorized Signatory

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

Note Structure Private Placement

Lender Citi Community Capital

Development Budget

Acquisition Costs	\$5,560,000
Construction	\$50,599,079
Soft Costs	\$10,696,378
Financing Costs	\$7,315,469
Capitalized Reserves	\$882,999
Other Development Costs	\$7,349,804
Total Development Costs	\$82,403,729

Permanent Sources

Permanent Tax-Exempt Notes	\$39,980,000
Deferred Developer Fee	\$8,590,302
Tax Credit Equity at \$0.94 per credit x 10 years	\$33,833,427
Total Permanent Sources	\$82,403,729

Total Development Cost Limit

Project's Total Development Cost Limit	\$109,816,600
Total Development Cost (minus land and reserves)	\$75,220,730
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 Approval of Resolution No. 23-36

Anticipated Closing Date May 2023

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 23-37

A RESOLUTION of the Washington State Housing Finance Commission authorizing a plan of finance relating to the issuance of a tax-exempt nonrecourse revenue note in a principal amount of not to exceed \$72,500,000 to finance the acquisition, construction and equipping of a 260-unit mixed-use multifamily housing facility in Kirkland, Washington, to be owned by Polaris at Totem Lake, 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 MAY 22, 2023

PREPARED BY:

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

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Exhibit A	Loan Commitment	

RESOLUTION NO. 23-37

A RESOLUTION of the Washington State Housing Finance Commission authorizing a plan of finance relating to the issuance of a tax-exempt nonrecourse revenue note in a principal amount of not to exceed \$72,500,000 to finance the acquisition, construction and equipping of a 260-unit mixed-use multifamily housing facility in Kirkland, Washington, to be owned by Polaris at Totem Lake, 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.

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 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 and other evidences of indebtedness 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"), grants an exemption from federal income tax for interest paid on obligations where the proceeds thereof 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 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 \$72,500,000 to the Commission (the "Funding Loan") to provide funds for the acquisition, construction and equipping of a mixed-use multifamily residential rental facility with

260 housing units (the “Project”) located in Kirkland, Washington, to be owned by Polaris at Totem Lake, LLC, a Washington limited liability company (the “Borrower”); 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 Multifamily Revenue Note (Polaris at Totem Lake Apartments Project), Series 2023 (the “Note”) in the principal amount of not to exceed \$72,500,000; 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. 21-42A, the Commission held a public hearing as required by federal tax law, and the Governor has, or by the closing on the Note will have, approved the Project, the plan of finance 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 of eligible housing facilities under the Act 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 a plan of finance relating to the issuance and delivery of its Note to be designated “Multifamily Revenue Note (Polaris at Totem Lake Apartments Project), Series 2023” in a principal amount of not to

exceed \$72,500,000, 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 such documents, the documents contemplated therein, and any other necessary documents or certificates on its behalf, 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.

[Remainder of page intentionally left blank]

ADOPTED at a special meeting duly noticed and called this 22nd day of May, 2023.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Loan Commitment

May 18, 2023

The Commissioners
c/o Steve Walker, Executive Director
Washington State Housing Finance Commission
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

Re: Washington State Housing Finance Commission Multifamily Revenue Note (Polaris at Totem Lake Apartments Project), Series 2023

Dear Honorable Commissioners:

Citibank, N.A. ("Funding Lender") is pleased to offer to make a loan (the "Funding Loan") to the Washington State Housing Finance Commission (the "Commission") to be evidenced by the above-referenced Multifamily Revenue Note (the "Note") in a principal amount not to exceed \$64,400,000 with the understanding that the proceeds of the Funding Loan will be used by the Commission to purchase a loan being originated by Citibank, N.A. ("Mortgage Lender") to Polaris at Totem Lake, LLC, a Washington limited liability company ("Borrower") for purposes of financing the acquisition, construction and equipping of a multifamily rental housing development, located in the City of Kirkland, Washington, known or to be known as Polaris at Totem Lake, all pursuant to the provisions of the Funding Loan Agreement, dated as of June 1, 2023 (the "Funding Loan Agreement"), among the Funding Lender, the Commission and U.S. Bank Trust Company, National Association ("Fiscal Agent"), and a Borrower Loan Agreement, dated as of June 1, 2023 (the "Borrower Loan Agreement"), among the Commission, the Borrower, the Mortgage Lender and the Fiscal Agent.

The Note will be dated the date of closing, which is anticipated to be June 7, 2023. The Note is expected to mature on July 1, 2043. Principal on the Note will initially accrue interest at a variable rate equal to one-month Term SOFR (which shall have a floor of 0.50%) plus a spread of 2.00% until the Conversion Date, which can occur no later than January 1, 2028, and thereafter principal on the Note will accrue interest at a fixed rate to be locked just prior to closing not expected to exceed 12%. Interest only payments will be made from the closing date to the Conversion Date, and thereafter principal and interest are to be paid in monthly installments amortized over 40 years.

Our offer is subject to a legal opinion from Pacifica Law Group LLP of Seattle, Washington, acceptable to the Funding Lender, and to other conditions set forth in the Funding Loan Agreement, Borrower Loan Agreement, Construction Funding Agreement, and in the Borrower Loan application, all of which have been reviewed and approved by Borrower.

Very truly yours,

CITIBANK, N.A.

By: 

Name: Matt Knipprath

Title: Authorized Signatory

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 Avenue NE Kirkland, WA 98034	
Project Type	New Construction	
Units	Studio	6
	One Bedroom	72
	Two Bedroom	130
	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	
Lender	Citi Community Capital	
Development Budget		
Acquisition Costs		\$12,138,822
Construction		\$65,640,467
Soft Costs		\$14,276,970
Financing Costs		\$7,376,887

Capitalized Reserves	\$1,063,962
Other Development Costs	\$4,738,376
Total Development Costs	\$105,235,484

Permanent Sources

Permanent Tax-Exempt Bonds	\$50,420,000
ARCH	\$5,000,000
Deferred Developer Fee	\$10,188,719
Tax Credit Equity at \$0.92 per credit x 10 years	\$39,626,765
Total Permanent Sources	\$105,235,484

Total Development Cost Limit

Project's Total Development Cost Limit	\$104,406,600
Total Development Cost (minus land and reserves)	\$89,607,700
Waiver	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 Approval of Resolution No. 23-37

Anticipated Closing Date June 2023



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

Memorandum

To: Commissioners

From: Fenice Taylor

Date: May 12, 2023

Re: Selection of Mortgage Servicing Rights (MSR) Valuation Firm

CC: Steve Walker, Lisa DeBrock, Faith Pettis

BACKGROUND

We entered into a sole-source contract with Phoenix Analytics Services Inc. for Single Family Mortgage Servicing Rights Valuation service last July. In anticipation of the one-year anniversary of the contract, we issued a Request for Proposals (RFP) for the service at the end of February.

In response to the RFP, we received proposals from:

Incenter Mortgage Advisors (IMA)
Mortgage Industry Advisory Corporation
Phoenix Analytics Services, Inc.

We chose to interview with each of the three firms. Interviews were held on May 1 with the following participants:

Fenice Taylor, Senior Director of Finance
Lisa DeBrock, Director of Homeownership Division
Lucas Loranger, Senior Controller
Corinna Obar, Manager of Homeownership Division
Mike Awadis, Sr. Managing Director, Hilltop Securities Inc.

Each firm was well qualified. After the interviews, the panel reached a preliminary choice subject to the result of reference checks, which confirmed our decision. The panel unanimously recommends selecting IMA based upon the best overall value, commitment to quality service and benefit to the Commission.

RECOMMENDED ACTION:

Authorize the Executive Director to negotiate and execute a contract with IMA for a two-year period with up to two two-year extensions.

Upon your approval, we will negotiate and execute a contract with IMA for a two-year period with up to two 2-year extensions.

From: "Bambi Chavez , HDC" <bambi@housingconsortium.org>

Date: May 12, 2023 at 10:50:53 AM PDT

To: Steve Walker <steve.walker@wshfc.org>

Subject: BHI Network Policy Digest

Reply-To: bambi@housingconsortium.org

**Black Home
Initiative**
N E T W O R K

**WEEKLY
POLICY
DIGEST**



HOUSING
DEVELOPMENT
consortium

**Covenant Homeownership Account &
Program (CHAP) Act Becomes Law!**



With the swipe of a pen by Governor Jay Inslee the room filled with applause!

On Monday, May 8, 2023 the Covenant Homeownership Account & Program (CHAP) Act became law in Washington State. 100+ stakeholders and community members were on hand to witness this historic bill signing. CHAP will support homeownership for those affected by generations of systematic and discriminatory housing policies and practices by Washington State through down payment and closing costs assistance. The law will begin to help close the homeownership and wealth gaps and addresses the long-standing intergenerational impacts of our history of housing discrimination in our communities. Find out more in the [CHAP Brief](#).



Governor Jay Inslee received big laughs when he introduced himself by saying, "I'm a friend of Larry Gossett's". When the former King County Councilmember Larry Gossett walked into the room with the Governor he was met with jubilant greetings from everyone present. Mr. Gossett served 25+ years on the council and was the Council Chair from 2007-2013.



Smiling for the photos was not a big ask as people in the room expressed their palpable joy!

**"It is a great anti-racism day for the state of
Washington!"**

- Governor Jay Inslee-



Northwest African American Museum



Bill Sponsors & Champions

Signing the bill at [NAAM](#) made this moment even sweeter. The museum opened in 2008, the realization of a dream 25 years in the making. NAAM's mission is to spread knowledge, understanding, and enjoyment of the histories, arts, and cultures of people of African descent for the enrichment of all.

Senator John Lovick (Primary Sponsor of the Senate Bill), Representative Jamila Taylor (Primary Sponsor of the House Bill), and Representative Frank Chopp (#1 Bill Champion & House Bill Co-Sponsor) were jubilant as they witnessed their diligent work in the legislature come to fruition.

"We are going towards racial equity in our policy making! We are going towards racial justice in our policy making! We are going towards the things that are the most difficult in our communities to face! And we are not going to back down."

-Representative Jamila Taylor-



Video of the Signing

Watch the 20-minute video of the signing [HERE](#). Hear the impassioned words of LaNesha DeBardelaben (President & CEO of Northwest African American Museum), Representative Jamila Taylor, HDC Executive Director Patience Malaba, and Governor Jay Inslee. You will be smiling for days after this!



It's A Family Affair

Representative Taylor was joined by her father, Dr. Quintard Taylor, and her mother, Mrs. Carolyn Taylor, for a photo with Governor Inslee.

Dr. Taylor is the Scott and Dorothy Bullitt Professor Emeritus of American History at the University of Washington and founder of [BlackPast.org](https://www.blackpast.org). BlackPast is dedicated to providing reliable information on the history



A Moment of Celebration

Representative Taylor ensured that this historic bill signing would happen in the presence of community, at a location that was significant to the Black community. The bill signing occurred in Legacy Hall and afterward people took the time to celebrate together and really mark the importance of this moment. We look forward to announcing an opportunity for you and the larger

of Black people across the globe, and especially in North America.

community to join in a celebration of the bill during the Juneteenth holiday. More details to come.





Representatives Taylor & Chopp

These two leaders worked relentlessly to ensure this bill would pass. They were always in conversations with their colleagues to keep the bill top of mind and keep the support robust. As Representative Taylor said in her remarks, "We can stand in allyship. We can get good trouble done together!"



HDC Leadership

HDC Executive Director Patience Malaba remarked in her speech, "What the state is doing today is to choose to remedy the harm. Not just by big talk at the podium but by investments in our communities!". HDC is so proud to be a BHI Network partner joining with all of you to create change.

"400 years of systematic oppression against Black people and other marginalized people in this community cannot be undone in one piece of legislation. We have more work to do! We can move our communities forward together with your focus, energy, and tenacity!"

-Representative Jamila Taylor-



We would not be able to celebrate this achievement without all of the work put in by all of you. 40+ testifiers, 2,000+ people signing in "pro", over 3 hrs of testimony given. This bill is proof that BHI is a network that get can things done! This bill will further our goal to get 1,500 new first-time low-to-moderate income Black households into a home of their own in South Seattle, South King County, and North Pierce County in the next 5 years.

This bill has brought BHI to the forefront for legislators and community leaders. Through your advocacy we will build on this foundation and continue to create the change we want to see. Share our message of collaborative collective change. Get everyone you know involved. Reach out and let us know what is happening in your work and in your community. Continue to raise your voice.

But, most of all, celebrate. Take a moment and feel all those feelings. Have a joyful cry! As HDC Executive Director Patience Malaba said, "It has been a long walk to hope!"



Homeownership Policy Framework

A [list of the actions](#) being advocated for by the BHI Network.



Get Others Connected

Share the Sign Up Link

The BHI Network Policy Digest will arrive each Friday and policy action alerts will arrive as needed. Please be sure to share [the sign up link](#) with everyone you know who wants to be a part of the change we are creating together. Please contact [Bambi Chávez](#) with any questions or content suggestions.

From: NCSHA News <info@ncsha.org>

Sent: Thursday, May 11, 2023 12:35 PM

To: Steve Walker <steve.walker@wshfc.org>

Subject: Housing Credit Legislation Introduced Today with Wide Bipartisan Support

[Read Online](#)



[Housing Credit Legislation Introduced Today with Wide Bipartisan Support](#)

May 11, 2023

Today, Housing Credit champions in both chambers of Congress [reintroduced](#) the Affordable Housing Credit Improvement Act (AHCIA), comprehensive legislation that would expand and strengthen the Low-Income Housing Tax Credit (Housing Credit). The lead sponsors of the bill are Senators Maria Cantwell (D-WA), Todd Young (R-IN), Ron Wyden (D-OR), and Marsha Blackburn (R-TN) and House of Representatives members Darin LaHood (R-IL), Suzan DelBene (D-WA), Brad Wenstrup (R-OH), Don Beyer (D-VA), Claudia Tenney (R-NY), and Jimmy Panetta (D-CA).

In the House, the bill has more than 60 bipartisan original cosponsors. This is an unprecedented showing of support for the legislation at this early stage in the process. The Senate bill is being introduced with the four lead sponsors only, with a cosponsorship drive following introduction. NCSHA will publish soon a complete list of cosponsors.

According to estimates by Novogradac, the AHCIA would finance more than 1.94 million additional affordable rental homes, support approximately three million jobs, and generate \$115 billion in federal, state, and local tax revenue and nearly \$333 billion in wages and business income over the next decade.

The AHCIA is a top priority for NCSHA and its state HFA members, and HFAs already have been hard at work advocating with their members of Congress, as evidenced by the strong bipartisan showing of original cosponsors. We urge all Housing Credit stakeholders to get involved in the advocacy effort by joining the [ACTION Campaign](#), chaired by NCSHA and Enterprise Community Partners. Membership is free, and we need your help to move this bill over the finish line this year.

For more information about the bill and its impact, see the [ACTION Campaign Advocacy Toolkit](#), where you can find a [one-page bill summary](#) and a [detailed section-by-section bill summary](#), as well as [program fact sheets](#) for every state and congressional district and more.



www.ncsha.org

444 North Capitol Street NW, Suite 438
Washington, DC 20001

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WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

May 19, 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 April 30, 2023, 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

April 30, 2023

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(See Accountant's Compilation Report)

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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
April 30, 2023
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance	
			Amount	%
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 6,397,942	\$ 2,476,101	\$ 3,921,841	(1) 158%
Money Market Accounts	157,548,774	46,982,126	110,566,648	(1) 235%
Investment Securities	37,705,685	30,081,424	7,624,261	(1) 25%
Interest Receivable	857,994	153,577	704,417	(2) 459%
Fees Receivables	16,067,549	11,556,648	4,510,901	(3) 39%
Prepaid Expenses & Other Receivable	746,954	473,951	273,003	(4) 58%
Furniture and Fixtures (net of depreciation)	371,736	302,396	69,340	(5) 23%
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>227,139,044</u>	<u>94,303,244</u>	<u>132,835,800</u>	<u>141%</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>\$ 229,099,720</u>	<u>\$ 96,641,281</u>	<u>\$ 132,458,439</u>	<u>137%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 3,659,298	\$ 2,160,809	\$ 1,498,489	(7) 69%
Unearned Fee Income	161,957,519	32,531,029	129,426,490	(8) 398%
Accrued Payroll Payable	1,657,684	1,445,568	212,116	(9) 15%
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>172,825,731</u>	<u>44,320,824</u>	<u>128,504,907</u>	<u>290%</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	371,736	302,396	69,340	(5) 23%
Committed - Housing Washington *	496,505	473,047	23,458	5%
Unrestricted	47,838,636	49,161,665	(1,323,029)	-3%
<i>Total Net Position</i>	<u>48,706,877</u>	<u>49,937,108</u>	<u>(1,230,231)</u>	<u>-2%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 229,099,720</u>	<u>\$ 96,641,281</u>	<u>\$ 132,458,439</u>	<u>137%</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 0.40% as compared with 4.93% in the current year.
- (3) The increase in fees receivables is primarily due to an increase in receivables related to grants, 2nd half tax credit fees for Commission issued 4% bonds, and semi-annual Commission fees, while offset by a decrease in Down Payment Assistance loans in the Homeownership program.
- (4) The increase in prepaids and other receivables balance is primarily due to receivables related to principal and interest advanced on GNMA securities serviced by IHFA.
- (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 increase in accounts payable and other liabilities is primarily due to the recording of payables related to the interest earned on HAF program funds, offset by lower accruals associated with the Idaho Master Servicing Agreement and a decrease of accruals for the quarterly transfer of Daily Price Program income to the Commission Fund.
- (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 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: April 30, 2023
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 1,934,279	\$ 25,637,914	\$ 42,047,402	\$ (16,409,488)	(1) -39%
Interest Earned & Realized Gain	959,661	7,682,209	840,414	6,841,795	(2) 814%
Other	9,839	198,909	302,625	(103,716)	(3) -34%
Total Unadjusted Revenues	2,903,779	33,519,032	43,190,442	(9,671,410)	-22%
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	869,354	8,561,800	7,716,278	845,522	(4) 11%
Travel & Conferences	6,517	170,033	53,061	116,972	(5) 220%
Professional Fees	250,982	1,514,178	1,241,037	273,141	(6) 22%
Office Expense	203,663	2,127,578	1,838,911	288,667	(7) 16%
Total Expenses	1,330,516	12,373,589	10,849,288	1,524,301	14%
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	236,511	872,374	(2,591,642)	3,464,016	-134%
Grant Revenue	3,307,141	27,850,701	5,540,596	22,310,105	403%
<i>Expenses:</i>					
Grant Pass-Through	3,307,141	27,850,701	5,540,596	22,310,105	403%
Total Adjustments	236,511	872,374	(2,591,642)	3,464,016	-134%
Excess of Revenues over Expenses	1,809,774	22,017,817	29,749,512	(7,731,695)	-26%
Less transfer to Commission Fund *	26,047	(92,187)	(4,333,916)	4,241,729	-98%
Excess of Revenues over Expenses (Net of Transfers)	1,835,821	21,925,630	25,415,596	(3,489,966)	-14%
Net Position					
Total net position, beginning of period	46,871,056	26,781,247	24,521,512	2,259,735	9%
Current Increase (Decrease) - to Net position	1,835,821	21,925,630	25,415,596	(3,489,966)	-14%
Total net position, end of year	\$ 48,706,877	\$ 48,706,877	\$ 49,937,108	\$ (1,230,231)	-2%

- (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 0.40% in the prior period to a rate of 4.93% in the current period.
- (3) The decrease in other income is primarily due to the previous year's recognition of administration fee revenue from the Foreclosure Fairness Program grant.
- (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 expenses is primarily due to greater out-of-state travel expenses in the current year compared to the prior year.
- (6) Professional fees increase is primarily due to greater property inspection fees in the Asset Management & Compliance Division, plus higher legal fees, including fees related to the Nooksack matter.
- (7) The increase in office expenses is primarily due to higher database design, research, and support fees for projects related to the Commission's intranet, Homeownership Division's website, and Multifamily Housing Division'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: April 30, 2023
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to	
	%	Amount	Actual	Actual	Budget	Amount	%
<i>Revenues:</i>							
Program Fees	11.5%	\$ 1,836,946	\$ 15,972,611	\$ 17,809,557	\$ 17,254,983	\$ 554,574	3.2%
Issuance, Application, and Servicing Fees	-70.0%	(18,246,434)	26,074,791	7,828,357	10,390,010	(2,561,653)	-24.7%
Interest Earned & Realized Gain	814.1%	6,841,795	840,414	7,682,209	1,030,048	6,652,161	645.8%
Other Income	-34.3%	(103,716)	302,625	198,909	560,667	(361,758)	-64.5%
Total Unadjusted Revenues	-22.4%	(9,671,409)	43,190,442	33,519,031	29,235,708	4,283,324	14.7%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	9.7%	577,746	5,955,889	6,533,635	7,615,688	(1,082,053)	-14.2%
Employee Benefits - Staff	15.2%	267,777	1,760,389	2,028,166	2,295,974	(267,808)	-11.7%
Conference, Education & Training	36.2%	13,336	36,882	50,218	89,457	(39,239)	-43.9%
Travel out of state - Staff	615.6%	82,661	13,427	96,088	179,083	(82,995)	-46.3%
Travel in state - Staff	762.5%	20,976	2,751	23,727	89,279	(65,552)	-73.4%
Accounting Fees	12.0%	14,026	116,699	130,725	119,833	10,892	9.1%
Legal Fees	16.3%	67,711	415,381	483,092	525,833	(42,741)	-8.1%
Financial Advisor Fees	2.6%	6,500	250,000	256,500	294,833	(38,333)	-13.0%
Investment Management Fees	8.1%	11,112	136,911	148,023	166,667	(18,644)	-11.2%
Office Rent/Conf. Room Rentals	-16.6%	(127,598)	769,372	641,774	785,153	(143,379)	-18.3%
Furniture & Equipment Rental	43.3%	6,502	15,010	21,512	18,516	2,996	16.2%
Advertising	24620.6%	46,533	189	46,722	357,837	(311,115)	-86.9%
Publications/ Subscriptions/ Dues	15.2%	10,300	67,717	78,017	89,099	(11,082)	-12.4%
Deliveries	-30.6%	(653)	2,135	1,482	4,808	(3,326)	-69.2%
Insurance	6.8%	3,096	45,426	48,522	50,833	(2,311)	-4.5%
Meeting Expense	5760.1%	40,839	709	41,548	95,417	(53,869)	-56.5%
Equipment & Building Maintenance	-77.7%	(30,599)	39,383	8,784	77,361	(68,577)	-88.6%
Software Maint. Support & Other Info Svcs	32.6%	232,859	713,436	946,295	1,002,055	(55,760)	-5.6%
Non-capitalized Equipment/Supplies	268.7%	91,671	34,119	125,790	95,031	30,759	32.4%
Postage	-65.7%	(2,396)	3,646	1,250	6,225	(4,975)	-79.9%
Printing	-65.2%	(2,670)	4,092	1,422	16,222	(14,800)	-91.2%
State Services	-41.6%	(1,087)	2,613	1,526	12,475	(10,949)	-87.8%
Supplies	67.7%	9,630	14,216	23,846	28,833	(4,987)	-17.3%
Telephone	-14.9%	(7,313)	49,115	41,802	66,397	(24,595)	-37.0%
Contract Services	54.0%	173,793	322,047	495,840	985,417	(489,577)	-49.7%
Depreciation	25.2%	19,554	77,734	97,288	118,738	(21,450)	-18.1%
Total Expenses	14.0%	1,524,306	10,849,291	12,373,594	15,187,064	(2,813,470)	-18.5%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	-133.7%	3,464,016	(2,591,642)	872,374	-	872,374	NA
Grant Revenue	402.7%	22,310,105	5,540,596	27,850,701	40,862,103	(13,011,402)	-31.8%
<i>Expenses:</i>							
Grant Pass-Through	402.7%	22,310,105	5,540,596	27,850,701	40,862,103	(13,011,402)	-31.8%
	-133.7%	3,464,016	(2,591,642)	872,374	-	872,374	NA
Excess of Revenues over Expenses- adjusted	-26.0%	(7,731,699)	29,749,509	22,017,811	14,048,644	7,969,168	56.7%
Less transfer to Commission Fund	-97.9%	4,241,729	(4,333,916)	(92,187)	-	(92,187)	NA
Excess of Revenues over Expenses (Net of Transfers)	-13.7%	\$ (3,489,969)	\$ 25,415,593	\$ 21,925,624	\$ 14,048,644	\$ 7,876,981	56.1%



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

April 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 March 31, 2023, 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

March 31, 2023

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(See Accountant's Compilation Report)

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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
March 31, 2023
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance	
			Amount	%
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 10,883,307	\$ 3,874,102	\$ 7,009,205	(1) 181%
Money Market Accounts	156,061,030	44,432,149	111,628,881	(1) 251%
Investment Securities	36,305,495	30,266,091	6,039,404	(1) 20%
Interest Receivable	788,918	132,255	656,663	(2) 497%
Fees Receivables	15,912,065	13,760,589	2,151,476	(3) 16%
Prepaid Expenses & Other Receivable	608,931	473,168	135,763	(4) 29%
Furniture and Fixtures (net of depreciation)	383,356	281,693	101,663	(5) 36%
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
Total Assets	228,385,512	95,497,068	132,888,444	139%
Deferred Outflow of Resources (Pension & OPEB Contributions) *	1,960,676	2,338,037	(377,361)	-16%
Total Assets and Deferred Outflows	\$ 230,346,188	\$ 97,835,105	\$ 132,511,083	135%
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 2,707,658	\$ 3,743,147	\$ (1,035,489)	(7) -28%
Unearned Fee Income	165,995,098	34,142,214	131,852,884	(8) 386%
Accrued Payroll Payable	1,654,034	1,467,537	186,497	(9) 13%
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%
Total Liabilities	175,908,020	47,536,316	128,371,704	270%
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	383,357	281,693	101,664	(5) 36%
Committed - Housing Washington *	496,505	473,047	23,458	5%
Unrestricted	45,991,194	47,160,700	(1,169,506)	-2%
Total Net Position	46,871,056	47,915,440	(1,044,384)	-2%
Total Liabilities, Deferred Inflows and Net Position	\$ 230,346,188	\$ 97,835,105	\$ 132,511,083	135%

- (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 0.23% as compared with 4.76% in the current year.
- (3) The increase in fees receivable is primarily due to an increase in receivables (and unearned fee income) related to the Commission issued 4% bond 2nd half tax credit fees, as well as grants and Commission fees, while offset slightly by a decrease in Down Payment Assistance loans in the Homeownership program.
- (4) The increase in prepaids and other receivables balance is primarily due to receivables related to principal and interest advanced on GNMA securities serviced by IHFA.
- (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 lower accruals associated with the Idaho Master Servicing Agreement, a decrease of accruals associated with the quarterly transfer of Daily Price Program income to the Commission Fund, while 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 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: March 31, 2023
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 2,677,742	\$ 23,703,635	\$ 38,504,937	\$ (14,801,302)	(1) -38%
Interest Earned & Realized Gain	884,753	6,722,548	691,915	6,030,633	(2) 872%
Other	12,981	189,070	288,366	(99,296)	(3) -34%
Total Unadjusted Revenues	3,575,476	30,615,253	39,485,219	(8,869,966)	-22%
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	865,834	7,692,447	6,951,412	741,035	(4) 11%
Travel & Conferences	20,561	163,515	51,718	111,797	(5) 216%
Professional Fees	130,687	1,263,196	1,116,267	146,929	(6) 13%
Office Expense	195,661	1,923,915	1,655,335	268,580	(7) 16%
Total Expenses	1,212,743	11,043,073	9,774,733	1,268,340	13%
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	1,201,297	635,863	(2,182,259)	2,818,122	-129%
Grant Revenue	4,058,970	24,543,560	5,192,645	19,350,915	373%
<i>Expenses:</i>					
Grant Pass-Through	4,058,970	24,543,560	5,192,645	19,350,915	373%
Total Adjustments	1,201,297	635,863	(2,182,259)	2,818,122	-129%
Excess of Revenues over Expenses	3,564,030	20,208,043	27,528,227	(7,320,184)	-27%
Less transfer to Commission Fund *	(2,638)	(118,234)	(4,134,299)	4,016,065	-97%
Excess of Revenues over Expenses (Net of Transfers)	3,561,392	20,089,809	23,393,928	(3,304,119)	-14%
Net Position					
Total net position, beginning of period	43,309,664	26,781,247	24,521,512	2,259,735	9%
Current Increase (Decrease) - to Net position	3,561,392	20,089,809	23,393,928	(3,304,119)	-14%
Total net position, end of year	\$ 46,871,056	\$ 46,871,056	\$ 47,915,440	\$ (1,044,384)	-2%

- (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 0.23% in the prior period to a rate of 4.76% in the current period.
- (3) The decrease in other income is primarily due to the previous year's recognition of administration fee revenue from the Foreclosure Fairness Program grant.
- (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 expenses is primarily due to greater out-of-state travel expenses in the current year compared to the prior year.
- (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 Commission's intranet, Homeownership Division's website, and Multifamily Housing Division'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: March 31, 2023
(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	9.2%	\$ 1,341,666	\$ 14,638,693	\$ 15,980,359	\$ 15,529,485	\$ 450,874	2.9%
Issuance, Application, and Servicing Fees	-67.6%	(16,142,968)	23,866,244	7,723,276	9,351,009	(1,627,733)	-17.4%
Interest Earned & Realized Gain	871.6%	6,030,633	691,915	6,722,548	927,043	5,795,505	625.2%
Other Income	-34.4%	(99,296)	288,366	189,070	504,600	(315,530)	-62.5%
Total Unadjusted Revenues	-22.5%	(8,869,965)	39,485,219	30,615,252	26,312,137	4,303,116	16.4%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	9.5%	508,366	5,363,830	5,872,196	6,854,119	(981,923)	-14.3%
Employee Benefits - Staff	14.7%	232,669	1,587,582	1,820,251	2,066,376	(246,125)	-11.9%
Conference, Education & Training	33.7%	12,498	37,085	49,583	80,511	(30,928)	-38.4%
Travel out of state - Staff	658.1%	78,888	11,988	90,876	161,175	(70,299)	-43.6%
Travel in state - Staff	771.7%	20,412	2,645	23,057	80,351	(57,294)	-71.3%
Accounting Fees	12.0%	14,026	116,699	130,725	117,750	12,975	11.0%
Legal Fees	20.3%	71,099	350,579	421,678	473,250	(51,572)	-10.9%
Financial Advisor Fees	3.3%	7,500	225,000	232,500	265,350	(32,850)	-12.4%
Investment Management Fees	8.5%	10,513	123,154	133,667	150,000	(16,333)	-10.9%
Office Rent/Conf. Room Rentals	-13.8%	(95,292)	692,546	597,254	706,637	(109,383)	-15.5%
Furniture & Equipment Rental	41.6%	5,870	14,103	19,973	16,664	3,309	19.9%
Advertising	-422233.3%	38,001	(9)	37,992	322,053	(284,061)	-88.2%
Publications/ Subscriptions/ Dues	14.1%	8,529	60,335	68,864	80,189	(11,325)	-14.1%
Deliveries	-30.6%	(653)	2,135	1,482	4,327	(2,845)	-65.7%
Insurance	6.8%	2,787	40,964	43,751	45,750	(1,999)	-4.4%
Meeting Expense	1433.5%	6,121	427	6,548	85,875	(79,327)	-92.4%
Equipment & Building Maintenance	-74.2%	(25,284)	34,068	8,784	69,625	(60,841)	-87.4%
Software Maint. Support & Other Info Svcs	34.4%	222,687	647,588	870,275	901,849	(31,574)	-3.5%
Non-capitalized Equipment/Supplies	361.0%	96,589	26,753	123,342	85,528	37,814	44.2%
Postage	-65.6%	(2,331)	3,556	1,225	5,603	(4,378)	-78.1%
Printing	-62.7%	(2,394)	3,816	1,422	14,600	(13,178)	-90.3%
State Services	-51.2%	(1,316)	2,571	1,255	11,228	(9,973)	-88.8%
Supplies	81.1%	10,678	13,168	23,846	25,950	(2,104)	-8.1%
Telephone	-30.3%	(13,981)	46,135	32,154	59,757	(27,603)	-46.2%
Contract Services	14.6%	43,792	300,835	344,627	886,875	(542,248)	-61.1%
Depreciation	27.6%	18,568	67,181	85,749	106,864	(21,115)	-19.8%
Total Expenses	13.0%	1,268,342	9,774,737	11,043,076	13,678,256	(2,635,180)	-19.3%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	-129.1%	2,818,122	(2,182,259)	635,863	-	635,863	NA
Grant Revenue	372.7%	19,350,915	5,192,645	24,543,560	36,775,892	(12,232,332)	-33.3%
<i>Expenses:</i>							
Grant Pass-Through	372.7%	19,350,915	5,192,645	24,543,560	36,775,892	(12,232,332)	-33.3%
	-129.1%	2,818,122	(2,182,259)	635,863	-	635,863	NA
Excess of Revenues over Expenses- adjusted	-26.6%	(7,320,185)	27,528,223	20,208,039	12,633,881	7,574,159	60.0%
Less transfer to Commission Fund	-97.1%	4,016,065	(4,134,299)	(118,234)	-	(118,234)	NA
Excess of Revenues over Expenses (Net of Transfers)	-14.1%	\$ (3,304,119)	\$ 23,393,924	\$ 20,089,805	\$ 12,633,881	\$ 7,455,925	59.0%

Washington State Housing Finance Commission

PRI Program Summary

As of March 31, 2023

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	\$ 34,724,703	\$ 24,081,578	\$ 11,550,054	\$ 906,929
Home Advantage & Home Advantage Rebound Loans	DPA Loans created through Daily Pricing Program	Single-family	427,445,977	275,624,845	163,529,582	11,708,450
HouseKey Plus - Commission with partner investments	First-time homebuyer downpayment assistance program with partner investments and restrictions	Single-family	20,483,440	14,381,228	\$ 6,218,648	\$ 116,436
Home Choice	Downpayment assistance program for first-time homebuyers with disabilities	Single-family	11,271,490	6,972,611	\$ 4,568,039	\$ 269,160
Social Justice DPA	Downpayment assistance program in conjunction with Homesight for homebuyers of underserved communities and communities of color	Single-family	2,991,005	350,000	\$ 2,651,400	\$ 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	20,415,475	13,350,199	\$ 7,093,296	\$ 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	Investment to assist in land acquisition, infrastructure, and construction financing for Community Land Trusts	Single-family	7,011,186	1,254,961	\$ 5,756,225	\$ -
Investment in Impact Capital	Investment in Impact Capital fund for predevelopment loans	Housing	5,261,739	5,250,000	\$ 24,864	\$ 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	10,759,975	2,221,710	\$ 8,538,405	\$ 140
Sustainable Energy Programs	Projects for Energy Sustainability	Energy	24,741,840	5,932,753	\$ 18,565,865	\$ 56,778
Land Acquisition Program	Assist non profit developers in acquisition of land	Housing	107,622,494	95,355,390	\$ 12,351,136	\$ 84,032
Rapid Response Program	Assist developers in acquisition of land, inception from Legislative Action	Housing	10,340,362	9,644,062	\$ 696,300	\$ -
Non profit Equity Fund & Washington Works	Assist Nonprofits in housing development (created per legislative action)	Nonprofit	10,000,253	10,000,000	\$ 253	\$ -
Manufactured Housing	To encourage and enable preservation of affordable housing stock through ownership of manufactured housing	Multi Family	27,188,159	20,230,736	\$ 7,142,456	\$ 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	12,050,090	4,928,408	\$ 7,134,149	\$ 12,467
Racial and Social Equity Programs Reserve		TBD	4,000,000	-	\$ 4,000,000	\$ -
Undesignated Funds			1,555,280	-	1,555,280	-
Totals			\$ 799,711,169	\$ 573,251,413	\$ 239,574,293	\$ 13,414,536

(1) Program assets include partner investment of \$15,266,993

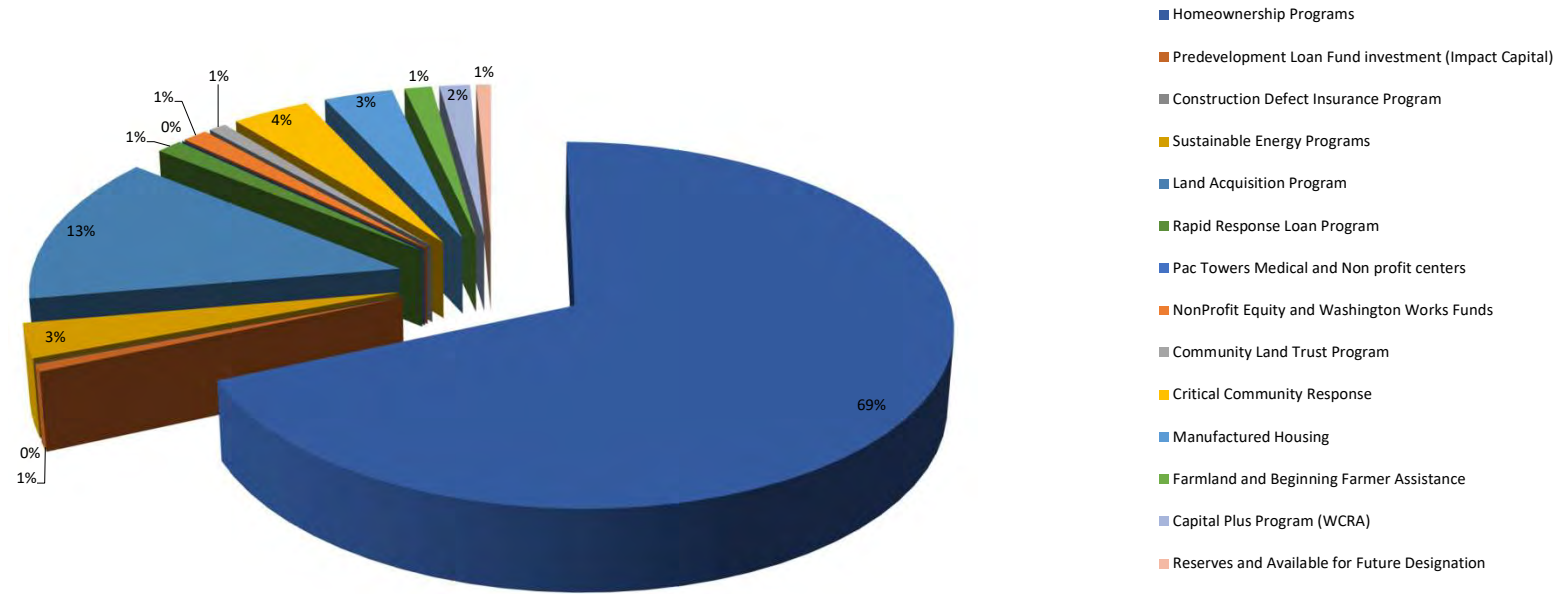
(2) Program Assets are due solely to state investment to date of \$19,503,147

(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

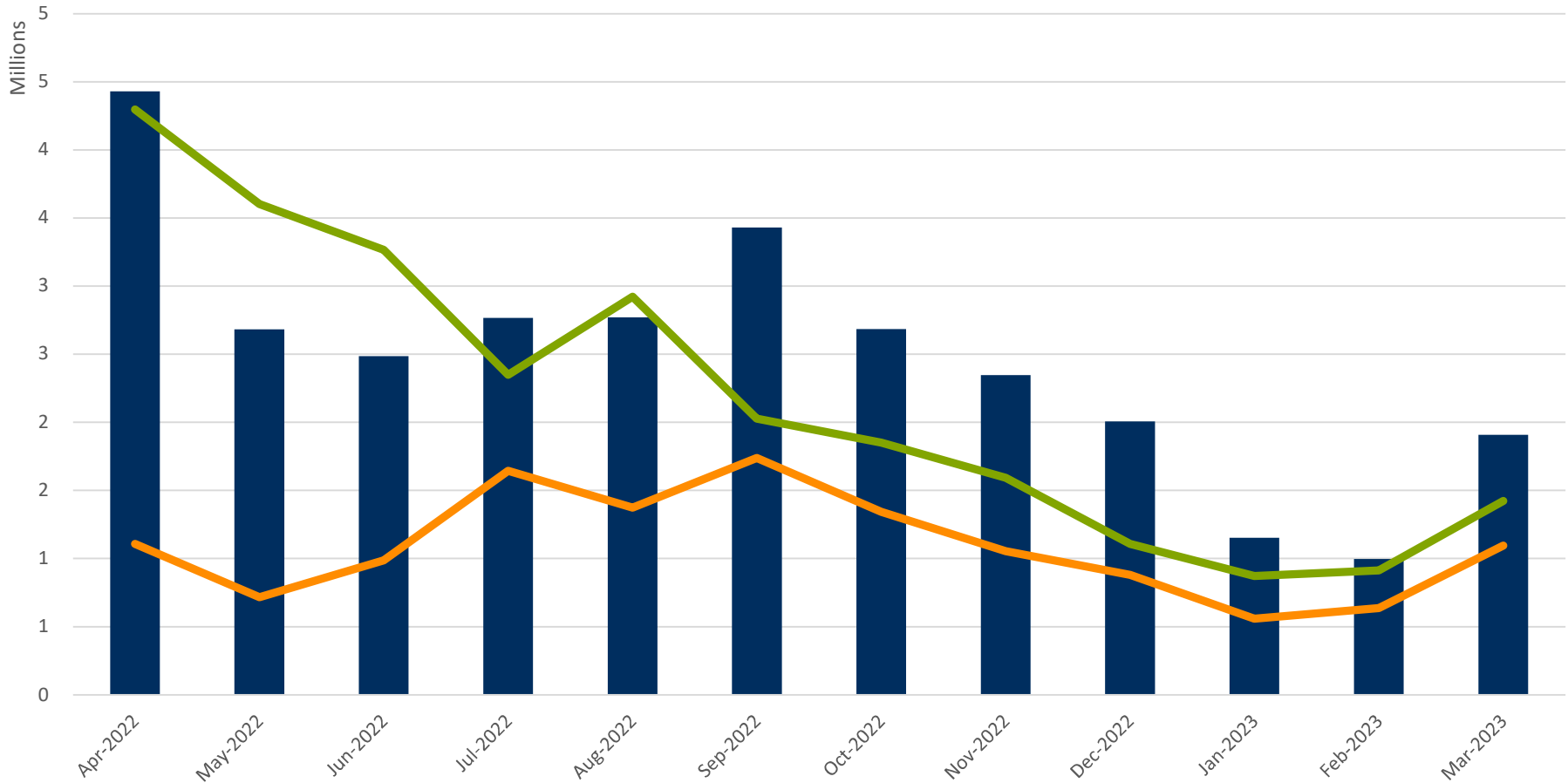
(5) Program Assets include Microsoft funding of \$48,001,900

PRI Program Assets at March 31, 2023 By Program



Total Program Assets, including Partner Investment \$799,711,167

HomeAdvantage DPA Repayments Comparison to PRI Subsidy



Total Subsidy to Date \$99,647,011

■ HomeAdvantage DPA Purchases — Home Advantage Principal Repayments — PRI Revenue Subsidy

Department of Commerce Updates for the Housing Finance Commission Meeting

Housing Division

Legislative Updates

Contact: Devin Proctor, Devin.Proctor@commerce.wa.gov

- Gov. Inslee signed the final budgets on May 16.
- Housing Division is planning to deploy approx. \$1.2Billion in operating and \$580Million in capital funds.
- Preparing for July 26 Senate Housing Committee Work Session in Vancouver, WA.

Multifamily Housing Unit

Contact: Nathan Lichti, Nathan.Lichti@commerce.wa.gov

- 2021-23 biennial investments were finalized in April and advanced 18 projects and finalized funding for multiple tax credit projects. These awards were financed by Apple Health and Homes Capital, Federal, and funds that remained following multiple Rapid Capital Housing Acquisition rounds.
- 2023-25 capital appropriation includes over \$400M in competitive affordable housing funds. \$288M will be available for competitive multifamily funding this summer. A funding overview will be published before the Policy Advisory Team Meeting on June 6.
- 2023-25 biennial capital budget also includes \$40M in funding for the Land Acquisition Program, which Commerce will transfer to the Housing Finance Commission.
- The Legislature did not fully fund the agency's request for Portfolio Preservation or Continuing Affordability, so an emphasis will be placed on reviewing this need in preparation for a 2024 Supplemental Legislative Session.

Homeownership Unit

Contact: Ann Campbell, Ann.Campbell@commerce.wa.gov

- Drafting the Inter-Agency Agreements needed to pass through the investments for the Covenant Homeownership program to the Commission.
- We are engaging with Habitat for Humanity of Pierce County/Tacoma and the Pierce County Housing Authority (PCHA) to invest Habitat's \$14M direct appropriation in acquiring, rehabilitating, and selling PCHA properties to income-qualified households (first option to the households living in the homes).
- Continuing increases in referrals to the foreclosure fairness program - seeing pre-pandemic level workloads, with more anticipated.

Homelessness Assistance Unit

Contact: Kathy Kinard, Kathy.Kinard@commerce.wa.gov

- Working with counties to get budgets for the new biennial homeless services funding, including new inflationary costs dollars and new local document recording fee backfill.
- Preparing to publish the Point-in-Time Count results

Housing Policy Unit – Right Of Way Initiative

Contact: Tedd Kelleher, Tedd.Kelleher@commerce.wa.gov

- The final capital acquisition in King County is anticipated to close in late June.
- 688 individuals have been housed from 23 sites, with 623 still housed.

From: Coggins, Sarah (COM) <sarah.coggins@commerce.wa.gov>
Sent: Tuesday, May 16, 2023 3:14 PM
To: Tera Ahlborn <Tera.Ahlborn@wshfc.org>
Subject: RE: Michael Fong



Mike Fong (he/him) has more than two decades of experience in the public sector at the city, county and national level, leading people and managing complex policy priorities. Prior to being [appointed Commerce Director by Gov. Jay Inslee](#), he served as Pacific Northwest regional administrator for the U.S. Small Business Administration. Fong's past leadership roles include serving as senior deputy mayor of Seattle where he led policy development to provide funding for two years of free community college for public high school graduates. Fong is committed to supporting Commerce's mission of strengthening communities and growing economic opportunity in every corner of the state. He has been honored with the International Examiner's Community Voice award for excellence in civic leadership, and continues to do volunteer work in his community. Fong serves on the Board of the WA State Ballpark Public Facilities District overseeing T-Mobile Park (home of the Seattle Mariners) and spent several years coaching youth basketball for the Seattle Chinese Athletic Association. A native of Spokane, he received his Bachelor of Arts in political science from the University of Washington. He speaks Cantonese fluently.

Events Calendar

Date	5/22/2023	Length of Event	8:00 AM - 5:00 PM
Event	Board Meeting/Planning Session (Hybrid)	Audience	General Public
Address	Zoom/Mt. WA Conf. Center (Union, WA)	Division	Administration
City	Union, 98592	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	5/23/2023	Length of Event	8:00 AM - 12:00 PM
Event	Board Meeting/Planning Session (Hybrid)	Audience	General Public
Address	Zoom/Mt. WA Conf. Center (Union, WA)	Division	Administration
City	Union, 98592	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



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**



WSHFC 2023 Budget & Planning Session

May 22-23, 2023



Day 1 Agenda

Following the May business meeting

9:40

Call to Order

9:50

Multi-Family Housing Division Report

- Market Update & Discussion: *Lisa Vatske & Mike Hemmens, Citi Community Capital*
- Successes & Meeting Challenges in PY 2024

10:30

Break

10:40

Homeownership Division Report

- Market Update & Discussion: *Lisa DeBrock, Mike Awadis, Hilltop Securities & Mina Choo, RBC Capital Markets*
- Successes & Meeting Challenges in FY 2024



Day 1 Agenda (cont'd)

- 11:40** Overview of Proposed Budget
Fenice Taylor & Lucas Loranger
- 12:15** Lunch Break
- 1:30** Division Reports: Successes & Meeting Challenges
in FY 2024
- Asset Management & Compliance: *Wubet Biratu*
 - Finance: *Fenice Taylor*
 - Administration/IT: *Bob Peterson*
- 2:10** State Legislative Update & Impact on Commission
Steve Walker



Day 1 Agenda (cont'd)

- 2:20** | Performance Measures (Financial and Organizational) and Signature Authorities
Steve Walker & Fenice Taylor
- 2:30** | Break
- 3:00** | Executive Session – ED Performance Evaluation



Day 2 Agenda

9:00

Call To Order/Housekeeping

9:05

Communications Activities Update & 40th
Anniversary

Margret Graham

9:20

Racial Equity Strategic Plan – Goals, Activities,
Timeline

Bob Peterson/Margret Graham/Steve Walker

9:50

Rent Stabilization Policy – laying the
groundwork for the process & discussion ahead

Wubet Biratu/Lisa Vatske/Jackie Moynahan



Day 2 Agenda (cont'd)

10:20

HAF One year in, the road ahead
Lisa DeBrock/Rich Zwicker/Emily Northrup

10:40

Update on Hybrid Work, Technology, and Future
Office Space
Bob Peterson

11:00

Chair: Discussion FY 2024 Budget, External
Challenges and Direction of Staff

Adjourn



Successes & Challenges: Multifamily Housing & Community Facilities

Lisa Vatske
MHCF Director

Mike Hemmens
Citi Community Capital

Four Ps:



People



Programs



Policies



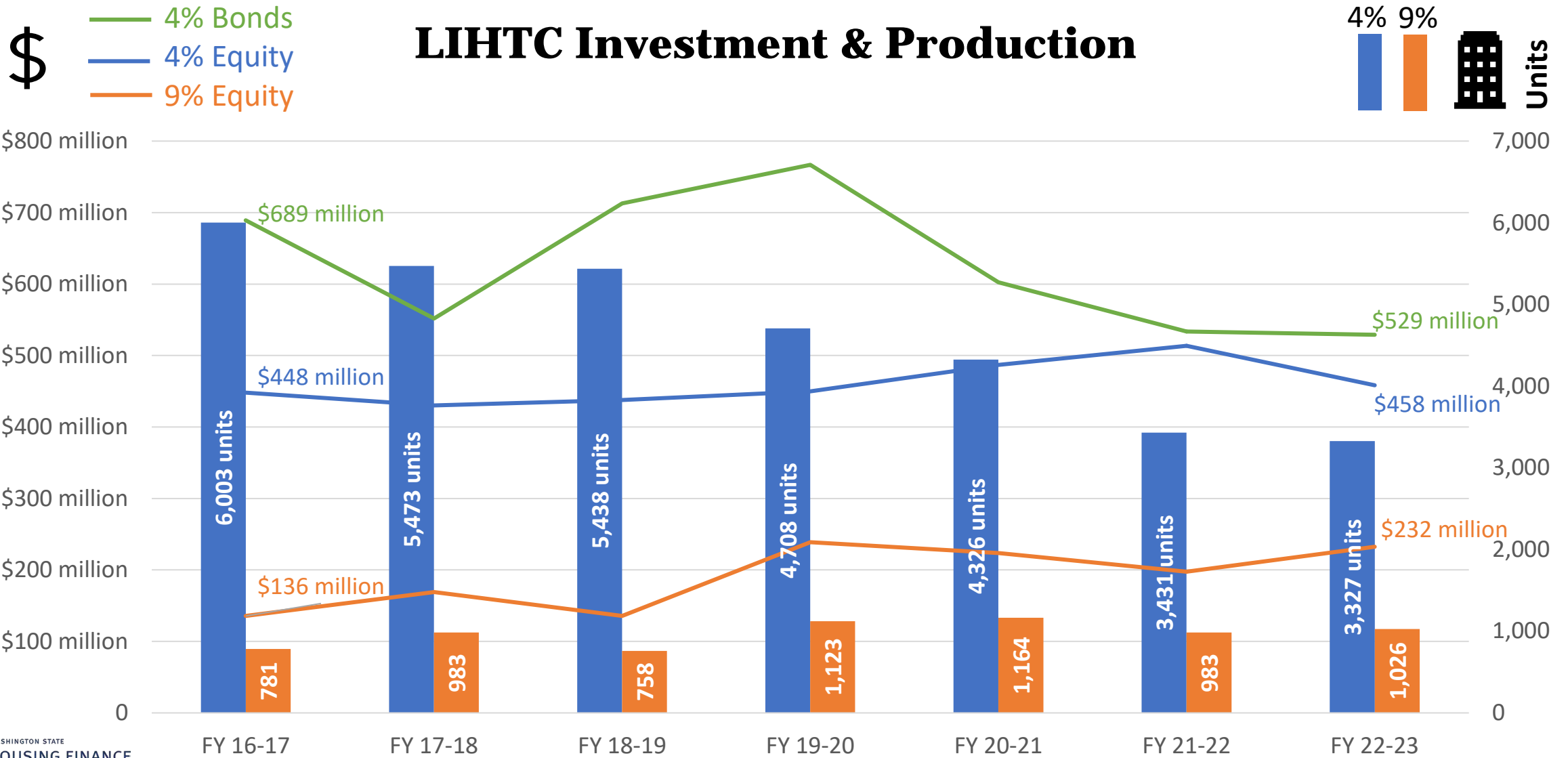
Partnerships

People

New Additions



Programs

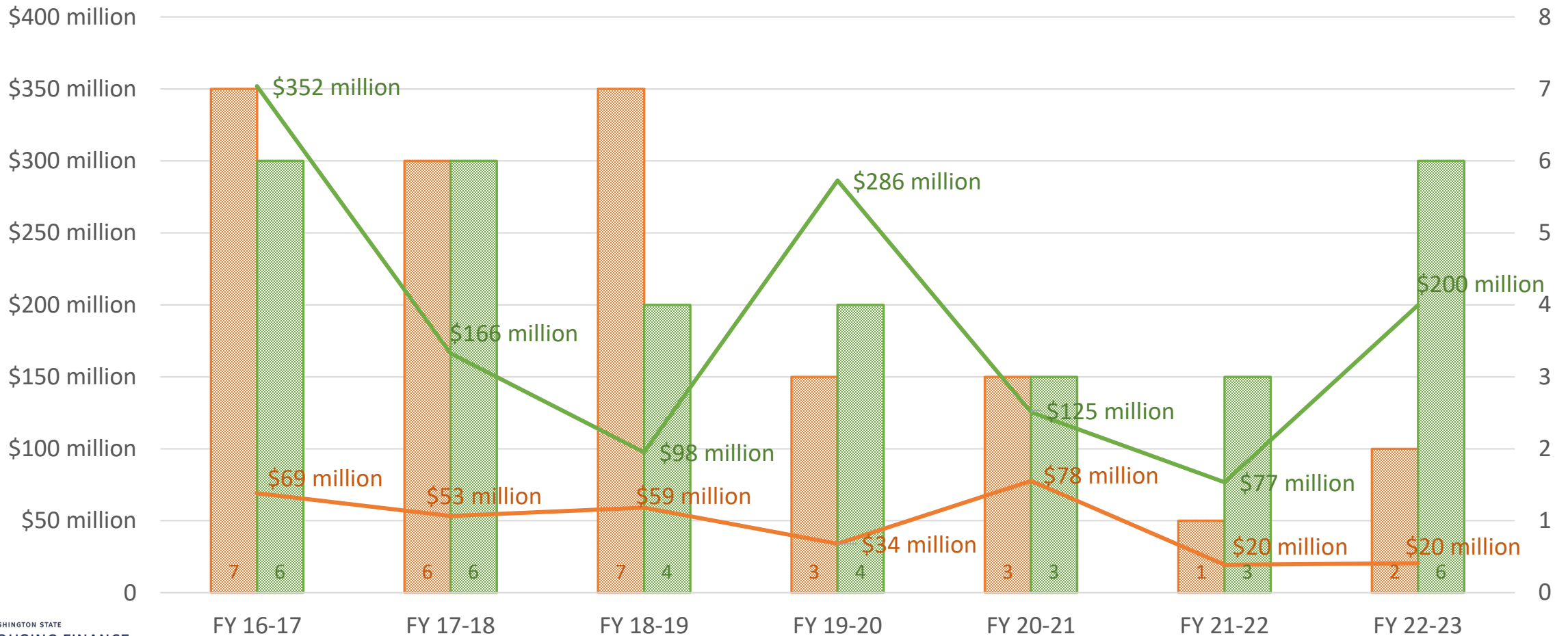


Programs

\$ Housing
Facilities

Nonprofit Bonds

Housing Facilities
Bond Financings



Programs-Program Related Investments

Land Acquisition Program (LAP)

- Invested \$30 m, 16 projects, 1400 units in past 3 years
- Expanded LAP- Invested \$48 m, 3 projects 860 units in past 2 years- administering Microsoft \$ in East King County
- NEW LAP-\$50 m from Microsoft, \$40 m from state capital budget, \$5 m from PRI

Programs-Program Related Investments

- Sustainable Energy Trust (SET)- Lots of energy on energy
- Community Land Trust Fund-\$1,685,000, 2 projects, 33 units
- Manufactured Housing Communities-\$5 m of requests, 2 communities refinancing, 2 struggling, new legislation
- Farm PAI- 287 acres, \$4,875,000 in loans, \$4 m in new funds in state budget



Policies



Dedicated staff person for policy development



Alternative financing structures



Refine Bond/Tax Credit policies



9% LIHTC Reset in progress



PRI strategic framework



Partnerships

Housing Trust Fund/Clean Energy Fund

Hospitals/Farmland Trusts/Sound Transit

Microsoft/Amazon/Seattle Foundation

Community Based Organizations





WASHINGTON STATE
HOUSING FINANCE
COMMISSION



BUDGET SESSION 2023

Successes & Challenges: Homeownership Division

Lisa DeBrock
Homeownership Director

Mike Awadis
Hilltop Securities

Mina Choo
RBC Capital Markets



Homeownership Challenges

BUDGET SESSION 2023



- Production – Market/Rising Rates/Lack of Liquidity/Limited Inventory
- HUD DPA Policies

Homeownership Successes

BUDGET SESSION 2023



- HAF Program
- Seller Servicer
- Our Partners/Outreach Initiatives
- Removal of Program Overlays
- Taxable Bonds
- Return of Conventional Pricing & Product
- Homebuyer Education Instructor Portal
- Near Completion of Homeownership Website
- Covenant Homeownership Program





- Covenant Homeownership
- Seller Servicer - Implement Plan
- Homeownership Assistance Fund
- Impact of Systemic Racism on Programs
- Marketing/Outreach
- Nimble Policies and Programs

TO: Commissioners
FROM: Lisa DeBrock, Homeownership Director
DATE: May 22, 2023
RE: Program Overlays

In order to purchase a home using the Commission's home loan programs, a homebuyer must qualify for a loan through a participating lender. That loan is purchased by a master loan servicer. The homebuyer qualifies for an FHA, VA, USDA, or conventional Fannie Mae/Freddie Mac loan using the master loan servicer's standard underwriting guidelines. Over the years, various master loan servicers implemented program overlays further restricting the regular underwriting guidelines of the lenders.

1983 – December 31, 2011

Any loan approved by the lender and eligible for pooling was purchased by the loan servicer with no program restrictions.

January 1, 2012

ServiSolutions (Alabama) hired as master loan servicer.

Program Overlays - 45% debt to income ratio, minimum 620 credit score.

September 19, 2016

Lakeview Loan Servicing hired as master loan servicer.

Program Overlays – 50% debt to income ratio, minimum 620 credit score, manufactured home restrictions, manual underwriting restrictions

December 1, 2022

Idaho Housing and Finance Association added as additional master loan servicer.

Currently with no program overlays.

January 2023

Contract negotiations completed with Lakeview Loan Servicing and Idaho Housing and Finance Association to provide the Commission with flexibility to switch individual loans between loan servicers.

March 2023

Held conversations with lenders across the state to receive feedback on program overlays.

April 3, 2023

Based on recommendations, started to "open the credit box" by removing debt to income requirement by directing these loans to Idaho Housing and Finance Association.

The Commission Homeownership Division believes that removing barriers to homeownership implemented by our master loan servicers is an important step in its mission to become an antiracist organization. The underwriting engines used by lending institutions through Desktop Underwriter (DU) and Loan Prospector Advisor (LPA) already contain systemic issues with a limited credit box. Adding more program restrictions to loans eligible for purchase and pooling disproportionately impacts lower income households and communities of color who are the most impacted by the additional overlays. Staff strives to continue to remove program restrictions to further our mission and to bridge the gap to homeownership.



Fiscal Year 2024 Budget Review

July 1, 2023 – June 30, 2024

Fenice Taylor
Senior Finance Director

Lucas Loranger
Senior Controller

What's in your packet...

BUDGET SESSION 2023



- Allocated FTEs
- Revenue
- Expense
- Allocations
- Net result

Overview of the Budget Process

BUDGET SESSION 2023



- Large, complex process with lots of data
- Simultaneous bottom-up and top-down process
- Significant revenue and expense items projected with high level of certainty
 - ✓ Use significant amount of existing data
 - ✓ Apply known factors

The Bottom-Up Items

BUDGET SESSION 2023



- Division staff create business objectives for programs
- Project new production for the year
 - ✓ Homeownership Home Advantage loans
 - ✓ Conduit bond issuances (multifamily, nonprofit and specialty program)
 - ✓ Compliance fees on projects placed-in-service
- Project division specific expenditures

The Top-Down – High Certainty Expense

BUDGET SESSION 2023



- Review/update assumptions
- Salaries, taxes and benefits
- Per capita items
- Other fixed and known costs



- **Revenue**
 - ✓ Estimate about 90% MF, Comp revenue is known
 - ✓ SF majority of revenue from servicing income
- **Expense**
 - ✓ 68% people and related costs
 - ✓ Overall, about 85% expenses fairly certain

Revenue Sources

BUDGET SESSION 2023



	<u>HO</u>	<u>MHCF</u>	<u>AMC</u>	<u>Finance</u>	<u>Admin</u>	<u>Total</u>
Issuance & app fees	(69,135)	3,736,062	-	-	-	3,666,927
Comm (ongoing) fees	-	11,989,814	-	-	-	11,989,814
Compliance fees	-	-	4,246,510	-	-	4,246,510
Servicing income	6,694,200	-	-	-	-	6,694,200
Interest	-	-	-	10,385,438	-	10,385,438
Other	978,000	-	160,000	4,000	31,200	1,173,200
Total	7,603,065	15,725,876	4,406,510	10,389,438	31,200	38,156,089

Revenue Comparison

BUDGET SESSION 2023



	FY 2024 Budget	FY2023 Projected	% Change	% Change FY2022 Actual
Ongoing Fees (Comm, Comp, Servicing)	\$22.93	\$21.31	8%	16%
Issuance & App Fees	3.67	10.14	-64%	-83%
Interest	10.39	9.60	8%	702%
Other	1.17	0.25	365%	185%
Total Revenue	\$38.16	\$41.30	-8%	-12%

Budgeted FTEs

BUDGET SESSION 2023



Division/Entity	Fiscal Year 2023 Budget	Fiscal Year 2024 Budget
Homeownership	19.30	20.30
MHCF	17.30	18.30
Asset Mgmt Compliance	13.30	14.30
Finance	12.59	12.59
Administration	17.74	17.62
WSHFC	80.23	83.23
WHEFA	2.34	2.34
TSA	0.43	0.43
Total	83.00	86.00

Expense Comparison

BUDGET SESSION 2023



	FY 2024 Budget	FY 2023 Projected	% Change	% Change FY 2022 Actual
People & travel	13.94	10.47	33%	52%
Professional fees	1.43	1.18	21%	78%
Office expense	5.28	3.02	75%	50%
Total Expense	\$20.65	\$14.68	41%	53%

Why the Increase?

BUDGET SESSION 2023



- 3 new FTEs to support current & future operations*
- Scheduled pay increases for staff
- Office space considerations (moving, furniture replacement, etc.)
- Property inspection contractor replacement
- Racial Equity Strategic Plan initiatives

*Staff may come back to the board for an additional FTE request pending the reduction of the 50% test at the federal level

Net Revenue Comparison

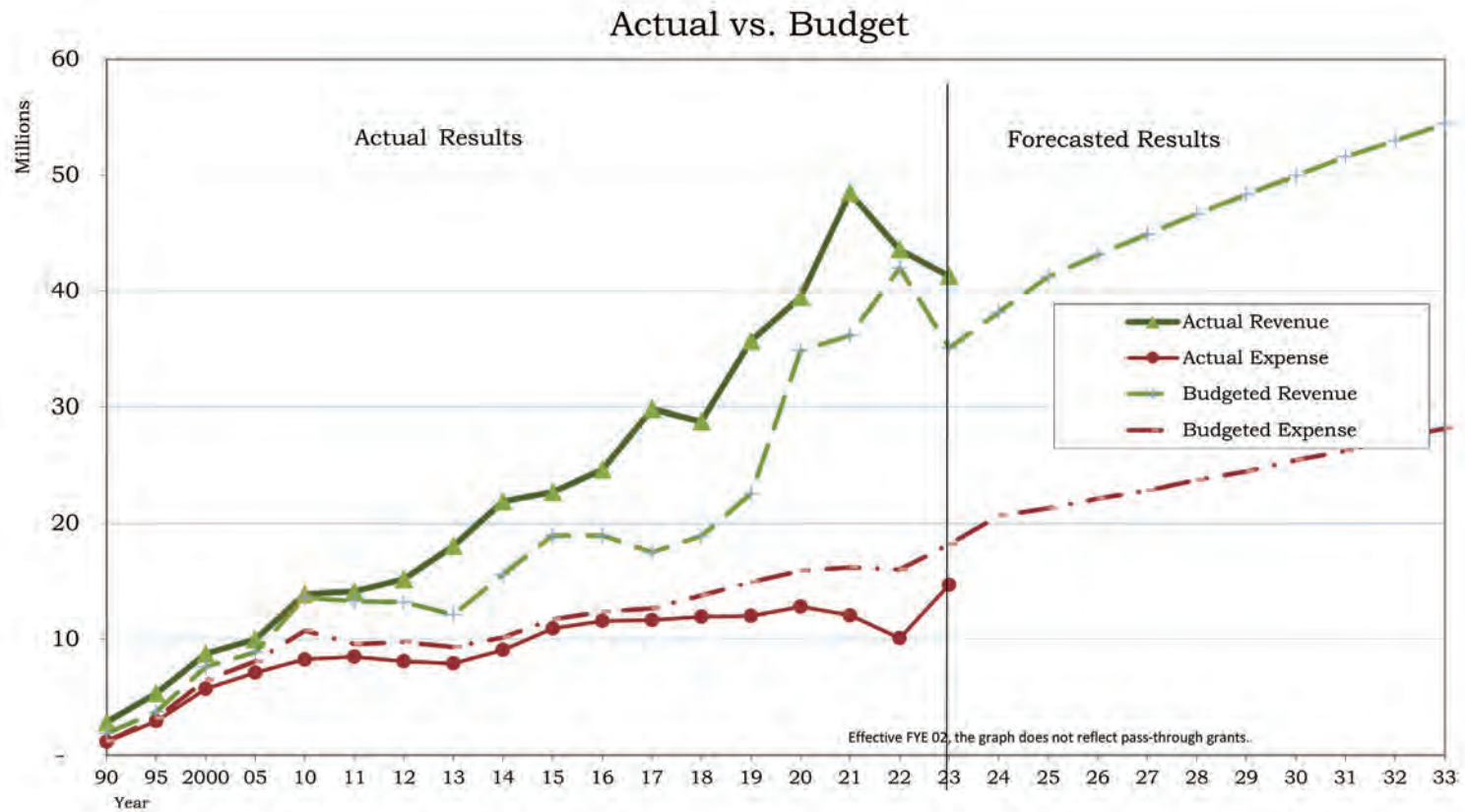
BUDGET SESSION 2023



	FY 2024 Budget	FY 2023 Projected	% Change	% Change FY 2022 Actual
Net revenue	\$17.51	\$26.62	-34%	-46%

Capital Adequacy Analysis

BUDGET SESSION 2023



A Look Ahead At PRI – Annual Cycle

BUDGET SESSION 2023



When	Action Taken	Description
Annual May Budget & Planning Session	No Action, Discussion Only	Staff introduce new programs, present proposals for anticipated funding needs (new & existing programs)
June Commission Meeting	Transfer excess reserves to PRI	Commission approval to transfer excesses as of 6/30, must be prior to fiscal year end
Generally August Meeting	Scheduled, annual designations to PRI Programs	Consider approval of new programs and designating funds for them, as well as existing programs
Remainder of Fiscal Year	Approve unanticipated requests for designation	Consider approval of unanticipated funding needs or new programs that address emergent issues

Anticipated FY 24 PRI Requests

BUDGET SESSION 2023



Investment Program	Current Allocation	Proposed Request	Program Description
Critical Community Response	\$30.5 M	\$6.5 M	Helps organizations maintain community facilities and housing critical to the population
Manufactured Housing	\$25.85 M	\$3 M	Assists in the preservation of manufactured home communities
Farmland Protection	\$10 M	\$5 M	Initiative to preserve farmland and assist BIPOC farmers
Community Land Trust	\$7 M	\$5 M	Financing to CLTs for land acquisition, predevelopment and construction costs
Capital Plus	\$12 M	\$3 M	Partnership with WCRA to provide financing to nonprofits
To Be Determined		\$5 M	Remaining expected PRI funds to be allocated
TOTAL		\$26 M	



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

memorandum

To: Commissioners

From: Fenice Taylor, Lucas Loranger; Shirleen Noonan

CC: Executive Management Team

Date: May 12, 2023

Re: Budget proposal for the fiscal year July 1, 2023 – June 30, 2024

BACKGROUND

Each year, management of the Washington State Housing Finance Commission presents a draft budget for the upcoming fiscal year during the Commission's May Planning Session. The proposed budget outlines the various program's purpose, business objectives, and supplemental information to support their proposal. The Commissioners have traditionally provided feedback to staff at the Planning Session and then approved the budget, with any revisions, at its June meeting.

The draft budget packet for the upcoming fiscal year July 1, 2023 through June 30, 2024 (FY24) is attached. The document outlines the various program's purpose, business objectives, projected income and expense, as well as supplemental information supporting each program. We will seek your feedback on the FY24 budget during the Planning Session.

Here are some highlights of program production, revenue, and expense projections for FY24:

- The Home Advantage, taxable single-family mortgage program, continues to struggle given current market conditions. For fiscal 2024, we have budgeted loan production at 2,500 loans. This represents a higher (21.2%) volume than actual projected FY23 results and 46.8% lower volume than budgeted in FY23. Production in the program fell precipitously during FY23 due to rising rates, limited supply, and home price

appreciation. However, we believe production will rebound some during FY24 as interest rates stabilize. Revenue is budgeted to reflect the margin currently received on loans pooled, as well as the impact of our servicing revenue model on a growing portfolio of loans serviced by Idaho where we receive less up front but are paid a portion of the servicing revenue over time. The program is budgeted to provide \$6.6 million of the budgeted revenue for FY24, net of the 25% allocated to the General Indenture's Commission Fund to support future programs, a decrease of 52.5% of projected revenues.

- With the rise in interest rates, the Commission expects interest earnings on funds held in reserve to increase substantially. Interest revenue for FY24 is projected to be \$10.4 million, a 740% increase from FY23 projected revenues.
- For the next year, the Commission expects financings by the Multifamily Housing and Community Facilities Division totaling \$472.0 million. Estimated fees directly related to the Multifamily Housing and Community Facilities Division represents \$7.9 million of the budgeted revenue for FY24. This includes issuance fees of 25 basis points (bps) of the bond amount earned at closing, the annual fees currently ranging from 10 to 25 bps of the outstanding bond amount, and tax credit application and reservation fees.
- Revenues (excluding pass through grants) for FY24 are budgeted 8.7% more than the prior year's budget. The increase is primarily due to increased interest earnings and a growing portfolio of loans with Idaho Housing providing ongoing servicing revenue. These increases are partially offset by the decrease in Home Advantage revenue.
- Expenses (excluding pass through grants) for FY24 are budgeted 13.4% greater than the prior year's budget. The increase is primarily due to the addition of 3.0 FTEs, coupled with scheduled pay and cost of living increases effective July 1, 2023. In addition, we are budgeting for increased professional expenses as we put our Racial Equity Strategic Plan in place, and transition to a new vendor for project inspections.
- The increase in revenue, coupled with the increase in expenses results in a budgeted \$17.5 million net income, a 3.7% increase from FY23 budgeted net income.

PROPOSED ACTION

Consider and provide feedback to staff on the proposed fiscal year 2023 - 2024 budget.

WASHINGTON STATE HOUSING FINANCE COMMISSION
Budget for Fiscal Year Ending June 30, 2024

	HOMEOWNERSHIP			MULTIFAMILY HSG & COMMUNITY FACILITIES*				ASSET MANAGEMENT AND COMPLIANCE	FINANCE			EXECUTIVE OFFICE				TOTAL BUDGET
	Home- ownership	Homebuyer Education	TOTAL	Multifamily Housing	Nonprofit Housing	Nonprofit Facilities	TOTAL		Bond Portfolio Management	General Operations	TOTAL	Admin	IT Services	Comm.	TOTAL	
REVENUE																
Fee Revenue	6,625,065	-	6,625,065	6,646,628	825,247	242,170	7,714,045	7,860,501	4,397,840	-	4,397,840	-	-	-	-	26,597,451
Interest Revenue	-	-	-	-	-	-	-	-	-	10,385,438	10,385,438	-	-	-	-	10,385,438
Misc. Revenue	-	978,000	978,000	-	-	-	-	160,000	-	4,000	4,000	31,200	-	-	31,200	1,173,200
Pass through Grants	500,000	138,173,719	138,673,719	150,000	-	-	150,000	-	-	-	-	-	-	-	-	138,823,719
TOTAL REVENUE	7,125,065	139,151,719	146,276,784	6,796,628	825,247	242,170	7,864,045	8,020,501	4,397,840	10,389,438	14,787,278	31,200	-	-	31,200	176,979,808
EXPENSES																
Salaries & Wages	2,967,714	466,488	3,434,202	2,698,962	114,165	139,045	2,952,172	2,322,445	734,012	1,148,019	1,882,031	2,288,574	711,663	21,475	3,021,712	13,612,562
Travel	49,124	8,088	57,212	47,555	3,410	5,259	56,224	38,043	23,646	17,990	41,636	53,103	18,926	63,110	135,139	328,254
Professional Fees	371,600	30,000	401,600	175,000	5,000	5,000	185,000	250,000	233,160	266,000	499,160	90,000	-	-	90,000	1,425,760
Office Exp. & Other	616,847	128,346	745,193	519,078	22,111	22,851	564,040	1,303,089	153,953	150,893	304,846	1,470,693	867,082	25,850	2,363,625	5,280,793
Pass through Grants	500,000	138,173,719	138,673,719	150,000	-	-	150,000	-	-	-	-	-	-	-	-	138,823,719
TOTAL EXPENSES	4,505,285	138,806,641	143,311,926	3,590,595	144,686	172,155	3,907,436	3,913,577	1,144,771	1,582,902	2,727,673	3,902,370	1,597,671	110,435	5,610,476	159,471,088
EXCESS OF REVENUES OVER EXPENSES	2,619,780	345,078	2,964,858	3,206,033	680,561	70,015	3,956,609	4,106,924	3,253,069	8,806,536	12,059,605	(3,871,170)	(1,597,671)	(110,435)	(5,579,276)	17,508,720
Overhead Allocations	960,763	151,821	1,112,584	825,309	34,706	41,295	901,310	938,765	274,601	(8,806,536)	(8,531,935)	3,871,170	1,597,671	110,435	5,579,276	-
Program Allocations	211,660	35,277	246,937	2,398,816	564,427	317,490	3,280,733	-	(3,527,670)	-	(3,527,670)	-	-	-	-	-
NET INCOME	3,792,203	532,176	4,324,379	6,430,158	1,279,694	428,800	8,138,652	5,045,689	-	-	-	-	-	-	-	17,508,720
CAPITAL EXPENDITURES																-

FYE 2023 Budgeted Revenue & Expenses for Comparative Purposes

REVENUE																
Fee Revenue	13,957,080	-	13,957,080	6,441,748	695,585	334,533	7,471,866	7,563,596	4,181,450	-	4,181,450	-	-	-	-	33,173,992
Interest Revenue	-	-	-	-	-	-	-	-	-	1,236,057	1,236,057	-	-	-	-	1,236,057
Misc. Revenue	-	508,500	508,500	-	-	-	-	130,000	-	4,000	4,000	30,300	-	-	30,300	672,800
Pass through Grants	-	48,884,523	48,884,523	150,000	-	-	150,000	-	-	-	-	-	-	-	-	49,034,523
TOTAL REVENUE	13,957,080	49,393,023	63,350,103	6,591,748	695,585	334,533	7,621,866	7,693,596	4,181,450	1,240,057	5,421,507	30,300	-	-	30,300	84,117,372
EXPENSES																
Salaries & Wages	2,469,320	441,608	2,910,928	2,352,982	102,691	126,204	2,581,877	1,995,818	674,017	1,054,226	1,728,243	2,133,935	629,079	21,463	2,784,477	12,001,343
Travel	49,120	8,581	57,701	46,857	4,112	4,999	55,968	39,101	11,522	20,430	31,952	56,816	15,287	65,210	137,313	322,035
Professional Fees	341,600	20,000	361,600	170,000	7,000	5,000	182,000	250,000	199,200	226,000	425,200	90,000	-	-	90,000	1,308,800
Office Exp. & Other	697,023	77,157	774,180	435,634	23,088	20,132	478,854	832,276	142,024	146,226	288,250	1,583,440	589,522	25,976	2,198,938	4,572,498
Pass through Grants	-	48,884,523	48,884,523	150,000	-	-	150,000	-	-	-	-	-	-	-	-	49,034,523
TOTAL EXPENSES	3,557,063	49,431,869	52,988,932	3,155,473	136,891	156,335	3,448,699	3,117,195	1,026,763	1,446,882	2,473,645	3,864,191	1,233,888	112,649	5,210,728	67,239,199
EXCESS OF REVENUES OVER EXPENSES	10,400,017	(38,846)	10,361,171	3,436,275	558,694	178,198	4,173,167	4,576,401	3,154,687	(206,825)	2,947,862	(3,833,891)	(1,233,888)	(112,649)	(5,180,428)	16,878,173
Overhead Allocations	(1,659,537)	(255,363)	(1,914,900)	(1,402,195)	(63,866)	(72,938)	(1,538,999)	(1,454,319)	(479,034)	206,825	(272,209)	3,833,891	1,233,888	112,649	5,180,428	-
Program Allocations	160,539	26,757	187,296	1,819,444	428,104	240,809	2,488,357	-	(2,675,653)	-	(2,675,653)	-	-	-	-	-
NET INCOME	8,901,019	(267,452)	8,633,567	3,853,524	922,932	346,069	5,122,525	3,122,082	-	-	-	-	-	-	-	16,878,173
CAPITAL EXPENDITURES																107,000

* Programs Beginning Farmer (BFL), Sustainable Energy (SEP), and Tax Credits (TCR) are included in Multifamily Housing (MFH).

	HOMEOWNERSHIP				MULTIFAMILY HOUSING & COMMUNITY FACILITIES				ASSET MANAGEMENT & COMPLIANCE			
	Budget FYE 2024	Budget FYE 2023	Projected Act FYE 2023	Actual FYE 2022	Budget FYE 2024	Budget FYE 2023	Projected Act FYE 2023	Actual FYE 2022	Budget FYE 2024	Budget FYE 2023	Projected Act FYE 2023	Actual FYE 2022
<i>Revenues:</i>												
Commission Fees	-	-	-	-	3,977,983	3,797,029	3,859,661	3,743,437	3,613,991	4,199,836	3,567,556	3,497,452
Compliance Fees	-	-	-	-	-	-	-	-	4,246,510	3,363,760	3,743,296	3,663,447
All other Program Fees	6,694,200	5,163,905	5,087,082	3,910,581	-	-	299,367	308,903	-	-	201,280	166,725
Issuance & Application Fees	(69,135)	8,793,175	825,302	14,758,163	3,736,062	3,674,837	9,314,754	7,375,471	-	-	-	-
Interest Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	978,000	508,500	61,048	282,006	-	-	-	-	160,000	130,000	155,422	90,995
Grant Revenue	138,673,719	48,884,523	32,710,514	7,759,552	150,000	150,000	14,233	-	-	-	-	-
Total Unadjusted Revenues	146,276,784	63,350,103	38,683,945	26,710,302	7,864,045	7,621,866	13,488,015	11,427,811	8,020,501	7,693,596	7,667,554	7,418,619
<i>Expenses:</i>												
EMPLOYEE EXPENSES												
Salaries, Wages & Temp. staffing	2,658,789	2,237,553	1,995,922	1,884,326	2,273,584	1,981,868	1,684,374	1,461,222	1,791,854	1,533,533	1,461,545	1,321,797
Employee Benefits	758,113	657,225	604,207	560,095	660,788	584,511	536,391	435,990	518,691	451,235	448,775	399,561
Conference, Education & Training	17,300	16,150	6,414	5,516	17,800	15,498	10,393	10,654	11,900	11,050	21,936	9,242
TRAVEL EXPENSES												
Travel out of state	48,750	43,750	18,670	1,481	40,000	37,500	11,193	22,596	31,250	28,750	20,855	8,307
Travel in state	8,462	13,951	6,446	1,266	16,224	18,468	8,443	5,771	6,793	10,351	4,079	243
PROFESSIONAL FEES												
Accounting Fees	-	-	-	-	-	-	-	-	-	-	-	-
Legal Fees	180,000	140,000	152,175	117,258	150,000	150,000	90,403	97,778	250,000	250,000	231,557	254,520
Financial Advisor Fees	221,600	221,600	211,600	201,600	35,000	32,000	-	-	-	-	-	-
Investment Management Fees	-	-	-	-	-	-	-	-	-	-	-	-
OFFICE EXPENSE												
Office Rent/Conf. Room Rentals	124,032	125,532	104,144	120,952	141,105	141,104	128,177	139,560	170,408	168,408	144,199	167,472
Furniture & Equipment Rental	-	-	-	-	-	-	-	-	7,800	500	7,714	166
Advertising	176,000	257,700	1,597	(34,725)	17,000	12,300	2,952	5,000	1,000	1,000	1,922	1,390
Publications/ Subscriptions/ Dues	7,250	11,000	1,822	1,154	31,000	30,500	19,913	22,110	8,000	7,500	6,169	4,885
Deliveries	1,000	500	587	-	500	500	445	563	100	100	180	64
Insurance	-	1,000	-	-	-	-	-	-	-	-	-	-
Meeting Expense	4,000	6,500	1,114	840	14,000	13,750	1,122	300	1,500	1,500	677	-
Equipment & Building Maintenance	-	-	-	-	-	-	-	2,188	2,000	2,000	-	353
Software Maint. Support & Other Info	236,608	175,535	157,602	125,165	117,439	86,882	78,498	58,257	257,056	204,673	155,425	150,462
Non-capitalized Equipment/Supplies	3,046	2,896	-	3,500	2,746	2,596	660	-	2,145	1,995	-	2,506
Postage	700	3,700	138	2,279	250	250	289	185	500	500	188	278
Printing	100	3,000	44	33	250	-	221	33	500	100	-	66
State Services	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	2,500	2,500	1,397	874	1,500	500	1,511	692	4,000	4,000	1,045	2,551
Telephone	10,000	13,250	6,593	10,434	-	10,000	7,770	10,599	3,600	-	6,741	9,010
Other Office Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Contract Services	149,000	147,000	7,803	2,330	140,000	95,000	1,111	1,850	844,480	440,000	197,343	41,271
Depreciation	30,957	24,067	-	-	98,250	85,472	91,643	62,803	-	-	-	-
Grant Pass-Through	138,673,719	48,884,523	32,710,514	7,759,552	150,000	150,000	14,233	-	-	-	-	-
Total Expenses	143,311,926	52,988,932	35,988,788	10,763,931	3,907,436	3,448,699	2,689,740	2,338,152	3,913,577	3,117,195	2,710,481	2,374,143
Revenue over expense, prior to allocations	2,964,858	10,361,171	2,695,158	15,946,371	3,956,609	4,173,167	10,798,274	9,089,659	4,106,924	4,576,401	4,957,072	5,044,477
% of Total Expenses	22.5%	22.5%	22.3%	27.3%	18.2%	18.1%	18.2%	21.2%	19.0%	17.1%	18.5%	21.5%
NET INCOME	2,964,858	10,361,171	2,695,158	15,946,371	3,956,609	4,173,167	10,798,274	9,089,659	4,106,924	4,576,401	4,957,072	5,044,477
OVERHEAD ALLOCATION	1,112,584	(1,914,900)	1,657,904	(179,265)	901,310	(1,538,999)	1,343,011	(146,329)	938,765	(1,454,319)	1,197,821	(148,216)
PROGRAM ALLOCATION												
BOND PORTFOLIO MANAGEMENT	246,937	187,296	317,672	207,055	3,280,733	2,488,357	3,653,231	2,750,869	-	-	-	-
BOND COMPLIANCE	-	-	-	-	-	-	-	-	-	-	-	-
TAX CREDIT COMPLIANCE	-	-	-	-	-	-	-	-	-	-	-	-
NET INCOME	4,324,379	8,633,567	4,670,734	15,974,161	8,138,652	5,122,525	15,794,516	11,694,199	5,045,689	3,122,082	6,154,893	4,896,260
OVERHEAD ALLOCATION PERCENTAGE	34%	35%	35%	34%	28%	28%	28%	28%	29%	25%	25%	28%
PROGRAM ALLOCATION PERCENTAGE												
BOND PORTFOLIO MANAGEMENT (Based on	7%	8%	8%	7%	93%	92%	92%	93%	0%	0%	0%	0%

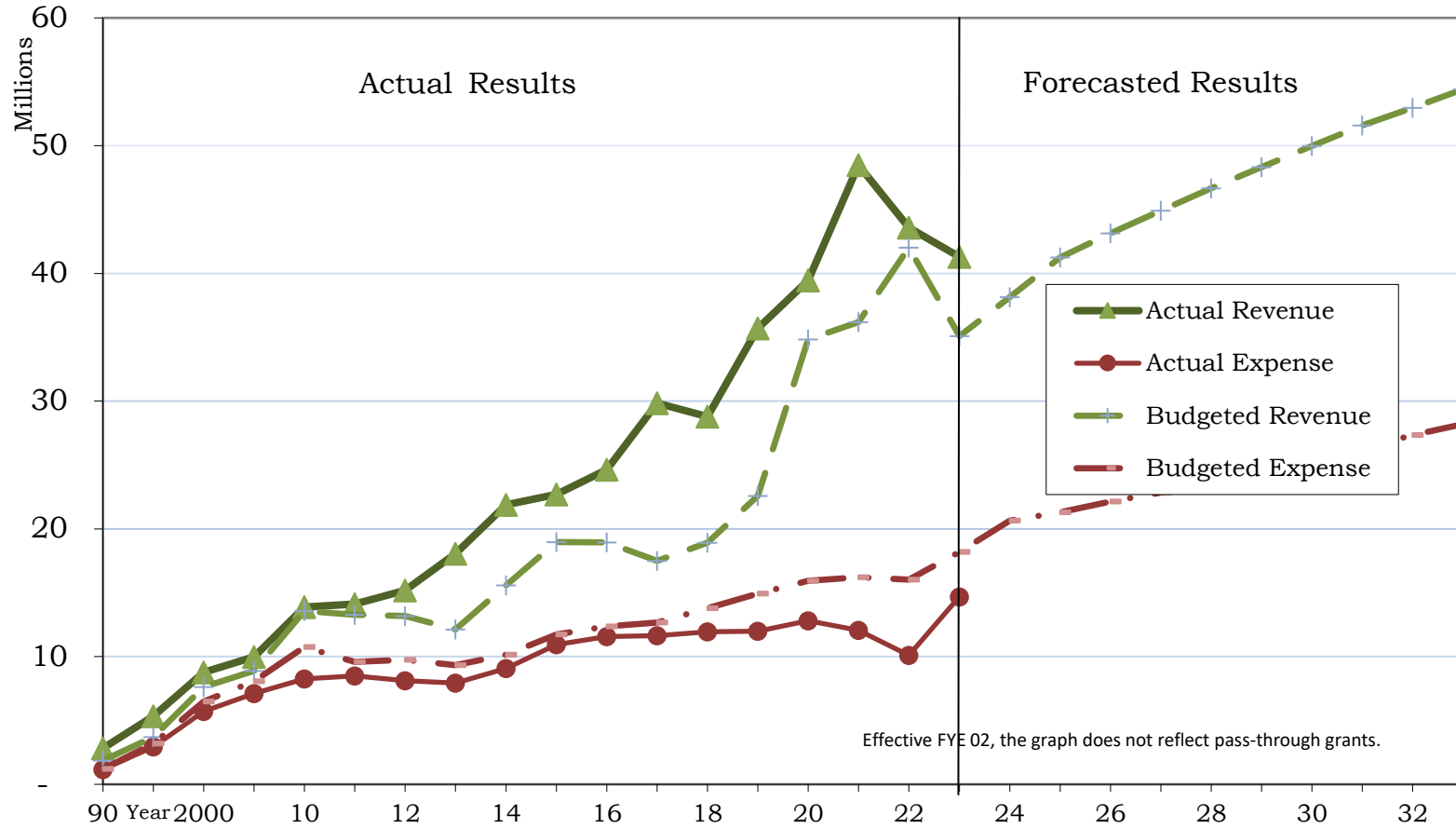
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M	FINANCE				EXECUTIVE OFFICE				FYE 2024	FYE 2023	@ 03/31/23	
	Budget FYE 2024	Budget FYE 2023	Projected Act FYE 2023	Actual FYE 2022	Budget FYE 2024	Budget FYE 2023	Projected Act FYE 2023	Actual FYE 2022	TOTAL BUDGET	TOTAL Budget	FYE 2023 Proj Actl	Actual FYE 2022
Revenues:												
Commission Fees	4,397,840	4,181,450	4,249,538	4,148,993	-	-	-	-	11,989,814	8,130,195	11,676,755	11,389,882
Compliance Fees	-	-	-	-	-	-	-	-	4,246,510	3,363,760	3,743,296	3,663,447
All other Program Fees	-	-	299,366	304,709	-	-	-	-	6,694,200	9,212,025	5,887,095	4,690,917
Issuance & Application Fees	-	-	-	-	-	-	-	-	3,666,927	12,468,012	10,140,056	22,133,634
Interest Revenue	10,385,438	1,236,057	9,601,370	1,294,450	-	-	-	-	10,385,438	1,236,057	9,601,370	1,294,450
Other Income	4,000	4,000	5,324	8,032	31,200	30,300	30,300	30,330	1,173,200	672,800	252,093	411,363
Grant Revenue	-	-	-	-	-	-	-	-	138,823,719	49,034,523	32,724,747	7,759,552
Total Unadjusted Revenues	14,787,278	5,421,507	14,155,599	5,756,184	31,200	30,300	30,300	30,330	176,979,808	84,117,372	74,025,412	51,343,246
Expenses:												
EMPLOYEE EXPENSES												
Salaries, Wages & Temp. staffing	1,437,726	1,313,118	1,056,184	913,690	2,267,039	2,072,754	1,631,570	1,560,113	10,428,992	9,138,826	7,829,595	7,141,149
Employee Benefits	434,155	404,974	336,786	280,964	694,673	657,223	500,842	(1,684,012)	3,066,420	2,755,169	2,427,001	(7,403)
Conference, Education & Training	10,150	10,150	6,227	1,895	60,000	54,500	21,141	21,838	117,150	107,348	66,110	49,145
TRAVEL EXPENSES												
Travel out of state	34,750	21,250	20,444	2,377	88,650	83,650	50,006	11,682	243,400	214,900	121,168	46,444
Travel in state	6,886	10,702	2,192	1,644	46,489	53,663	9,583	10,606	84,854	107,135	30,742	19,529
PROFESSIONAL FEES												
Accounting Fees	137,960	124,000	130,725	124,381	-	-	-	-	137,960	124,000	130,725	124,381
Legal Fees	31,000	1,000	-	-	90,000	90,000	88,102	59,936	701,000	631,000	562,237	529,492
Financial Advisor Fees	100,200	100,200	98,400	98,400	-	-	-	-	356,800	353,800	310,000	300,000
Investment Management Fees	230,000	200,000	178,222	161,703	-	-	-	-	230,000	200,000	178,222	161,703
OFFICE EXPENSE												
Office Rent/Conf. Room Rentals	107,439	107,439	88,121	111,648	399,700	399,700	331,699	383,674	942,684	942,183	796,339	923,306
Furniture & Equipment Rental	-	-	-	-	21,720	21,719	18,917	18,508	29,520	22,219	26,631	18,674
Advertising	1,900	1,900	-	-	132,000	156,500	44,184	35,419	327,900	429,400	50,656	7,084
Publications/ Subscriptions/ Dues	2,368	2,190	900	650	63,751	55,729	63,016	54,387	112,369	106,919	91,819	83,185
Deliveries	100	100	192	66	3,570	4,570	572	1,811	5,270	5,770	1,976	2,504
Insurance	-	-	-	-	60,000	60,000	58,335	54,350	60,000	61,000	58,335	54,350
Meeting Expense	750	750	-	-	92,000	92,000	5,817	7,036	112,250	114,499	8,730	8,177
Equipment & Building Maintenance	-	1,000	-	3,286	109,520	89,833	11,711	37,209	111,520	92,833	11,711	43,035
Software Maint. Support & Other Info	171,480	159,442	108,808	104,839	824,567	575,938	660,034	458,001	1,607,150	1,202,470	1,160,366	896,724
Non-capitalized Equipment/Supplies	1,889	1,889	-	-	112,661	104,661	163,796	48,325	122,487	114,037	164,457	54,331
Postage	500	860	567	476	1,680	2,160	451	671	3,630	7,470	1,633	3,890
Printing	320	320	44	555	14,420	16,046	1,587	5,128	15,590	19,466	1,895	5,816
State Services	-	-	-	-	16,870	14,970	1,540	2,619	16,870	14,970	1,674	2,619
Supplies	7,350	7,350	854	5,981	37,750	20,250	26,987	6,769	53,100	34,600	31,794	16,866
Telephone	750	4,510	637	2,211	56,140	51,916	21,132	24,078	70,490	79,676	42,872	56,332
Other Office Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Contract Services	10,000	500	-	-	382,816	500,000	253,247	337,888	1,526,296	1,182,500	459,503	383,339
Depreciation	-	-	-	-	34,460	32,946	22,689	31,598	163,667	142,485	114,332	94,401
Grant Pass-Through	-	-	-	-	-	-	-	-	138,823,719	49,034,523	32,724,747	7,759,552
Total Expenses	2,727,673	2,473,645	2,029,302	1,814,766	5,610,476	5,210,728	3,986,958	1,487,634	159,471,088	67,239,199	47,405,269	18,778,626
Revenue over expense, prior to allocations	12,059,605	2,947,862	12,126,297	3,941,418	(5,579,276)	(5,180,428)	(3,956,658)	(1,457,305)	17,508,720	16,878,173	26,620,143	32,564,620
% of Total Expenses	13.2%	13.6%	13.8%	16.5%	27.2%	28.6%	27.2%	13.5%	100%	100%	100%	100%
NET INCOME	12,059,605	2,947,862	12,126,297	3,941,418	(5,579,276)	(5,180,428)	(3,956,658)	(1,457,305)	17,508,720	16,878,173	26,620,143	32,564,620
OVERHEAD ALLOCATION	(8,531,935)	(272,209)	(8,155,394)	(983,494)	5,579,276	5,180,428	3,956,658	1,457,305	-	-	-	-
PROGRAM ALLOCATION												
BOND PORTFOLIO MANAGEMENT	(3,527,670)	(2,675,653)	(3,970,903)	(2,957,924)	-	-	-	-	-	-	-	-
BOND COMPLIANCE	-	-	-	-	-	-	-	-	-	-	-	-
TAX CREDIT COMPLIANCE	-	-	-	-	-	-	-	-	-	-	-	-
NET INCOME	-	-	-	-	-	-	-	-	17,508,720	16,878,173	26,620,143	32,564,620
OVERHEAD ALLOCATION PERCENTAGE	9%	11%	11%	10%					100%	100%	100%	100%
PROGRAM ALLOCATION PERCENTAGE												
BOND PORTFOLIO MANAGEMENT (Based on	0%	0%	0%	0%					100%	100%	100%	100%

Washington State Housing Finance Commission
Projected Statement of Operations
FYE 23 Projected Actual & Budget versus FYE 24 Budget

	FYE 2024 Bdgt vs. FYE 2023 Bdgt Change	FYE 2024 Bdgt vs. FYE 2023 Bdgt Variance	FYE 2023 Budget	FYE 2024 Budget	@ 03/31/23 FYE 2023 Projected Actual	FYE 2024 Bdgt vs. FYE 2023 Proj Variance	FYE 2024 Bdgt vs. FYE 2023 Prj Change	FYE 2024 Budget %
Revenues:								
Program Fees	11%	2,224,545	20,705,980	22,930,524	21,307,145	1,623,379	8%	60.1%
Issuance & Application Fees	-71%	(8,801,085)	12,468,012	3,666,927	10,140,056	(6,473,129)	-64%	9.6%
Interest Revenue	740%	9,149,381	1,236,057	10,385,438	9,601,370	784,068	8%	27.2%
Other Income	74%	500,400	672,800	1,173,200	252,093	921,107	365%	3.1%
Total Unadjusted Revenues without Grants	9%	3,073,241	35,082,849	38,156,089	41,300,665	(3,144,576)	-8%	100%
Expenses:								
EMPLOYEE EXPENSES								
Salaries, Wages & Temp. staffing	14%	1,290,166	9,138,826	10,428,992	7,829,595	2,599,397	33%	50.5%
Employee Benefits	11%	311,251	2,755,169	3,066,420	2,427,001	639,419	26%	14.9%
Conference, Education & Training	9%	9,802	107,348	117,150	66,110	51,040	77%	0.6%
TRAVEL EXPENSES								
Travel out of state	13%	28,500	214,900	243,400	121,168	122,232	101%	1.2%
Travel in state	-21%	(22,281)	107,135	84,854	30,742	54,112	176%	0.4%
PROFESSIONAL FEES								
Accounting Fees	11%	13,960	124,000	137,960	130,725	7,235	6%	0.7%
Legal Fees	11%	70,000	631,000	701,000	562,237	138,763	25%	3.4%
Financial Advisor Fees	1%	3,000	353,800	356,800	310,000	46,800	15%	1.7%
Investment Management Fees	15%	30,000	200,000	230,000	178,222	51,778	29%	1.1%
OFFICE EXPENSE								
Office Rent/Conf. Room Rentals	0%	501	942,183	942,684	796,339	146,345	18%	4.6%
Furniture & Equipment Rental	33%	7,301	22,219	29,520	26,631	2,889	11%	0.1%
Advertising	-24%	(101,500)	429,400	327,900	50,656	277,244	547%	1.6%
Publications/ Subscriptions/ Dues	5%	5,450	106,919	112,369	91,819	20,550	22%	0.5%
Deliveries	-9%	(500)	5,770	5,270	1,976	3,294	167%	0.0%
Insurance	-2%	(1,000)	61,000	60,000	58,335	1,665	3%	0.3%
Meeting Expense	-2%	(2,249)	114,499	112,250	8,730	103,520	1186%	0.5%
Equipment & Building Maintenance	20%	18,687	92,833	111,520	11,711	99,809	852%	0.5%
Software Maint. Support & Info Svcs	34%	404,680	1,202,470	1,607,150	1,160,366	446,784	39%	7.8%
Non-capitalized Equipment/Supplies	7%	8,450	114,037	122,487	164,457	(41,970)	-26%	0.6%
Postage	-51%	(3,840)	7,470	3,630	1,633	1,997	122%	0.0%
Printing	-20%	(3,876)	19,466	15,590	1,895	13,695	723%	0.1%
State Services	13%	1,900	14,970	16,870	1,674	15,196	908%	0.1%
Supplies	53%	18,500	34,600	53,100	31,794	21,306	67%	0.3%
Telephone	-12%	(9,186)	79,676	70,490	42,872	27,618	64%	0.3%
Contract Services	29%	343,796	1,182,500	1,526,296	459,503	1,066,793	232%	7.4%
Depreciation	15%	21,182	142,485	163,667	114,332	49,335	43%	0.8%
Total Expenses	13%	2,442,693	18,204,676	20,647,369	14,680,522	5,966,847	41%	100%
Grant Pass-Through Revenue	183%	89,789,196	49,034,523	138,823,719	32,724,747	106,098,972	324%	
Grant Pass-Through Expense	183%	(89,789,196)	(49,034,523)	(138,823,719)	(32,724,747)	(106,098,972)	324%	
Total Grants Net		-	-	-	-	-		
REVENUES OVER EXPENSES:	4%	630,547	16,878,173	17,508,720	26,620,143	(9,111,423)	-34%	
EXCESS OF REVENUE OF EXPENSES	4%	630,547	16,878,173	17,508,720	26,620,143	(9,111,423)	-34%	

Actual vs. Budget



STAFFING SUMMARY

Division/Entity	Fiscal Year	FY 24 FTE Addition/(Reduction)			Fiscal Year
	2023 Budget	Manager	Analyst	Admin Assistant	2024 Budget
Homeownership	19.30	1.00	1.00	(1.00)	20.30
MHCF	17.30		1.00		18.30
Asset Mgmt	13.30		1.00		14.30
Finance	12.59				12.59
Administration/IT	17.74				17.74
WSHFC	80.23	1.00	3.00	(1.00)	83.23
WHEFA	2.34				2.34
TSA	0.43				0.43
Total	83.00	1.00	3.00	(1.00)	86.00

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023-2024**

Program: Homeownership Programs

Division: Homeownership

Commission Goals:

To provide effective, low-cost financing for low to moderate income homebuyers.

Problem/Need:

Low and moderate-income households—especially underserved communities and communities of color—cannot afford a home at market rates and can be subject to predatory loans. Due to historical discrimination in the housing and housing finance markets, many members of underserved communities have not been able to benefit from the generational wealth created with homeownership; therefore, for this and other reasons, they are unable to access funding for downpayments and closing costs. These communities have also been historically denied access to credit due to historically biased lending practices and inflexible investor guidelines.

Program Goal:

To address historical inequities in homeownership for low and moderate-income homebuyers, the Homeownership Division seeks to provide safe and affordable financing options that include downpayment assistance at favorable rates and terms. The Homeownership Division also seeks to broaden the credit box through flexible underwriting guidelines for potential homebuyers as well as challenging traditional financing requirements that may be biased against underserved borrowers and communities of color.

Business Objectives (Outputs/Outcomes):

1. Consider the impacts resulting from historic and systemic racism on Commission programs and processes, including the homeownership programs, change programs, develop new tools to mitigate the impact of such racism and set baseline to measure impact in alignment with the agency racial equity strategic plan by June 30, 2024.
2. By June 30, 2024, continue to work on marketing and outreach to reach underserved communities and communities of color groups in our homeownership programs to include outreach to renters in our multifamily properties.

3. Translate homeownership materials into multiple languages and have translation services available to assist clients by June 30, 2024.
4. Purchase 3,000 Home Advantage loans and 300 House Key loans by June 30, 2024.
5. Conduct 10 lender Home Advantage training seminars; 10 real estate professional/lender presentations; 20 outreach activities with non-profits, lenders, real estate professionals and/or government entities, 5 partnerships, sponsorships, and/or attendance of BIPOC community-based partner events, and 4 HomeChoice down payment assistance training seminars by June 30, 2024.
6. Conduct an RFP to hire for Quantitative Services or extend current contract by 12/31/2023.
7. Work with Seller Servicer Consultant on a Work Plan and timeline for application if applicable for certification of the Commission as a Ginnie Mae, Fannie Mae or Freddie Mac seller/servicer by June 30, 2024.
8. Complete an initial covenant homeownership program study by March 1, 2024 or final date as determined by the legislature.
9. Design, develop, and implement one or more special purpose credit programs to reduce racial disparities in homeownership by June 30, 2024.

Performance Measures:

1. 3,300 low and moderate-income households purchase an affordable home using the House Key Program/Home Advantage by the Commission by June 30, 2024.
2. 90% of the loans are reviewed within 3 business days of receipt by June 30, 2024.
3. The Homeownership division receives an average score of 4 or better on the evaluation of division conducted training workshops.

Assumptions:

1. Assumes the daily-priced MBS market is financially feasible during the FY.
2. Assumes sufficient down payment assistance funds.
3. Assumes there is a conventional offering under Home Advantage.
4. Assumes GSEs maintains their current downpayment assistance guidelines.
5. Assumes having the products requested by lending partners to meet customer needs.
6. Assumes competitive Home Advantage/House Key programs interest rate sufficient to maintain a \$30 million average per week reservation rate.
7. Assumes competitive rates are available in the daily-priced market and bond market.
8. Assumes we have Master Servicers who review loans in a timely manner and have liquidity to purchase loans daily.

9. Assumes the Commission has liquidity to purchase loans.
10. Assumes we have positive arbitrage to use in FY 2023-24.
11. Assumes there is an inventory of affordable homes.

**First-time Home Buyers (FTH)
Budget Summary for the fiscal year ending: June 30, 2024**

FINANCIAL AND PROGRAM INFORMATION

	FYE 24	FYE 23	FYE 23
	Proposed Budget	Projected Actual	Budget as Adopted
Personnel Resources [FTE's]			
Permanent	17.43	16.43	16.43
Temporary	-	-	-
Total FTE's	17.43	16.43	16.43
Program Budget			
Fee Income	6,625,065	6,086,705	13,957,080
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	500,000	-	-
Total Revenue	7,125,065	6,086,705	13,957,080
Employee Expenses	2,967,714	2,213,648	2,469,320
Travel Expenses	49,124	22,158	49,120
Professional Fees	458,600	344,539	476,600
Office Expenses	529,847	253,888	562,023
Grant Program Expense	500,000	-	-
Total Expenses	4,505,285	2,834,233	3,557,063
Income over Expense Excess (Deficit)	2,619,780	3,252,472	10,400,017
Overhead Allocation	960,763	1,387,000	(1,659,537)
Program Allocation	211,660	244,689	160,539
Total Income/(Loss)	3,792,203	4,884,161	8,901,019

PERFORMANCE MEASUREMENTS

	FYE 24	FYE 23	FYE 23
	Proposed Budget	Project Actual	Budget as Adopted
PERFORMANCE MEASUREMENTS			
House Key Loans/Home Advantage	3,300	2,000	5,000
Home Advantage DPA Loans	2,800	1,600	4,700
HomeChoice Loans	0	20	0
New MCCs Issued	0	0	0
Minority Participation %	25%	35%	25%
Bond Issues	\$ 125,000,000	\$ 100,000	\$ 125,000,000
MCCs Reissued	10	10	10
Lender Training Seminars	10	11	10
Realtor/Lender/NP Presentations	10	25	10
Homebuyer Instructor Classes	10	11	10
Downpayment Assistance Workshops	4	9	4
Outreach Activities	20	70	20
BIPOC Outreach/Sponsorship	5	n/a	N/A
Loan File Response In Three Days*	90%	99%	90%
Training Workshop Survey Scores	4	4	4

*unable to measure in Emphasys, but will be able to measure going forward

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023-2024**

Program: Homebuyer Education and Counseling

Division: Homeownership

Commission Goal:

To actively support our potential homebuyers and existing homeowners through education and counseling services.

Problem/Need:

Many lower income and first-time homebuyers lack the community resources to learn how to buy a home and understand the responsibilities of homeownership, including what to do if they are having difficulty making their monthly mortgage payment.

Program Goal:

To provide the educational opportunity for potential homebuyers to learn how to buy, maintain and stay in their home.

Business Objectives (Outputs/Outcomes):

1. Consider the impacts resulting from historic and systemic racism on Commission programs and processes, including the homeownership programs, change programs and develop new tools to mitigate the impact of such racism. Ensure that any grant administration program complies with the Commission's efforts regarding racial and social justice initiatives.
2. Conduct 800 homebuyer education seminars, with 8,000 participants, including on-line classes by June 30, 2024.
3. For new grants or existing grants develop and/or implement the appropriate distribution program by June 30, 2024.
4. For grants that may expire this fiscal year, ensure that counseling funds are distributed by the grant end dates, or seek extensions as appropriate by June 30, 2024.
5. Continue cooperative work with the Department of Commerce to assist in implementing any Foreclosure Fairness Act funds that become available to comply with program goals that may be set by the Commission, Commerce, or the Washington State Legislature by July 1, 2024.
6. Continue to implement the American Rescue Plan Act Homeownership Assistance Program to comply with program goals that may be set by the Commission, Treasury, or the Washington State Legislature by June 30, 2024.

Performance Measures:

1. Ten percent (10%) of the Homebuyer Education class instructor's participants teach a class within twelve (12) months of taking the class.
2. All required reporting associated with any counseling grant be completed by their respective deadlines.

Assumptions:

1. Assumes current demand for SF programs during the FY.
2. Assumes loan officers, real estate professionals and nonprofits will cooperate to teach seminars with the enforcement of the one loan per year policy.
3. Assumes homebuyer education and counseling funding for a grant distribution program.
4. Assumes Department of Financial Institutions will continue to provide counseling workbooks at no charge to seminar instructors.
5. Assumes homebuyer education database upgrades are implemented and functioning.
6. Assumes sufficient partner network to provide services developed for default counseling and other related support services.

Homebuyers Education (HBE)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24 Proposed Budget	FYE 23 Projected Actual	FYE 23 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	2.87	2.21	2.87
Temporary			
Total FTE's	2.87	2.21	2.87
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	978,000	61,215	508,500
Grant Program Income	138,173,719	32,800,378	48,884,523
Total Revenue	139,151,719	32,861,593	49,393,023
Employee Expenses	466,488	400,055	441,608
Travel Expenses	8,088	3,027	8,581
Professional Fees	92,000	28,060	32,000
Office Expenses	66,346	21,906	65,157
Grant Program Expense	138,173,719	32,800,378	48,884,523
Total Expenses	138,806,641	33,253,425	49,431,869
Income over Expense Excess (Deficit)	345,078	(391,832)	(38,846)
Overhead Allocation	151,821	221,709	(255,363)
Program Allocation	35,277	40,781	26,757
Total Income/(Loss)	532,176	(129,341)	(267,452)

PERFORMANCE MEASUREMENTS

	FYE 24 Proposed Budget	FYE 23 Project Actual	FYE 23 Budget as Adopted
PERFORMANCE MEASUREMENTS			
Number Of Seminars	800	800	800
Number In Attendance	8000	8000	8000
HBE Participants Teach A Class W/In 12 Mo	>10%	>10%	>10%

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023-2024**

Program: Multifamily Housing Program

Division: MHCF

Commission Goal:

To provide equitable access and effective, low-cost financing for the new construction and preservation of multifamily housing for the homeless, farmworkers, other special needs populations and the general workforce at or below 60% of the area median income

Problem/Need:

There is a lack of sufficient affordable rental housing throughout the State and the cost of housing exceeds the incomes of many households. Resources are insufficient to meet the affordable housing need.

Program Goal:

To create and preserve affordable rental housing and provide access to capital to underserved communities by removing barriers in program design.

Business Objectives (Outputs/Outcomes):

1. Program wide:

- a. Evaluate the impacts resulting from historic and systemic racism on Commission programs and processes, including the multifamily housing programs, change programs and develop new tools to mitigate the impact of such racism in alignment with the agency's racial equity strategic plan.
- b. Evaluate opportunities for grant applications for all division programs and report quarterly to AMT and Administration. Ongoing through June 30, 2024.
- c. Tax credit and housing bond policies reviewed annually, including total development costs limits to increase alignment with the Racial Equity Strategic Plan values. Ongoing through June 30, 2024.
- d. Continued process improvement and streamlining of application and placed in service functions by leveraging technologies such as Salesforce, Laserfiche, and more. Add additional programs as budget and timeline allows. Ongoing through June 30, 2024.
- e. Assess current staffing needs and objectives based on legislative, emerging program initiatives and automation by December 31, 2023. Provide internship opportunities, either through HDC program or other avenues, track and report progress by 6/30/24.
- f. Develop preservation strategy in coordination with AMC, outline specific recommendations for policy formation by 12/31/23 with implementation by 6/30/24.

2. Multi-family housing bonds:

- a. Finance 3,000 units of affordable rental housing or issue \$350,000,000 in tax exempt bonds by 6/30/2024
- b. Monitor and control multifamily bond cap including transfers to other issuers to ensure maximum use of the state's resource, review quarterly through 6/30/24.
- c. Pursue initiatives for increasing private activity bond cap, including recycling of bond cap, lowering of 50% test and other initiatives depending on federal and state framework with a report by 06/30/2024.
- d. Seek additional and alternative methods of financing multifamily housing
 - i. Model additional financing structures with EIHF's and continue to staff and evaluate additional options with the Seattle Foundation for furthering housing development by 6/30/2024.
 - ii. Create BIPOC fund or capacity building initiatives aimed at addressing gaps in communities most impacted having access to capital by 6/30/24.

3. Housing Credits:

- a. Allocate credits to 860 or more units of affordable housing by 12/31/23 issuing final allocations to 100% of the projects with all PIS requirements satisfied by 1/15/2024.
- b. Assess and redefine 9% policies based on specific values and outcomes-based approach with initial scoping and stakeholder engagement by 12/31/23 and final policy approach by 6/30/24 for implementation for 2025 allocations.
- c. Review and process non-Commission bond/housing credit applications received within 30 days. Ongoing through June 30, 2024.

Performance Measures:

1. Approximately 1,500 low and moderate-income households will have affordable rental housing as a result of bond and tax credit financing, and 50% of the 860 units to be financed with 9% tax credits will serve households earning less than 50% AMI or meet other program set-asides and 95% of carryover projects will perform within specified timelines. Estimated bonds for fiscal year - \$350,000,000.
2. Incorporate client recommendations into program revisions when appropriate.
3. Heightened awareness of race, equity, and social justice issues and how our policies either help or hinder enabling greater access amongst all of the division's program to communities of color. Aligned with training objective and staff evaluation in the agency racial equity plan. 6/30/2024.
4. Reports and Program initiatives are completed and or implemented by 6/30/2024.
5. Implement recommendations from UW student lab report or continue to assess how to Develop baseline and measures to track outcomes and bond/tax credit policy changes by 12/31/23.

Assumptions:

1. The financing tools available to the Commission provide a cost-effective and efficient benefit to eligible borrowers.
2. Changes to the tax code do not impede the issuance of bonds.
3. There is sufficient issuance authority under the debt ceiling.
4. One Tax Credit (TC) application round per year and housing credit of \$2.75
5. Commission policy requirements are not in irresolvable conflict with market requirements.

Beginning Farmers Loan (MFH|SEP|TCR|BFL)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24 Proposed Budget	FYE 23 Projected Actual	FYE 23 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	16.75	15.75	15.75
Temporary	-	-	-
Total FTE's	16.75	15.75	15.75
Program Budget			
Fee Income	6,646,628	12,320,716	6,441,748
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	150,000	14,272	150,000
Total Revenue	6,796,628	12,334,989	6,591,748
Employee Expenses	2,698,962	2,014,515	2,352,982
Travel Expenses	47,555	19,690	46,857
Professional Fees	315,000	91,765	265,000
Office Expenses	379,078	305,757	340,634
Grant Program Expense	150,000	14,272	150,000
Total Expenses	3,590,595	2,446,000	3,155,473
Income over Expense Excess (Deficit)	3,206,033	9,888,989	3,436,275
Overhead Allocation	825,309	1,190,024	(1,402,195)
Program Allocation	2,398,816	2,773,139	1,819,444
Total Income/(Loss)	6,430,158	13,852,152	3,853,524

PERFORMANCE MEASUREMENTS

	FYE 24 Proposed Budget	FYE 23 Project Actual	FYE 23 Budget as Adopted
<u>Multifamily Housing</u>			
LI Households obtain affordable housing	1,500	2,300	3,000
\$ of new tax-exmpt bonds issued	\$ 350,000,000	\$ 500,000,000	\$ 350,000,000
4% Hsg Authority PDA Bonds	\$ 100,000,000	\$ 230,000,000	\$ 100,000,000
4% Hsg Authority PDA Units	750	992	750
<u>9% Tax Credits</u>			
Units placed in service	860	1,301	860
Units financed (adjusted measure)	860	N/A	860
Units financed serve households earning <50% AMI	400	N/A	400
Conduct two stakeholder meetings/year	2	4	2
<u>Sustainable Energy</u>			
SET Loans	\$ 2,000,000	N/A	\$ 2,000,000
<u>Beginning Farmers Loans</u>			
New Loans	3	3	3
Issue Bonds	\$ 1,500,000	\$ 732,813	\$ 1,500,000

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023 – 2024**

Program: Nonprofit Financing Program

Division: MHCF

Commission Goal:

To provide effective, low-cost financing for nonprofit-owned housing and facilities.
To administer programs in an equitable and inclusive way.

Problem/Need:

Nonprofit organizations, particularly community-based organizations serving BIPOC people and other underserved communities have difficulty accessing low-cost credit options due to irregular revenue streams, systemic racism in the finance industry and other considerations. However, developing capital facilities will improve cash flow and assist them in carrying out their missions. The Commission provides options for organizations allowing them to take advantage of multiple choices to develop financing for supportive housing, multifamily facilities and housing intended for special populations.

Program Goal:

Eliminating real and perceived barriers to the tax-exempt bond market for eligible borrowers, to lower the cost of debt. To foster partnerships and assist in educating borrowers and the lending community about bond-financing and Commission resources to develop housing including assisted living, congregate care, and nursing beds. To form authentic relationships with community-based organizations beyond transactions.

Business Objectives (Output/Outcomes):

- 1. Program Objectives: Nonprofit Financing**
 - a. Evaluate the impacts resulting from historic and systemic racism on Commission programs and processes, including the nonprofit facilities and nonprofit housing programs and develop a baseline to track and measure impact in alignment with the agency racial equity strategic plan.
 - b. Identify, communicate, and support changes to current programs as well as develop new tools to mitigate the impact of such racism in alignment with the agency racial equity strategic plan.
 - c. Incorporate into the marketing plan specific outreach to organizations in communities of color and other underserved communities. Report to Division leadership events, outreach and activities on a quarterly basis through June 30, 2024.

- d. Conduct a mapping exercise to create a comprehensive understanding of various interested party groups from an impact/access/accountability analysis, in preparation for public engagement goals detailed in racial equity strategic plan.
- e. As committed in the racial equity strategic plan, begin the process of conducting a Racial Equity Impact Assessment across multiple programs, including defining requirements for the scope, budget, timeline, consultant qualifications, and internal staff load. (Timing aligned with RESP).
- f. Review and refresh marketing materials, website, brochures, handouts to reflect program changes and results as needed by June 30, 2024, in alignment with agency wide racial equity strategic plan.
- g. Evaluate nonprofit organizations' barriers to financing capital projects and develop tools to educate and assist organizations in preparing for and undertaking projects, including soliciting input from community-based organizations that do not have ready access to capital, Ongoing through June 30, 2024.
- h. Seek out alternative financing structures and provide technical assistance to traditional non-profit housing developers to utilize more fully 501 c3 bonds to develop affordable housing by June 30, 2024. Track and analyze trends by 12/30/23.

2. Nonprofit Financing Objectives:

- a. Issue \$80 million in bonds or finance 225 units/beds including facilities for senior housing by 6/30/2024.
- b. Coordinate and market green initiatives to nonprofit housing providers, with report on successes by 6/30/2024.
- c. Issue \$40 million in bonds for non-profit facilities by June 30, 2024.

Performance Outcome(s):

1. Eligible borrowers participate in our programs by developing housing and facilities with bond financing.
2. Portfolio of borrowers is expanded to include new organizations unaware of or unable to use the bond financing program in the past.
3. Nonprofits and banks consider the limitations imposed by 501(c)(3) bonds are not greater than the interest rate benefits.
4. Commission understands its broad range of interested party groups and integrates the needs and concerns of those groups into program design and implementation.
5. Commission marketing activities continue to generate client interest who use the Commission as issuer.
6. Incorporate client recommendations into the program design when appropriate.
7. Increased use of 501c3 financings for traditional non-profit housing developers.

Assumptions:

1. Tax-exempt bond financing provides more beneficial ways of developing nonprofit housing and facilities than other sources of financing for eligible borrowers.
2. Credit is available.
3. Changes to the tax code do not impede the issuance of bonds or do away with them altogether.
4. Commission policy requirements and market requirements are compatible.
5. Changes to health care reimbursement do not make the development of capital facilities providing childcare services, assisted living and/or nursing care infeasible.
6. The economy will support the services provided by eligible borrowers to the community and lenders will continue to underwrite nonprofits for the nonprofit-owned facilities.

Nonprofit Housing (NPH)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24 Proposed Budget	FYE 23 Projected Actual	FYE 23 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	0.71	0.65	0.71
Temporary	-	-	-
Total FTE's	0.71	0.65	0.71
Program Budget			
Fee Income	825,247	972,385	695,585
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	825,247	972,385	695,585
Employee Expenses	114,165	95,605	102,691
Travel Expenses	3,410	-	4,112
Professional Fees	5,000	-	7,000
Office Expenses	22,111	16,932	23,088
Grant Program Expense	-	-	-
Total Expenses	144,686	112,536	136,891
Income over Expense Excess (Deficit)	680,561	859,849	558,694
Overhead Allocation	34,706	55,075	(63,866)
Program Allocation	564,427	652,507	428,104
Total Income/(Loss)	1,279,694	1,567,430	922,932

PERFORMANCE MEASUREMENTS

	FYE 24 Proposed Budget	FYE 23 Project Actual	FYE 23 Budget as Adopted
<u>PERFORMANCE MEASUREMENTS</u>			
\$\$ Of Tax Exempt Bond Issued	80,000,000	200,000,000	80,000,000
Target Households Obtain Affordable Hsg	225	736	225

Nonprofit Facilities (NPF)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24 Proposed Budget	FYE 23 Projected Actual	FYE 23 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	0.84	0.84	0.84
Temporary	-	-	-
Total FTE's	0.84	0.84	0.84
Program Budget			
Fee Income	242,170	217,696	334,533
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	242,170	217,696	334,533
Employee Expenses	139,045	127,168	126,204
Travel Expenses	5,259	-	4,999
Professional Fees	5,000	-	5,000
Office Expenses	22,851	11,426	20,132
Grant Program Expense	-	-	-
Total Expenses	172,155	138,594	156,335
Income over Expense Excess (Deficit)	70,015	79,102	178,198
Overhead Allocation	41,295	67,827	(72,938)
Program Allocation	317,490	367,035	240,809
Total Income/(Loss)	428,800	513,965	346,069

PERFORMANCE MEASUREMENTS

	FYE 24 Proposed Budget	FYE 23 Project Actual	FYE 23 Budget as Adopted
<u>PERFORMANCE MEASUREMENTS</u>			
NPF Bonds Issued	\$ 40,000,000	\$ 100,000,000	\$ 40,000,000

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023-2024**

Program: Special Focus Programs

Division: MHCF

Commission Goal:

To provide access to capital and address gaps in traditional financing for effective, low-cost financing for multifamily housing, manufactured housing communities, land acquisition, beginner farmer ranchers, energy efficiencies in housing and alternative energy technologies.

Problem/Need:

There is a lack of sufficient affordable rental housing throughout the State and the cost of housing exceeds the incomes of many households. Resources are insufficient to meet the affordable housing need. Beginning farmers and ranchers, have a lack of sufficient economic resources to purchase land and equipment. Additionally, there are current and historical barriers to accessing capital resources for BIPOC households and communities. In furtherance of State policy to reduce energy consumption, programs are necessary to increase energy efficiency in housing and facilities and to integrate renewable energy resources in these programs.

Program Goal:

To create and preserve affordable rental housing beyond the traditional financing sources. To provide financing for individuals seeking to begin a life in farming and ranching. To finance energy efficiency and renewable energy sources throughout all Commission programs.

Business Objectives (Outputs/Outcomes):

1. Program wide:

- a. Evaluate the impacts resulting from historic and systemic racism on Commission programs and processes, including the Commission's special focus programs, change programs and develop new tools to mitigate the impact of such racism, in alignment with the agency racial equity strategic plan.
- b. Evaluate opportunities for grant applications for all division programs and report quarterly to Director through June 30, 2024.
- c. Assess current staffing needs and objectives based on legislative or emerging program initiatives by December 31, 2023. Support ongoing internship opportunities within the Division through June 30, 2024.

2. Renewable and energy efficiency:

- a. Navigate, communicate, and track Inflation Reduction Act funding with relevant stakeholders through June 30, 2024.
 - b. Issue \$2 million from the SET. Continue to assess and develop strategic priorities for the SET, that are responsive to community needs and gaps. Look for opportunities to bridge or leverage IRA resources through June 30, 2024.
 - c. Map SET stakeholders and conduct stakeholder outreach in line with our racial equity strategic plan through June 30, 2024.
 - d. Coordinate and collaborate with AMC to better understand the needs of our portfolio and market SET funds. Ongoing through June 30, 2024.
 - e. Develop a plan for disbursing the City of Seattle solar funding program by December 31, 2023.
3. Track and monitor multifamily point effectiveness and impact on energy efficiency and any potential changes by June 30, 2024.

4. Beginning farmers and ranchers:

- a. Issue \$1.5 million in tax-exempt bonds or close 3 projects by 06/30/24.
- b. Monitor and track the Purchase Assistance Loan Program. Report quarterly on any potential loan activity.
- c. Continue to fund farmland conservation projects as Farm PAI funds become available. Report quarterly on progress to Division Director.
- d. Assess viability for a BIPOC farmer component of Farm PAI by 6/30/24.

5. Manufactured Housing Communities

- a. Finance 2 Manufactured Housing Communities, or 100 units, by 6/30/2024.
- b. Track and monitor legislation and funding opportunities by 6/30/2024 and report quarterly on any progress or initiatives.

6. Land Acquisition Program

- a. Assess and implement any new initiatives developed either through private partnership or by the legislature by December 31, 2023.
- b. Develop measures and report impacts of redefined outcomes by 6/30/2024.

Performance Measures:

1. Measure number of transaction and pipeline for each of the PRI programs.
2. Track reoccurring applicants, first time users and race/ethnicity of project sponsors as well as communities most impacted and tenant data, where applicable and available.
3. Create outcomes based approach for all the PRI programs, establishing baselines and key measures to track progress towards the outcomes.

Assumptions:

1. The financing tools available to the Commission provide a cost-effective and efficient benefit to eligible borrowers.
2. Changes to the tax code do not impede the issuance of bonds.
3. Funds are available for the SET, LAP, and other Commission PRI programs.
4. There is sufficient issuance authority under the debt ceiling.
5. Commission policy requirements are not in irresolvable conflict with market requirements.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023 - 2024**

Program: Compliance

Division: Asset Management & Compliance

Commission Goal:

To provide effective low-cost financing for housing and non-profit facilities in Washington state.

Problem/Need:

Ensure consistency in monitoring developments within the state of Washington.

Compliance requirements are extensive and complex; Owners may not understand or comply with program regulations, requirements, or commitments. Owners may need assistance maintaining affordable units for the duration of their Regulatory Agreement.

Program Goal:

To ensure Owner commitments and public benefits of multifamily properties financed with Commission Bonds and Tax Credits are satisfied. To ensure financed housing remains affordable and in good repair for the longest time possible.

Business Objectives (Outputs/Outcomes):

1. Review all project compliance reports. Complete initial reviews within eleven months of report due dates. Issue compliance close-out letters within 14 months of report due dates.
2. Ensure completion of calendar year onsite inspections for 1/3 of all projects by December 31st, 2023.
3. Provide regular educational opportunities and resources to owners, managers, and other stakeholders to ensure thorough understanding of LIHTC and bond program requirements. Includes the following:
 - a. Deliver virtual, in-person and/or hybrid tax credit and bond compliance workshops and training modules on a regular schedule.
 - b. Publish 12 electronic newsletters and online resources throughout the year.
 - c. Hire an additional full-time Portfolio Analyst with a focus on training development and delivery.
4. Outline specific preservation policy criteria for compliance with MHCF's Sr. Policy Advisor by end of June 30th, 2023.
5. Implement Eventual Tenant Ownership plan framework with projects that are at end of the Federal Compliance period by December 31st, 2023.
6. Continue to engage, realign business objectives, and implement the Commission's Strategic Plan over the next 3 years in the areas of

- a. Language accessibility
- b. Enhanced data collection process to inform policies.
- c. Stakeholder mapping and engagement

Performance Measures:

1. 100% of owners and managers with noncompliance issues will experience resolution of noncompliance issues within stated periods (refers to Goals 1, 2 and 3).
2. The average score for the division on post-training evaluations will be 4 or higher, on a scale of 1 to 5.
3. The average score for owner/manager satisfaction for compliance policy assistance and resolving noncompliance issues will be 4 or higher, on a scale of 1 to 5.

Assumptions:

1. Performance Measure #1: Success will be measured by meeting or exceeding stated timelines based on a query of database dates entered for reviewing projects and closing out noncompliance issues.
2. Performance Measure #2: All workshop participants will be asked to complete a post training evaluation. Results will be tabulated each quarter for reporting to AMT.
3. Performance Measure #2: This assumes that training can be successfully translated to a combination of in person and virtual format.
4. Performance Measure #3: Stakeholders will be sent a customer satisfaction survey; results will be collected and reported by June 30th. Survey results will not be reported if we receive responses from less than 5% of the people who emailed the survey.

Compliance (COM)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24 Proposed Budget	FYE 23 Projected Actual	FYE 23 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	14.30	12.88	13.30
Temporary	-	-	-
Total FTE's	14.30	12.88	13.30
Program Budget			
Fee Income	7,860,501	7,532,769	7,563,596
Interest Income	-	-	-
Other Income	160,000	155,849	130,000
Grant Program Income	-	-	-
Total Revenue	8,020,501	7,688,618	7,693,596
Employee Expenses	2,322,445	1,937,565	1,995,818
Travel Expenses	38,043	25,003	39,101
Professional Fees	1,094,480	430,078	690,000
Office Expenses	458,609	325,283	392,276
Grant Program Expense	-	-	-
Total Expenses	3,913,577	2,717,928	3,117,195
Income over Expense Excess (Deficit)	4,106,924	4,970,691	4,576,401
Overhead Allocation	938,765	1,330,146	(1,454,319)
Program Allocation	-	-	-
Total Income/(Loss)	5,045,689	6,300,837	3,122,082

PERFORMANCE MEASUREMENTS

	FYE 24 Proposed Budget	FYE 23 Project Actual	FYE 23 Budget as Adopted
PERFORMANCE MEASUREMENTS			
Annual Reviews			
Bonds	75	78	77
Tax Credits	1055	1035	1030
Rtc	1	1	2
On Site Inspections			
Bonds	N/A	N/A	N/A
Tax Credits	375	325	350
Workshops			
Bonds	1	1	1
Tax Credits	6	6	6
Annual Reporting/Wbars	N/A	N/A	N/A
Manual Updates	2	2	N/A
Utility Allowance Change Reviews	15	17	N/A
Proc. Assumptions & Transfers	25	25	30
Problem Resolution Within Stated Time	1	1	1
Serious Noncompliance W/In Portfolio	<15%	<5%	N/A
Score Well On Training Evaluations	>4	>4	>4
Client Satisfaction Survey Score	>4	>4	>4
# Of Newsletter	12	12	12
Modification of Reg. Agreements	2	0	N/A

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023 - 2024**

Program: Bond Portfolio Management

Division: Finance

Commission Goal:

Provide effective, low-cost financing for housing and non-profit facilities while maintaining the financial independence of the Commission.

Problem/Need:

The financial markets will only purchase the Commission’s tax-exempt bonds, certificates and mortgage-backed securities issued on behalf of the Commission when general accounting and financial reporting services and required disclosures are accurate and timely.

Program Goal:

Provide accurate and timely financial information on the Commission’s outstanding bond program obligations and assets to enhance acceptance of future bond and mortgage-backed security sales, guide management decisions and support the Commission’s programs and related initiatives.

Business Objectives (Outputs/Outcomes):

1. Review and record bond transactions, create quarterly financial statements and disclosure and management reports:

Activity/Reporting	Period	Due (business days)
a. Review and record monthly transactions	Monthly	20
b. Quarterly outstanding bond list by program with balances	Quarterly	10
c. Quarterly single-family bond disclosure reports posted to website and EMMA, as required.	Quarterly	35
d. Quarterly financial statements and Plains Capital Compliance reporting	Quarterly	35
e. Dashboard of bonds outstanding and activity to management and Commissioners	As needed	

f. Semi-annual single-family indenture parity reports, liquidity compliance reports, and updates to cross call table	Semi-annual	45
g. Semi-annual proceeds use report (WAC 262 01 080)	Semi-annual	45

2. Reconcile Home Advantage TBA MBS sales within three days of each sale (generally three times per month with two servicers).
3. Monitor arbitrage liabilities and assure timely calculation, reporting, recording and payment within the quarterly timelines above.
4. Administer the bond cap recycling program including quarterly reporting on available cap and related debt outstanding.
5. Complete annual audit of financial statements and obtain an unqualified audit opinion by December 15, 2023. Publish audited financial statements within 30 days of Commission approval, no later than January 12, 2024.
6. Periodic review and update program policies and procedures as needed.

Performance Measures:

1. The Commission’s annual independent external audit will have an unqualified opinion with no reportable conditions.
2. All of the bond accounting financial reports, including the dashboard and disclosures, will be completed within the specified timeframes.
3. Required Single Family Arbitrage information returns will be timely filed.
4. Home Advantage TBA MBS Sales will be reconciled within three days of receipt of funds and necessary distributions identified.

Assumptions:

1. There are no significant trustee errors during fiscal year.
2. Post bond closing activities will not require legal action.
3. Necessary arbitrage calculations have been identified.
4. No changes will be made in disclosure report formats.
5. Appropriate level of trained staff is maintained.

Bond Portfolio Management (BPM)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24	FYE 23	FYE 23
	Proposed Budget	Projected Actual	Budget as Adopted
Personnel Resources [FTE's]			
Permanent	4.54	3.50	4.54
Temporary			
Total FTE's	4.54	3.50	4.54
Program Budget			
Fee Income	4,397,840	4,548,905	4,181,450
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	4,397,840	4,548,905	4,181,450
Employee Expenses	734,012	553,225	674,016
Travel Expenses	23,646	15,131	11,522
Professional Fees	233,160	246,400	199,700
Office Expenses	153,953	107,170	141,524
Grant Program Expense	-	-	-
Total Expenses	1,144,771	921,926	1,026,762
Income over Expense Excess (Deficit)	3,253,069	3,626,979	3,154,687
Overhead Allocation	274,601	451,188	(479,034)
Program Allocation	(3,527,670)	(4,078,167)	(2,675,653)
Total Income/(Loss)	-	-	-

PERFORMANCE MEASUREMENTS

	FYE 24	FYE 23	FYE 23
	Proposed Budget	Project Actual	Budget as Adopted
PERFORMANCE MEASUREMENTS			
Quarterly Bond Statements	4	4	4
Number Of Outstdg Issues	397	392	388
Amount Of Outstdg Bonds	\$7.93 billion	\$7.81 billion	\$7.61 billion
Disclosures, (Qtrly & Semi Annual)	4	4	4
Annual Unqual Audited Financials	1	1	1
Timely Financial Reports	100%	100%	100%

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023– 2024**

Program: General Operations

Division: Finance

Commission Goal:

Provide effective, low-cost financing for housing and non-profit facilities while maintaining the financial independence of the Commission.

Problem/Need:

The willingness of the financial markets, our business partners and customers to continue to work with the Commission relies, in part, on the quality of our general accounting and financial reporting services.

Program Goal:

Provide accurate and timely accounting and financial reporting to support the Commission’s operations and inform our partners and customers.

Business Objectives (Outputs/Outcomes):

General Operations

1. Deposit and record all receipts, process accounts payable and accounts receivable daily; close general ledger with all appropriate transactions completed:

Activity/Reporting	Period	Due after period end
a. Deposits posted to proper Customer or Revenue accounts	Daily	2 nd business day
b. Month end purchase and receivable invoices	Monthly	10 th business day
c. Month end accrual or adjusting entries	Monthly	12 th business day
d. Reconciliation of all accounts	Monthly	12 th business day

2. Provide accurate and timely management information to divisional directors, managers, and Commissioners:

Activity/Reporting	Period	Due after period end
e. Month-end, Commission-wide operating financial statements	Monthly	13th business day
f. Month-end, divisional operating financial statements	Monthly	14 th business day
g. Review quarter-end operating results	Quarterly	AMT

3. Invest the Commission’s general operating reserves, monitor investment managers and report status by the end of the month following each quarter.
4. Lead the Commission’s annual budgeting process for FY 24-25 with a proposed budget completed for presentation at the Commission May planning session and a final budget adopted at the Commission’s June 2024 meeting.
5. Complete quarterly grant reconciliation and required reporting by the 5th business day following receipt of program staff detail following quarters end-
6. In the event of a state audit, facilitate the auditor’s review and develop a plan of correction, if required, within 15 business days of the exit conference. Implement plan within 60 days of plan’s approval by EMT.
7. Maintain currency of knowledge in relevant SAAM and communicate relevant policies and procedures with appropriate levels of staff.
8. Review and update program policies and procedures as necessary.
9. Work with Seller Servicer Consultant on a work plan and timeline for application, if applicable, for certification of the Commission as a Ginnie Mae, Fannie Mae, or Freddie Mac seller/servicer by June 30, 2024.
10. Meet the timeline and KPIs for the action item where Finance takes the leading role as set out in the racial equity strategic plan.

Program-Related Investments

11. Provide maximum funds available, including those from the PRI and Bond funds and warehouse lines as necessary for the purchase of timely purchase of mortgage loan participations. Manage the process receiving funds and returning the loan participations, maintaining appropriate control. Reconcile all activity and ensure correct revenue is received.
12. Provide Program Related Investment financial statements including available program balances by the end of the month following quarter end.

13. Increase access to affordable housing financing for historically underserved and marginalized communities. This will be measured by tracking the number or dollar amount of affordable housing loans provided to BIPOC individuals and communities over time. Such info will be reported on an annual basis.

Performance Measures:

1. The Commission's annual independent external audit will have an unqualified opinion with no reportable conditions.
2. The Commission's annual state compliance audit will report no material instances of non-compliance with applicable statutes and WACs.
3. All of the general operations financial reports will be completed within the specified timeframes.
4. Management will have the materially accurate financial information available monthly by the 20th day of the following month to guide effective decision making.

Assumptions:

1. Necessary documents for financial statements completion are provided on a timely basis.
2. Timely submission of all documents to finance personnel.
3. Growth of workload (due to continued growth of Daily Pricing program, liquidity management, and increase in bond activity) does not outpace current staffing.
4. Appropriate level of trained staff is maintained.
5. Timely review and approval of all documentation by management.
6. Notification and involvement of finance staff in advance of the initiation and negotiation of all grants, awards and agreements resulting in the receipt or expenditure of fiscal resources.
7. No major changes in portfolio managers or investment policy during fiscal year.
8. Federal resources received do not require extensive monitoring and compliance.
9. Schedule of State Auditor's office is timely.
10. Marketing to BIPOC communities is effective.

General Operations (GOP)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24 Proposed Budget	FYE 23 Projected Actual	FYE 23 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	8.05	6.05	8.05
Temporary	-	-	-
Total FTE's	8.05	6.05	8.05
Program Budget			
Fee Income	-	-	-
Interest Income	10,385,438	9,811,215	1,236,057
Other Income	4,000	5,324	4,000
Grant Program Income	-	-	-
Total Revenue	10,389,438	9,816,539	1,240,057
Employee Expenses	1,148,019	845,971	1,054,226
Travel Expenses	17,990	2,461	20,430
Professional Fees	276,000	204,522	226,000
Office Expenses	140,893	92,954	146,226
Grant Program Expense	-	-	-
Total Expenses	1,582,902	1,145,908	1,446,882
Income over Expense Excess (Deficit)	8,806,536	8,670,631	(206,825)
Overhead Allocation	(8,806,536)	(8,670,631)	206,825
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

PERFORMANCE MEASUREMENTS

	FYE 24 Proposed Budget	FYE 23 Project Actual	FYE 23 Budget as Adopted
PERFORMANCE MEASUREMENTS			
Quarterly Investment Rpts	4	4	4
State Audit W/No Material Non Compliance	1	1	1
Qtly Operating/PRI Stmts.	4	4	4
Average Amount Invested:			
General Reserves	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000
Annual Yield	2.50%	2.05%	2.00%
Program Related Investment	\$ 769,714,788	\$ 740,964,788	\$ 754,501,984
Unqualified Audit Opinion	1	1	1
Timely Financial Reports	100%	33%	100%
Amt Perceived Access Score (1-5 Scale)	>4	>4	>4

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023-2024**

Program: Administration

Division: Executive Office

Commission Agency Wide Performance Measures:

1. Directly finance 350,000 affordable housing units by the end of fiscal year 2026.
2. Earn a minimum of \$380,000 per FTE in revenue each fiscal year.
3. Spend less than \$210,000 per FTE each fiscal year.
4. Develop benchmarking standards to assess progress toward increasing the accessibility of our resources for BIPOC residents and/or entities which are prioritizing the needs of BIPOC populations.
5. The Commission's employees will average a score of 4 or better on the "employee engagement" measures developed by DOP and supplemented with racial equity assessment questions when measured each fiscal year.

Business Objectives:

1. Evaluate the impact of historic and systemic racism on Commission programs and processes by June 30, 2024 and develop new tools to mitigate the impact of such racism.
2. Evaluate the impacts resulting from the COVID-19 pandemic on Commission programs and processes and implement regulatory requirements or other changes as necessary by June 30, 2024.
3. Identify, communicate, and support enhancements of current programs as well as the development of new tools to mitigate the impact of the COVID-19 pandemic by June 30, 2024.
4. Conduct new Commissioner Orientation within 90 days of new appointments; Prepare for and conduct 11 monthly HFC meetings, one planning session, and assist the Commissioners in the completion of their duties by June 30, 2024.
5. Provide leadership in the development of statewide housing policy and obtain approval of a 2024 legislative agenda by December 30, 2023.
6. Produce and distribute the Annual Report and Cumulative Report by December 31, 2023.
7. Organize and conduct a statewide housing conference by October 30, 2023; prepare and present a final report by January 31, 2024.
8. Lead the Friend of Housing Award selection process and produce the awards ceremony during Housing Washington in October 2023.

9. Coordinate, schedule and complete the annual revisions to the Business Resumption Plan by June 30, 2024.
10. In collaboration with the Deputy Director and EMT/AMT, plan and conduct a staff planning session by June 30, 2024.
11. Complete the on-going implementation, monitoring and training for a Commission electronic content management system by December 31, 2023.
12. Conduct monthly EMT/IT Governance meetings and semi-monthly AMT meetings and record and report actions to Executive Director and staff within 5 days.
13. Monitor the strategic direction of the Commission's IT program and research, report and receive approval to implement new initiatives by December 31, 2023.
14. Throughout 2023/2024 the Administration Division will continue to advance the Commission's commitment to racial equity and social justice by accomplishing the following objectives:
 - By June 30, 2024, provide continued commitment and support for implementation of the Commission's Racial Equity Strategic Plan
 - By October 31, 2023, develop an inclusive process and timeline for reimagining and revising the Commission's Office Procedures Manual.
 - By June 30, 2024, update the Commission's Office Procedure Manual to ensure relevance to current business practices, as well as ensuring that they reflect the Commission's commitment to racial and social justice.

Administration (ADM)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24 Proposed Budget	FYE 23 Projected Actual	FYE 23 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	13.82	11.82	13.82
Temporary	-	-	-
Total FTE's	13.82	11.82	13.82
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	31,200	30,383	30,300
Grant Program Income	-	-	-
Total Revenue	31,200	30,383	30,300
Employee Expenses	2,288,574	1,695,749	2,133,935
Travel Expenses	53,103	32,930	56,816
Professional Fees	382,816	342,287	565,000
Office Expenses	1,177,877	651,030	1,108,440
Grant Program Expense	-	-	-
Total Expenses	3,902,370	2,721,996	3,864,191
Income over Expense Excess (Deficit)	(3,871,170)	(2,691,612)	(3,833,891)
Overhead Allocation	3,871,170	2,691,612	3,833,891
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

PERFORMANCE MEASUREMENTS

	FYE 24 Proposed Budget	FYE 23 Project Actual	FYE 23 Budget as Adopted
<u>PERFORMANCE MEASUREMENTS</u>			
Housing Washington Conference	1	1	1
Monthly Hfc Mtgs., 1 Planning	12	12	12
Impact Cumulative Report	1	1	1
Annual Report & Financial Stmt.	1	1	1

COMMISSION-WIDE PERFORMANCE MEASUREMENTS

\$ Amount Of Revenues / FTE	350,000	516,258	437,933
\$ Amount Of Expenses / FTE	200,000	183,507	227,246
Units By 2026*	350,000		320,000
Score On Employee Engagement	>4	>4	>4

* Includes projects refinanced with regulatory agreements extended ten years or more.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2023 - 2024**

Program: IT Services

Division: Executive Office

Commission Goal:

- To focus Commission efforts on building communities.
- To maintain financial independence.
- To actively support our clients.
- To provide improved infrastructure and superior technology.

Problem/Need:

The Housing Finance Commission needs to provide technological support to program staff to assure the delivery of affordable housing and community facility programs among others.

Program Goal:

To provide support to Commission staff through technology programs that are both relevant to our mission and fiscally responsible.

Business Objectives (Outputs/Outcomes):

1. Ensure IT Service Desk incidents are resolved in accordance with the terms of our Service Level Agreement (SLA) which defines response time based upon severity level. This will be reported monthly to the ITG (Information Technology Governance) Committee.
2. Complete quarterly server recovery testing in conjunction with Disaster Recovery exercises to support the Business Resumption Plan.
3. Coordinate and assist in providing IT support for the installation and implementation of a Content Management System project through 6/30/2024.
4. Maintain the Salesforce database with the support of an external contractor; coordinate planning, scheduling, and implementation of enhancements and provide a monthly report to ITG.
5. Maintain the Emphasys loan servicing platform with the support of internal staff and external contractors; coordinate planning, scheduling, and implementation of enhancements and present monthly reports to ITG on system status.
6. Support Dynamics Nav and Serenic Navigator financial systems in accordance with the terms of the SLA. Report monthly status updates to the ITG.

7. Provide and maintain monthly Service Desk Summary Reports with a roll-up of types of issues and resolution results as well as response time statistics in accordance with the SLA to the ITG.
8. Maintain an Information Technology training program that will ensure that current and future IT and Commission staff stay current with present and future technologies. Update current content by September 2024 and report status to the ITG monthly.
9. Maintain a Commission staff training program that will ensure that current and future cyber security vulnerabilities are recognized and how to avoid them. Renew content yearly and publish training videos monthly.
10. Maintain the after-hours maintenance schedule that ensures all servers, desktops, laptops, and network equipment stay up to date with all security, firmware, and operating system updates as recommended by Microsoft and other Information Technology vendors to be performed quarterly.
11. Maintain and provide a quarterly Security Breach Report to the Information Technology Governance Committee. For audit purposes the report of an intrusion from both internal and external sources by ten days following the quarter end.
12. Ensure that all critical IT hardware (servers, switches, and firewalls) and software remains under warranty coverage in accordance with the agreed upon SLA (service level agreement). Audit them quarterly and provide a report to ITG of the expiring service contracts.
13. Maintain and update the Commission's IT network infrastructure and the Commission's desktops, laptops, and tablets.
14. Identify and implement IT Infrastructure that can be moved into a cloud platform and cause little impact on the Commission's SLA by September 15, 2024.
15. Identify, communicate, and support enhancements of current programs as well as the development of new tools to mitigate the impact of the COVID-19 pandemic.
16. Review and implement safe office return-to-office procedures and processes.
17. Create and submit a new RFP for our Salesforce Consultant by December 3, 2023.
18. Continue to support a hybrid by-to-the-office solution as directed by the executive staff.
19. Support the continued Commissioners Hybrid Meetings audio visual needs.
20. Install a system that will guard against ransomware and Malware. Also, install a recovery system that recovers the business in a time determined by the leadership team.

Performance Measures:

1. Commission staff will have reliable access to major IT resources, File server, Office 365, Salesforce, Microsoft Dynamics NAV Remote Access and Emphasys Bond system at least 99.9% of the time (excluding routine, schedule maintenance).
2. Commission staff will have responses to network and peripheral support problems in accordance with our Service Level Agreement (SLA).

Assumptions:

1. No major disasters in the physical environment.
2. External contractor for software development and data analyst support.
3. No major disruptions of critical external IT services.
4. Performance outcome #1 will be measured and reported monthly by review of the problem ticket work order log.

IT Services (rev 07/08 from BIT) (ITS)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24 Proposed Budget	FYE 23 Projected Actual	FYE 23 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	3.92	3.00	3.92
Temporary			
Total FTE's	3.92	3.00	3.92
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	-	-	-
Employee Expenses	711,663	454,918	629,079
Travel Expenses	18,926	11,899	15,287
Professional Fees	90,000	-	25,000
Office Expenses	777,082	780,442	564,522
Grant Program Expense	-	-	-
Total Expenses	1,597,671	1,247,258	1,233,888
Income over Expense Excess (Deficit)	(1,597,671)	(1,247,258)	(1,233,888)
Overhead Allocation	1,597,671	1,247,258	1,233,888
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

PERFORMANCE MEASUREMENTS

	FYE 24 Proposed Budget	FYE 23 Project Actual	FYE 23 Budget as Adopted
PERFORMANCE MEASUREMENTS			
Quarterly Server Test Restores	4	4	4
Avg Availability Of All Key Servers	0.999	0.999	0.999
Client Satisfaction Survey Score	>4	>4	>4
Help Desk Response Time	Per SLA	Per SLA	Per SLA

Commissioners (EXO)
Budget Summary for the fiscal year ending: June 30, 2024

FINANCIAL AND PROGRAM INFORMATION

	FYE 24 Proposed Budget	FYE 23 Projected Actual	FYE 23 Budget as Adopted
Personnel Resources [FTE's]			
Permanent			
Temporary			
Total FTE's	-	-	-
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	-	-	-
Employee Expenses	21,475	8,803	21,463
Travel Expenses	63,110	14,924	65,210
Professional Fees	-	-	-
Office Expenses	25,850	4,930	25,976
Grant Program Expense	-	-	-
Total Expenses	110,435	28,657	112,649
Income over Expense Excess (Deficit)	(110,435)	(28,657)	(112,649)
Overhead Allocation	110,435	28,657	112,649
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-



Division Reports: Successes & Meeting Challenges in FY 2024



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

BUDGET SESSION 2023

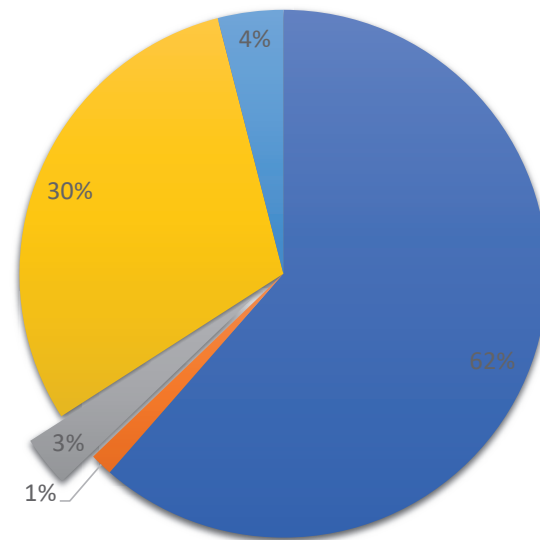


Successes, Challenges & Opportunities: Asset Management & Compliance Division

Wubet Biratu, AMC Director



- **1,141 Projects**
- **106,728 units**



■ 4% Tax Credits ■ 4% TC Bond Refinancing ■ 80/20 Bonds ■ 9% Tax Credits ■ Non Profit Housing



- Tax Credit and Bond Properties Compliance Monitoring
- ARRA Projects monitoring
- File Reviews
- Site Inspections
- Trainings and Education
- Policy and Procedure
- Partnerships



Compliance Monitoring

- Monitored 106,000+ units in over 1,100 projects
- Supported 31 property owners through year-15 exits and ownership transfer transactions. 17 extended use period releases

Inspection

- Hired and on-boarded new inspection vendors
- Inspected 4,130 units and 326 properties (CY2022)
- Provided combined funder training on inspection process
- Leveraging existing technology and build new processes to ease administrative burden

Training

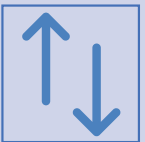
- Conducted 6 virtual Fundamental trainings and trained 369 attendees and from 119 different management companies
- Created on-demand video trainings
- Conducted in-person training at AHMA annual convention

Planning and Policy

- Adopted seven RESP action items in the areas of
 - ✓ Resource Accessibility
 - ✓ language access
 - ✓ Enhanced data collection process to inform policy
 - ✓ Public engagement
 - ✓ Stakeholder mapping and engagement

Challenges & Opportunities

BUDGET SESSION 2023



New Guidelines and Rules Implementation

- New physical inspection protocols (NSPIRE)
- New income limits
- New income and asset rules & AIT guidelines



Increase staff capacity

- Meet IRS regulatory obligations
- Create new and advanced training materials
- Streamline RESP action items with business objectives
- Hire and onboard new staff member



Training Improvements

- Identify gaps
- Identify technology solutions
- Develop web-based trainings to all stakeholders

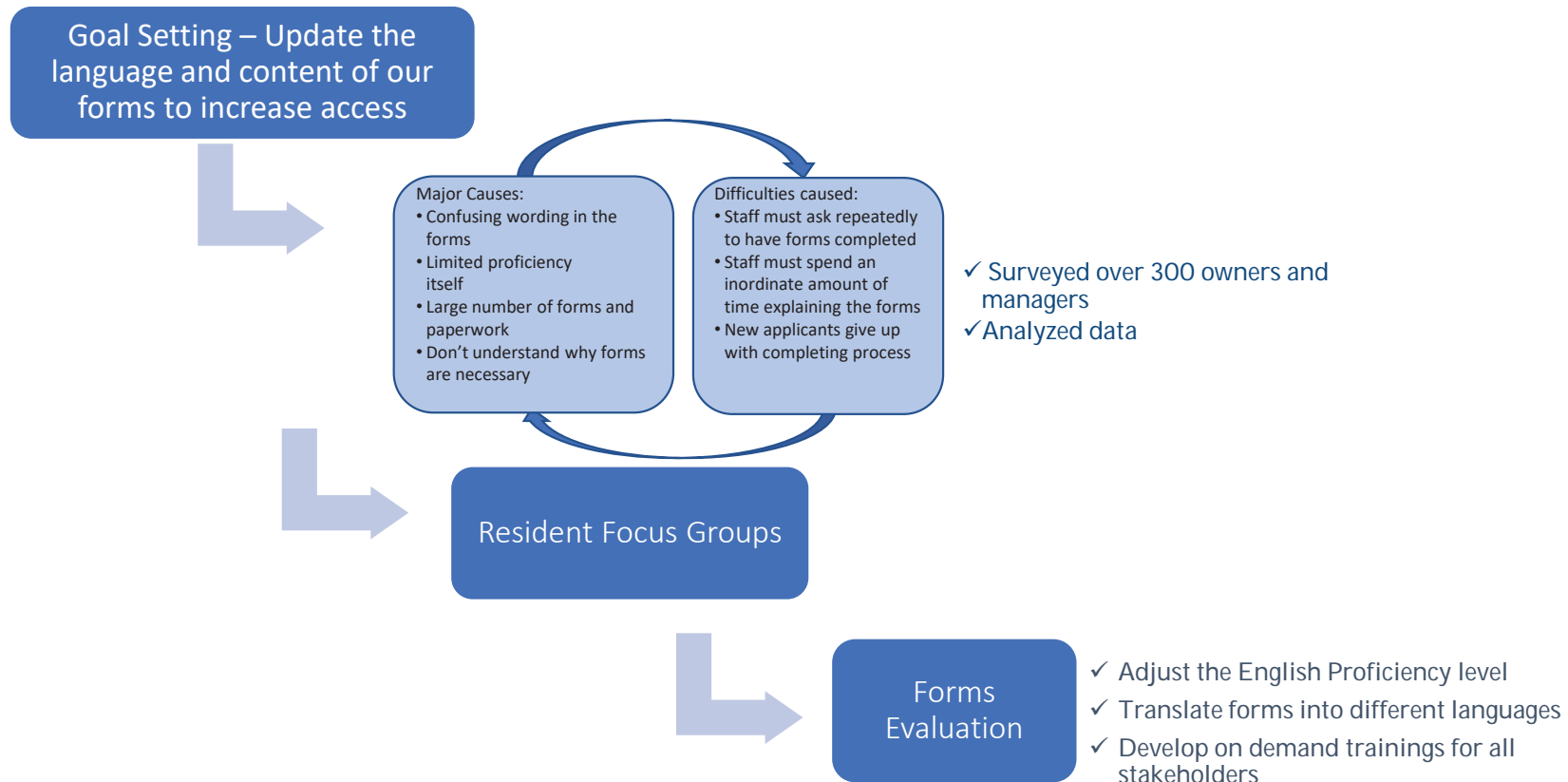


Policy and Procedure

- Develop and implement Eventual Tenant Ownership plan framework
- Develop and implement reservation Policy for our aging portfolio
- Rent stabilization policy processes research and consideration

Resource Accessibility

BUDGET SESSION 2023





WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

Questions?



WASHINGTON STATE
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Successes & Challenges: **Finance Division**

**Fenice Taylor,
Sr. Finance
Director**



Division-wide Successes



Internal staff promotion
and new hire of Grant
Accountant



Homeowner
Assistance Fund
Disbursement



Timely, Successful
Independent and State
Audits



Independent and State Audits

- Adjusted to new independent auditor
- Received clean opinion for both financial and accountability audits
- Developed risk assessment plan in preparation for future audits





Operations

- Processed over 1,100 invoices to date, to over 230 different vendors
- Deposited and recorded 2500+ transactions
- Monthly financial statements provided timely each month



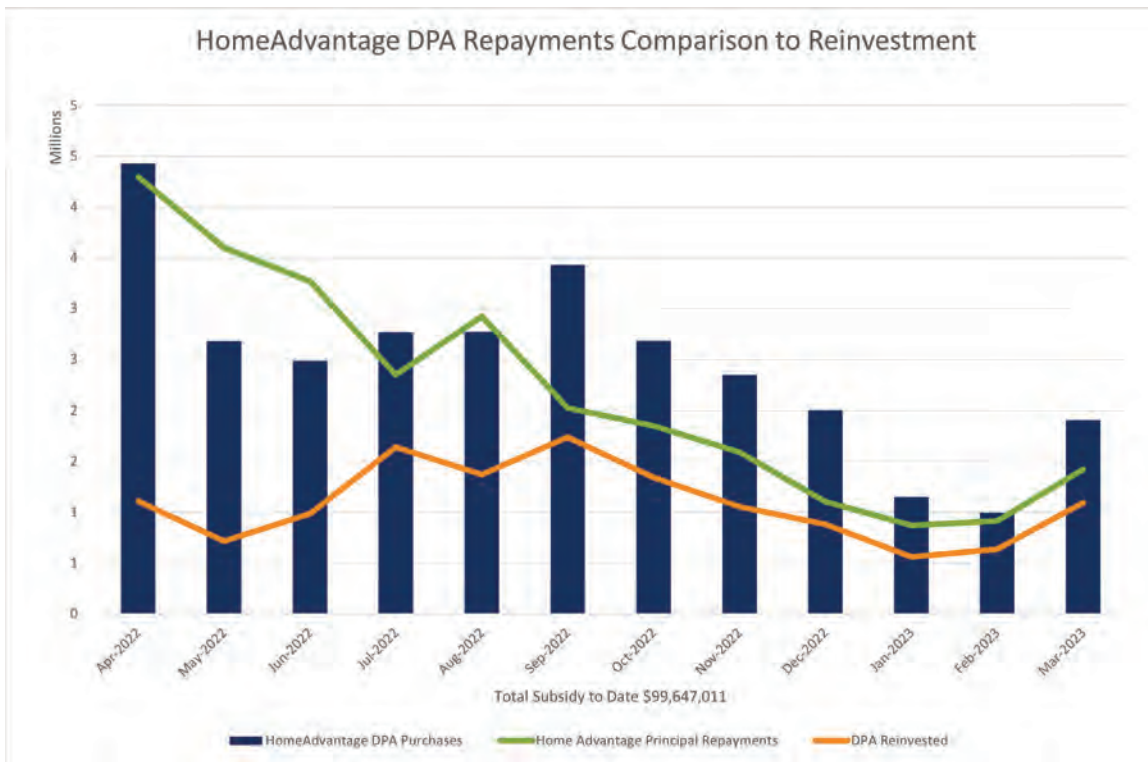


Single Family Bonds

- Received Aaa rating from Moody's for new bonds and indenture
- Achieved excess spread for transactions
- Issued Taxable bonds for Home Advantage



Status of Home Advantage DPA Reinvestment



Repayment Balance March 2022 \$131.6 M

Less: \$80 Million Reserve (\$80.0) M

Net available March 2022 \$51.6 M

Activity April 2022 to March 2023

Repayments Received \$26.2 M

DPA Reinvested (\$13.1) M

Net available March 2023 \$64.7 M



Homeownership Assistance Fund Disbursement

- Collaborated extensively with Homeownership and external partners
- Created processes and controls for HAF funds disbursement
- Disbursed \$ 31.3 million as of 5/10/23 since program inception
- Disbursed \$25.4 million in FY 23





Challenges and Opportunities



Challenging market and constrained bond volume cap



Digital transformation/Upgrading general ledger to cloud



Increased complexity



Hiring and retaining qualified staff



Successes & Challenges: Administration Division

Bob Peterson
Deputy Director



Administration

Successes

- Racial Equity Strategic Plan Finalized
- Completed General & Bond Counsel RFP
- Internal legislative process
- Held a new commissioner orientation
- Held 11 successful Board meetings
- Office space progress





Human Resources

Successes

- Successfully filled eight (8) positions
- Completed a review of all Commission staff positions for possible reallocation
- Continued to expand and enhance recruiting efforts for BIPOC staff





Information Technology

Successes

- Upgraded all desktops and laptops to Windows 10
- Upgraded remote access software to provide more secure telecommuting connections
- Expanded the internal application tool used to enter in 4% Tax Credit applications to accommodate 9% Tax Credit Applications
- Updated the data collection process the Commission uses to create all the Annual Review data used by AMC for Compliance Monitoring
- Enhanced our connection to the online Washington State learning management system





Administration

Challenges

- Office space & future equipment needs
- DEI hiring process
- Creating a paperless environment
- Staff recruitment and retention
- Supporting staff in a hybrid work environment





Human Resources

Challenges

- Keeping staff engaged, motivated and feeling connected to the Commission as we continue to telework/hybrid. Encourage staff to come into the office once per week
- Schedule staff for the new state's DEI training





Information Technology

Challenges

- Staying current with all cybersecurity trainings
- Launch the new HomeBuyer Education Seminar registration platform
- Continue roll out of our Electronic Enterprise Content Management System
- Continual monitoring of Zoom Video Conferencing platform
- Developing an online application portal for the 4% Tax Credit Program

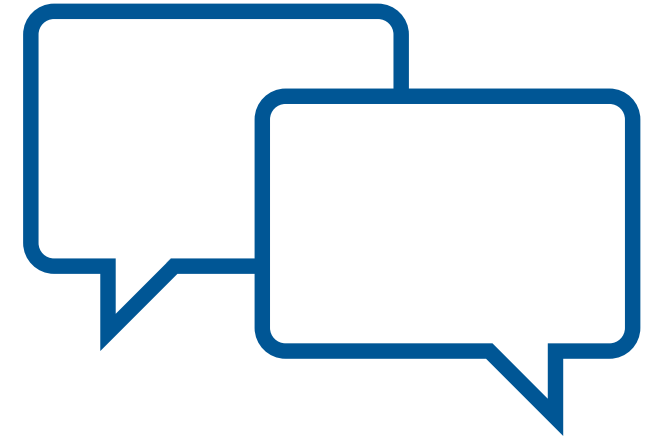




Communications

Successes

- Housing Assistance Fund marketing
- Racial Equity Strategic Plan
- Internal communications
- In-person events again: Housing Washington, Leg Con



Challenges

- Many strategic plan action steps rely on external and internal communications
- Commission's 40th anniversary!
- Website development – WSHFC.org, Here to Home, etc.



Legislative Update & Impact

WASHINGTON STATE HOUSING FINANCE COMMISSION

2023 Legislative Session Final Summary

2023-25 Biennial Capital Budget

- The Final Capital Budget included a broad range of record levels of funding for affordable housing and homelessness prevention / amelioration, including a total of \$400 million for the Housing Trust Fund (HTF). The competitive Housing Trust Fund included **\$ 354,663,000** million in **six categories**, including:
 - \$ 163,663,000 in fully **competitive funding**.
 - \$ 95,000,000 for **permanent supportive housing** under the Apple Health and Home program.
 - \$ 40,000,000 for **homeownership** projects serving first-time low-income homebuyers.
 - \$ 25,000,000 for housing persons with **intellectual and developmental disabilities**.
 - \$ 25,000,000 for **preservation** of existing affordable housing, to continue to serve low-income households.
 - \$ 6,000,000 for acquisition and preservation of **mobile homes**.
- An additional \$ 45,337,000 was appropriated for specific named Housing Trust Fund projects.
- **\$ 40,000,000** was appropriated for the **Washington State Housing Finance Commission's Land Acquisition Program**, to assist developers purchase land for affordable housing, of which \$17 million is intended as a match for \$50 million in private funding from Microsoft for use in King County.
- \$ 60,000,000 was appropriated for the Connecting Housing to Infrastructure Program (CHIP), which provides grants to local governments and public utility districts to assist in the cost of utility improvements or connections to new affordable housing projects.
- \$ 50,000,000 was appropriated for housing developers and public entities to complete projects designed to increase the supply and affordability of transit-oriented housing development. \$25 million of these funds are through private donations from Amazon, with no income restrictions.

2023-25 Biennial Operating Budget

The final Operating Budget also includes significant funding for housing and homelessness prevention and amelioration. Highlights include:

- **\$150,000,000** for implementation of **House Bill 1474 to create the Covenant Investment Act**, to provide homeownership opportunities for people harmed by racist real estate practices like racially restrictive covenants and redlining. The revenue for this funding is generated by a **new \$100 document recording fee**.
- **\$ 500,000** is provided for one-time funding for the Department of Commerce to contract with the **WSHFC to conduct a Covenant Homeownership Program Study** pursuant to Second Substitute House Bill 1474.
- \$ 48,000,000 was transferred from other housing program reserves, to partially backfill the loss of funding for state homeless services and to prevent cuts due to decreases in real estate transaction volume, which caused a substantial decrease in document recording fee revenues that fund these programs. If revenues decline more than what is assumed by this budget, additional funding will need to be appropriated in future years to avoid cuts to state and local homeless services statewide.
- \$18,000,000 is also provided to help cover a portion of the local document recording fee revenue shortfall that cities and counties are experiencing for locally-funded homeless services.
- \$ 25,000,000 for operating and maintenance support for Permanent Supportive Housing through the Apple Health & Homes program.
- \$ 13,000,000 in additional expenditure authority is provided for the Office of Apple Health & Homes to provide services for individuals in Permanent Supportive Housing.
- \$ 150,000,000 in one-time funding for grants to local governments and non-profits to provide housing and other wraparound services for individuals who reside in encampments on state rights-of-way and other encampments on state land.
- \$ 45,605,000 is provided to increase current homeless service grantee contracts. The Department of Commerce must distribute funding in a matter that will prioritize both maintaining current levels of homeless subsidies and services and stabilizing the homeless service provider workforce, reflecting a 6.5% increase from last biennium.

- \$ 5,000,000 for eviction prevention and increased funding for tenants' right to counsel.
- \$ 200,000 in one-time funding is provided for a **housing supply and affordability task force** of state and local elected officials and stakeholders. The task force **includes that Commission in its membership.**

Successful 2023 Housing and Homelessness Legislation

The bills summarized below were passed by the Legislature shortly before its adjournment on April 23rd, and some are still awaiting action by Governor Inslee.

ADUs:

House Bill 1337 by Rep Mia Gregerson (D-33, SeaTac) requires a city or county planning under the Growth Management Act allow for the construction of accessory dwelling units (ADUs) within urban growth areas (UGAs) within six months after the jurisdiction's next periodic comprehensive plan update, prohibits a city or county from imposing certain regulations or restrictions on the construction of ADUs, authorizes cities and counties to provide incentives for the construction or development of ADUs, prohibits restrictive covenants or deed restrictions created after the effective date of the bill from prohibiting the construction, development or use of ADUs within UGAs.

<https://app.leg.wa.gov/billsummary?BillNumber=5258&Initiative=false&Year=2023>

Senate Bill 5045 by Sen Patty Kuderer (D-48, Bellevue) allows King County to exempt an ADU from property tax if the ADU is maintained as a rental property for low-income households whose adjusted income is at or below 60 percent AMI. Rent charged to a tenant may not exceed more than 30 percent of the tenant's monthly income. An ADU does not qualify for a property tax exemption if it is occupied by a person under the age of sixty that is an immediate family member of the taxpayer. JLARC must review the tax preference and complete a final report by December 1, 2029, and the tax preference expires January 1, 2034.

<https://app.leg.wa.gov/billsummary?BillNumber=5045&Initiative=false&Year=2023>

Condominiums:

Senate Bill 5258 by Sen Sharon Shewmake (D-42, Bellingham) adds additional requirements for construction defect actions, modifies deposit requirements and local government planning related to the construction of condominiums, and **creates a new down payment assistance program at the Washington State Housing Finance Commission.**

<https://app.leg.wa.gov/billsummary?BillNumber=5258&Initiative=false&Year=2023>

Senate Bill 5058 by Sen Mike Padden (R-4, Spokane Valley) allows a building with 12 or fewer units that is no more than two stories to be exempt from certain multiunit residential building requirements regarding enclosure design and inspection.

<https://app.leg.wa.gov/billsummary?BillNumber=5058&Initiative=false&Year=2023>

Funding and Administration:

House Bill 1474 by Rep Jamila Taylor (D-30, Federal Way) requires county auditors to collect a **Covenant Homeownership Program** (CHP) assessment of \$100 for each document recorded to fund the CHP, requires the Department of Commerce to contract with the **Washington State Housing Finance Commission to create one or more Special Purpose Credit Programs** to provide down payment assistance and closing cost assistance for individuals and families harmed by racist real estate practices like racially restrictive covenants and redlining, and requires the **Commission to complete an initial CHP study by March 1, 2024** and complete updated studies every five years thereafter. Establishes an oversight committee to oversee and review the Commission's activities and performance related to the CHP.

<https://app.leg.wa.gov/billsummary?BillNumber=1474&Initiative=false&Year=2023>

Senate Bill 5301 by Sen Mark Mullet (D-5, Issaquah) consolidates the Housing Assistance Program into the Affordable Housing Program at the Department of Commerce, increases the cap on administrative costs used for the Affordable Housing Program, expands activities eligible for legislative appropriations from capital bond proceeds, repeals the Affordable Housing Land Acquisition Revolving Loan Fund Program and Affordable Housing and Community Facilities Rapid Response Loan Programs, and codifies an appropriate definition for first-time homebuyer.

<https://app.leg.wa.gov/billsummary?BillNumber=5301&Year=2023&Initiative=False>

Permitting:

House Bill 1293 by Rep Mark Klicker (R-16, Walla Walla) Requires counties and cities planning under the Growth Management Act to apply only clear and objective design review standards to the exterior of new development, and clarifies project review provisions and adds expedited review of project permit applications that include dwelling units that are affordable to low- and moderate-income households.

<https://app.leg.wa.gov/billsummary?BillNumber=1293&Initiative=false&Year=2023>

Senate Bill 5290 by Sen Mark Mullet (D-5, Issaquah) provides default permit processing time frames to local governments, requires local governments to provide refunds of permitting fees if permitting time frames are missed and provides optional additional project review provisions which, if adopted, can exempt the local government from the refund requirement. Replaces current permit processing reporting requirements applicable to counties and cities with new reporting requirements beginning January 1, 2025, and requires the Department of Commerce (Department) to

produce an annual report using the new information. Requires the Department to establish a Consolidated Permit Review Grant Program to administer grants to local governments that agree to comply with a specified residential permit application time frame and that establish a fee structure to enable the local government to continue providing review within that timeline.

<https://app.leg.wa.gov/billsummary?BillNumber=5290&Initiative=false&Year=2023>

Senate Bill 5412 by Sen Jesse Salomon (D-32, Shoreline) categorically exempts project actions that develop residential housing units or middle housing within an urban growth area from the State Environmental Policy Act (SEPA), if specified criteria are met, everywhere in Washington except Seattle.

<https://app.leg.wa.gov/billsummary?BillNumber=5412&Initiative=false&Year=2023>

Supply:

House Bill 1042 by Rep Amy Walen (D-48, Kirkland) prohibits cities from imposing certain restrictions or requirements on existing buildings zoned for commercial or mixed use that are being converted to residential use.

<https://app.leg.wa.gov/billsummary?BillNumber=1042&Year=2023&Initiative=False>

House Bill 1110 by Rep Jessica Bateman (D-22, Olympia) requires certain cities planning under the Growth Management Act to authorize minimum development densities (ranging from duplexes to six-plexes, depending on city location and population) in residential zones and include specific provisions related to “middle housing” in their development regulations. Requires the Department of Commerce to provide technical assistance to cities in implementing the requirements, to develop model ordinances, and to establish a process for cities to seek approval of alternative local actions.

<https://app.leg.wa.gov/billsummary?BillNumber=1110&Year=2023&Initiative=false>

House Bill 1695 by Rep Emily Alvarado (D-34, Seattle) defines affordable housing and updates the definition of public benefit for the transfer, lease, or disposal of surplus public property for permanently affordable homeownership.

<https://app.leg.wa.gov/billsummary?BillNumber=1695&Year=2023&Initiative=false>

Tenant Protections:

House Bill 1074 by Rep My-Linh Thai (D-41, Bellevue) requires a landlord to substantiate the cost of any damages withheld from a tenant deposit with estimates received, invoices paid, or other specified documentation, extends the timeline for a landlord to provide a statement and documentation for retaining any portion of a tenant deposit from 21 days to 30 days, prohibits a landlord from withholding any portion of a tenant deposit for certain items, and establishes a three-year statute of limitations for a landlord to file a lawsuit against a tenant to recover sums exceeding the amount of the

damage deposit.

<https://app.leg.wa.gov/billssummary?BillNumber=1074&Initiative=false&Year=2023>

House Bill 1771 by Rep Brandy Donaghy (D-44, Snohomish County) extends the time period in which tenants who have received initial cash relocation assistance under the Mobile Home Relocation Assistance Program (Program) must transfer title, relocate the home, or demolish and dispose of the home to receive the remainder of eligible relocation assistance, provides that a tenant receiving compensation from a landlord upon termination of a tenancy is still eligible to receive the maximum amount of assistance through the mobile home relocation assistance program, and codifies an appropriate definition for Community Land Trust.

<https://app.leg.wa.gov/billssummary?BillNumber=1771&Initiative=false&Year=2023>

Senate Bill 5197 by Sen Patty Kuderer (D-48, Bellevue) revises certain eviction processes under the Residential Landlord Tenant Act, including allowing remote participation in eviction proceedings, extending certain timelines for satisfying an unlawful detainer judgment and for suspending court action, and specifying certain exceptions to the prohibition on seeking good cause judicial discretion by tenants who have received three or more pay-or-vacate notices in the preceding 12 months.

<https://app.leg.wa.gov/billssummary?BillNumber=5301&Year=2023&Initiative=false>

Unsuccessful Housing and Homelessness Legislation

The following bills were high priorities to many in the affordable housing community but failed to pass the Legislature in 2023. They all will be alive for the 2024 Legislature to consider.

House Bill 1052 by Rep Alex Ramel (D-40, Bellingham) would have expanded the existing property tax exemption for nonprofit organizations providing rental housing or mobile home park spaces to qualifying households and those nonprofit organizations financed by the local real estate excise tax for affordable housing. Died on the Senate Floor Calendar.

<https://app.leg.wa.gov/billssummary?BillNumber=1052&Initiative=false&Year=2023>

House Bill 1111 by Rep Cindy Ryu (D-32, Shoreline) would have authorized a city to establish a housing benefit district to acquire, bank, improve, sell, and lease land for the development of affordable housing. The Washington State Housing Finance Commission would have implemented a housing benefit district grant program, and an advisory board would have been created to provide oversight and technical assistance to housing benefit districts. Died in the House Capital Budget Committee.

<https://app.leg.wa.gov/billssummary?BillNumber=1111&Initiative=false&Year=2023>

House Bill 1124 by Rep Strom Peterson (D-21, Edmonds) would have required landlords to provide at least 180 days' and no more than 220 days' notice for rent increases over 5 percent, allowed a tenant to terminate a tenancy without penalty for any rent increase over 5 percent, and limited late rental payment fees to the lesser of 10 percent of the rental amount or \$75 total. Died on the House Floor Calendar.

<https://app.leg.wa.gov/billsummary?BillNumber=1124&Initiative=false&Year=2023>

House Bill 1388 by Rep Nicole Macri (D-34, Seattle) would have prohibited, with certain exceptions, a landlord subject to the Residential Landlord-Tenant Act or the Manufactured/Mobile Home Landlord-Tenant Act from charging excessive rent; charging a higher rent or including terms of payment or other material conditions in a rental agreement that are more burdensome to a tenant based on whether the tenancy is month-to-month or longer term; and charging move-in fees and deposits that exceed one month's rent. Died in the House Appropriations Committee.

<https://app.leg.wa.gov/billsummary?BillNumber=1388&Year=2023&Initiative=false>

House Bill 1389 by Rep Alex Ramel (D-40, Bellingham) would prohibit, with certain exemptions, a landlord from increasing the rent for a tenancy subject to the Residential Landlord-Tenant Act or the Manufactured/Mobile Home Landlord-Tenant Act during any 12-month period in an amount greater than the rate of inflation as measured by the Consumer Price Index or 3 percent, whichever is greater, up to a maximum of 7 percent above the existing rent. It would also have prohibited a landlord from charging move-in fees or deposits that exceed one month's rent, or from charging a higher rent or including conditions in a rental agreement that are more burdensome depending on whether the tenancy is month-to-month or longer term. Died in House Rules.

<https://app.leg.wa.gov/billsummary?BillNumber=1389&Initiative=false&Year=2023>

House Bill 1628 by Rep Frank Chopp (D-43, Seattle) would have increased the state real estate excise tax (REET) to fund affordable housing, and allowed local jurisdictions to enact a 0.25% local REET for affordable housing. Died on House Floor Calendar.

<https://app.leg.wa.gov/billsummary?BillNumber=1628&Initiative=false&Year=2023>

Senate Bill 5202 by Sen Yasmin Trudeau (D-27, Tacoma) was proposed by Governor Inslee to issue up to \$4 billion in general obligation bonds outside of the state's constitutional debt limit, to finance programs and projects that address housing insecurity, including a Workforce Housing Accelerator Revolving Loan Program to be administered by the Washington State Housing Finance Commission. The proposal would have been submitted to a statewide vote at the next general election. Died in the Senate Ways & Means Committee.

<https://app.leg.wa.gov/billsummary?BillNumber=5202&Initiative=false&Year=2023>



WASHINGTON STATE
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Performance Measures

Signature Authority

Steve Walker &
Fenice Taylor

Signature Authority - Historical

BUDGET SESSION 2023



Signature Authority of the Executive Director

Resolution #	Date Adopted	Expenditures	Checks Written to State Treasurer	Contracts
84-04	5/22/1984	\$ 1,000		\$ 1,000
85-63	10/23/1985	\$ 5,000		\$ 5,000
88-17	5/5/1988	\$ 10,000	\$ 35,000	\$ 10,000
91-36	9/19/1991	\$ 20,000	\$ 35,000	\$ 20,000
97-08	1/23/1997	\$ 40,000	\$ 100,000	\$ 40,000
99-08	4/22/1999	\$ 50,000	\$ 150,000	\$ 50,000

Signature Authority - Proposed

BUDGET SESSION 2023



Signature Authority		
	Current	Proposed
Managers*	\$ 7,500	\$ 15,000
Directors*	\$ 10,000	\$ 30,000
Deputy Director*	\$ 20,000	\$ 50,000
Executive Director**	\$ 50,000/150,000	No cap

* expenditure approval limit

** board's approval needed



WASHINGTON STATE
HOUSING FINANCE
COMMISSION



Questions?

Washington State Housing Finance Commission

Signature Authority

DOCUMENT TYPE	DIVISION	EVIDENCE OF APPROVAL	AUTHORIZED SIGNER(S)*
Resolutions, meeting minutes	Administration	Board vote	Executive Director, Commissioners, General Counsel
8823s, Transfer Agreements, Priority/Subordination Agreements, Regulatory Agreements, Amendments	Asset Management and Compliance and Multifamily Housing and Community Facilities	Request for signature from AMC or MHCF	Division Director Deputy Director Executive Director
Documents related to a bond issue: indentures, loan agreements, closing documents, IRS documents related to a bond issue, bond certificates, notes	Multifamily Housing and Community Facilities	Request for signature from Pacifica Law Group	Executive Director Deputy Director or an alternate designee in absence of Executive Director
8610s	Multifamily Housing and Community Facilities and AMC	Request for signature from Multifamily Director	Executive Director Deputy Director
Tax credit reservations/commitments, carryover allocations, 42(m)(2) letters, 8609s	Multifamily Housing and Community Facilities	Request for signature from MHCF	Division Director Deputy Director Executive Director

Financial Documents relating to Bank Accounts, Investments, Post-closing Bond and Trustee Documents	Finance	Request from Finance	Sr. Controller Sr. Finance Director Deputy Director Executive Director
Homeowner Assistance Fund (HAF) Mortgage Assistance Administered by HotB	Finance	Request for signature from Grant Accountant	Sr. Controller Sr. Finance Director Deputy Director Executive Director
Mortgage Credit Certificates	Homeownership	Request for signature from Homeownership	Division Director Deputy Director Executive Director
Grant Invoices	Homeownership/ Multifamily Housing and Community Facilities	Request for signature from Homeownership or MHCF	Depending on amount: Division Manager (up to \$15,000) Division Director (up to \$30,000) Deputy Director (up to \$50,000) Executive Director (over \$50,000)
Assignments, reconveyances, or similar documents for second mortgages prepared by lenders when our loans are not eligible for purchase or must be repurchased	Homeownership	Request for signature from Homeownership	Division Manager Division Director Deputy Director Executive Director
Subordinations of second mortgages if the servicers are modifying the first mortgage	Homeownership	Memo to file from Division Manager	Division Director Deputy Director Executive Director
Payroll expenses and wire transfer to Treasurer's office	Finance	Manager Sr. Controller	Sr. Controller Sr. Finance Director Deputy Director Executive Director

Approve expenses up to \$15,000	All	Approval on file	Division Managers Division Director Deputy Director Executive Director
Approve expenses up to \$30,000	All	Approval on file	Division Director Deputy Director Executive Director
Approve expenses up to \$50,000	All	Approval on file	Deputy Director Executive Director
Approve expenses in excess of \$50,000	All	Approval on file	Executive Director
Grant contracts with Subgrantee(s) up to \$500,000	Homeownership Multifamily Housing and Community Facilities	Request from Homeownership or MHCF	Division Director Deputy Director Executive Director
Grant contracts with Subgrantee(s) over \$500,000	Homeownership Multifamily Housing and Community Facilities	Request from division director	Executive Director Deputy Director
Contracts related to Hotel Reservations	Admin	Executive Director or Deputy Director's approval	Executive Assistant Executive Director Deputy Director
Contracts related to equipment leases	Admin	Admin Manager, Deputy Director, or Executive Director's approval	Procurement Specialist Admin Manager Deputy Director Executive Director

All Main Contracts (such as contracts with US Treasury, HUD) and Other Contracts Not Listed Above (including any contracts resulting from an RFP)	All	Request for Executive Director's signature from division director	Executive Director Deputy Director
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***Subject to applicable approval dollar limits. All managers and division directors are for the respective division based on the Document Type. There should be segregation of duties. As a general rule, the authorized signor should not be signing his/her own requests.** ⁱ

ⁱ Electronic Signature was approved by the Board on March 23, 2020



WSHFC Communications Update

Margret Graham
Communications Manager





Racial Equity Strategic Plan

Goals, Activities,
Timeline

Steve Walker, Bob
Peterson & Margret
Graham

Strategic Planning 2023:

Racial Equity Strategic Plan

Planning Session

May 23, 2023



How did we get to today?

May-Oct 2022

- Formed RE Strategic Planning Committee
- Carmen's Assessment
- Safe Space Principles/Community Agreements developed
- Recommendations and Racial Equity Tool provided

Oct-Dec 2022

- All-staff planning sessions
- Divisions using the RE tool to develop action steps under the four goals (1-3 action steps per division)

Jan 2023

- Carmen updates the Commission on progress

Feb-March
2023

- Carmen organizes action steps into matrix
- Carmen shares the first draft, staff provides feedback via survey
- Carmen revises plan using the staff survey & director's feedback
Carmen submits the final plan and guiding principles



Now and next:

April & May

- Directors assessing the plan for dependencies and priorities
- Set up of project management tool SmartSheets
- Committee meetings for accountability and communication

May - July

- Directors finish assessing the plan for dependencies and priorities
- Key Performance Indicators (KPIs) development begins
- Revision of Mission, Vision, and Values begins
- Committee meetings continue

August

- Revision of Mission, Vision, and Values completed
- Operationalizing the plan



Goals in Action

1. Culture & Restorative Healing

- Affinity and co-conspirator groups
- Racial equity education task force/coalition

2. Leadership Development:

- One on one coaching for people managers

3. Recruit DEI Administrator

- Hiring committee formed

4. Policy Revision

- Complete review and revision of Office Procedure Manual using the RE tool
- Transparent process led by Admin Commission-wide
- Beginning with conflict resolution and hiring/recruitment process
- Also, performance review and evaluation with an emphasis on training and growth of staff



Goals in Action

5. Racial Equity Communication Plan

- Admin leading development of internal and external communications plan
- Possible new systems, processes and supportive software

6. Data Gathering

- Measuring impact on employees' experience

7. Public Engagement

- Communications leading cross-divisional team to work on common strategy
- Developing/supporting new ways of interacting with communities

8. Resource Accessibility

- Broadest goal – 10 action steps
- Examples: AMC's work to simplify and translate forms for multifamily property residents, Homeownership translating materials for broader access



Budget Implications

How do the action steps in the RESP impact the budget the board is reviewing?

- Budget already reflects support for the first year of action steps
- Only a few action steps are directly tied to a specific budget item – instead, they are incorporated
- 10% everyone’s job is to uphold and implement the RESP – will be evaluated on this to hold ourselves accountable



What's next?

By End of June

- Finish developing and training on Safe Space Principles
- Finish mapping action steps and prioritizing for next three years
- Determine KPIs and hold ourselves accountable
- Build out timeline, tasks, those responsible, using project management tool

August

- Mission, Vision, Values revised
- Commissioners will be invited to engage in this

Discussion

Final Report: The Washington State Housing Finance Commission's Racial Equity/ Antiracism Strategic Plan (2023-2025)



Submitted to Directors of WSHFC by Dr. Carmen Phelps, Lead Consultant for Project 986

March 31, 2023



Part I: The Racial Equity Strategic Planning Consultancy & Partnership Between WSHFC & Project 986

In the Winter of 2022, the Washington State Housing Finance Commission (WSHFC) solicited proposals from DEI/racial equity consultants who were interested in leading the organization through a racial equity strategic planning process which would engage staff serving at all levels of the Commission as well as Board members. Dr. Carmen Phelps, Lead Racial Equity Consultant for Project 986, submitted a proposal in response to WSHFC's RFP and was ultimately selected to guide the organization through the process of developing its inaugural Racial Equity Strategic Plan. The consultancy was officially launched in May of 2022 and the agency's racial equity strategic plan was completed in March 2023.





I would like to express my gratitude to WSHFC staff serving as members of the Racial Equity Planning Group who are listed below, and with whom I will continue to work over the course of this consultancy to coordinate activities supporting the completion of the final Racial Equity Strategic Plan (2023-2025) for the Commission. Many thanks for your leadership, partnership, time and insight.

In addition, I would like to thank WSHFC staff and Commissioners who opened themselves up to the assessment and pre-planning process. Your voices were essential to determining achievable yet progressive steps WSHFC might take in moving your racial equity efforts forward for the equal, fair and just benefit of Washington residents served by your mission.

Carmen – Lead Racial Equity Consultant

Racial Equity Planning Group

Bob Peterson (Co-Chair)
Anna Porkalob (Co-Chair)
Emily Northrup (Documentarian)
Wubet Biratu
Margret Graham
Jacob Richardson
Fenice Taylor
Lisa Vatske
Steve Walker
Chrystal White

Part I: Note of Gratitude



Part I: Opening Statement on Final Report: WSHFC's Racial Equity Strategic Planning Process

The final report on WSHFC's racial equity strategic planning efforts includes the following:

- a reference to dominant themes emerging from outcomes yielded from the survey process in which WSHFC staff were invited to provide reactions to the first, full draft of the plan
- analytics for responses to closed-ended survey questions (*included in a separate document*)
- summarized responses to open-ended survey questions (to protect anonymity.)
- recommendations for WSHFC leaders (directors) in response to survey outcomes

Racial Equity Strategic Plan Staff Survey: Dominant Themes

While no significant, substantive changes to the current version of the plan were suggested by staff, Most common areas addressed among survey participants included the following:

- Concern that the agency would not implement the plan due to such factors as time constraints; lack of trust in leaders' commitment to promoting racial equity; lack of clarity on how action steps included in the plan can be accommodated given existing workloads; a current professional culture where BIPOC employees have previously experienced race-informed harm and perceived resistance and/or a hesitation among White colleagues to engage in racial equity processes or discussions (White fragility.)
- Concern that the agency will not enact the accountability infrastructure which is equitable and inclusive as outlined in the current racial equity strategic plan, where areas of divisional; employee and/or internal invested parties' accountability for taking and measuring impact for action steps is clarified.



Part I: Racial Equity Strategic Plan: Staff Survey Content

Closed-ended Questions (Response Options: Strongly Agree; Agree; Neutral; Unsure; Disagree and Strongly Disagree)

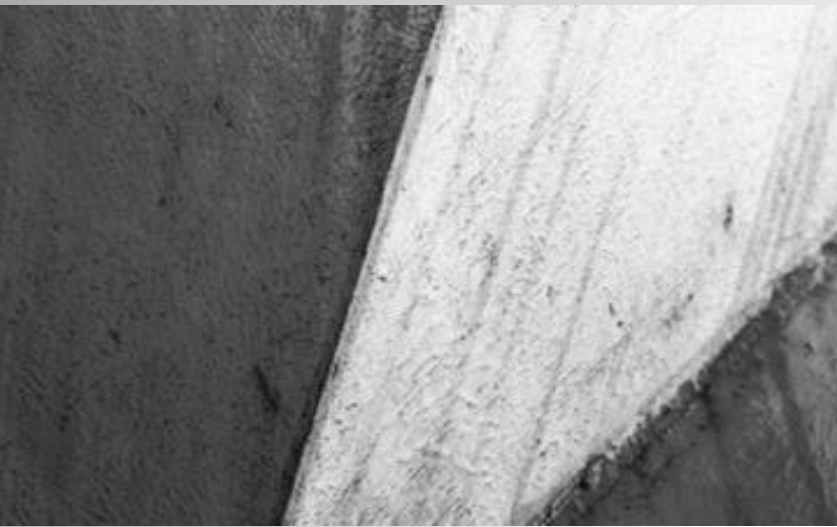
- The plan reflects the Commission’s goal to promote and prioritize equitable, fair and just experiences and outcomes for BIPOC employees serving and representing the agency.
- The plan reflects the Commission’s goal to promote and prioritize equitable, fair and just experiences and outcomes for BIPOC communities served externally by its mission.
- The plan reflects achievable steps the Commission can take to promote racial equity and/or to engage in antiracist practices.
- The plan reflects a power sharing rather than a power hoarding/power centering model for promoting racial equity and antiracist practices at the Commission. *(Please note: a “power hoarding/ centering” model centralizes the power of particular voices and interests, where such groups have dominant influence in the plans outcomes without consideration for the perspectives of those with less power and/or who are marginalized. Conversely, a “power-sharing” model includes opportunities for all individual contributors (in this case staff) representing all demographics and all levels of the organization) to influence the outcomes of the plan as well as participate in processes and action steps reflected in the plan.)*
- I see areas in the plan where I can make contributions to and/or participate and/or play an active role in the Commission’s efforts to promote racial equity and/or antiracism.
- If enacted, the plan would represent progressive steps in the Commission’s efforts to promote racial equity and/or to engage in antiracist practices.
- I see ways in which my contributions to the racial equity pre-planning assessment process (survey; focus groups and/or interviews) have influenced the contents of the plan

Open-ended Questions (Participants will narrate responses here:

- Please share areas where you would like to see revisions to the plan, including reasons why you feel any such revisions would improve the plan.
- Which action steps are you most excited for the Commission to implement?
- Which, if any, action steps do you have questions or concerns about?

For BIPOC Staff Representing the Commission

Given that the desired impact of the implementation of the Commission’s racial equity strategic plan is to promote racially equitable housing outcomes for BIPOC as well as initiate internal culture changes meant to promote fair, equitable and just experiences for BIPOC employees, we invite BIPOC-identified staff to share additional reactions to the plan.





Part II: Encouraging Outcomes from Closed-ended Survey Questions

(Please note: Detailed analytics for closed-ended survey questions are included in a separate document.)



Part II: Encouraging Outcomes from Closed-ended Survey Questions

(Please note: Detailed analytics for closed-ended survey questions are shared in a separate document.)

While responses to question 7 (I see ways in which my contributions to the racial equity pre-planning assessment process (survey; focus groups and/or interviews) have influenced the contents of the plan) were mixed, two-thirds (27) or more of 41 survey participants responded “Strongly agree” or “Agree” to Questions 1-6:

- The plan reflects the Commission’s goal to promote and prioritize equitable, fair and just experiences and outcomes for BIPOC employees serving and representing the agency.
- The plan reflects the Commission’s goal to promote and prioritize equitable, fair and just experiences and outcomes for BIPOC communities served externally by its mission.
- The plan reflects achievable steps the Commission can take to promote racial equity and/or to engage in antiracist practices.
- The plan reflects a power sharing rather than a power hoarding/power centering model for promoting racial equity and antiracist practices at the Commission. *(Please note: a “power hoarding/ centering” model centralizes the power of particular voices and interests, where such groups have dominant influence in the plans outcomes without consideration for the perspectives of those with less power and/or who are marginalized. Conversely, a “power-sharing” model includes opportunities for all individual contributors (in this case staff) representing all demographics and all levels of the organization) to influence the outcomes of the plan as well as participate in processes and action steps reflected in the plan.)*
- I see areas in the plan where I can make contributions to and/or participate and/or play an active role in the Commission’s efforts to promote racial equity and/or antiracism.
- If enacted, the plan would represent progressive steps in the Commission’s efforts to promote racial equity and/or to engage in antiracist practices.



Project 986

**Implementing the Washington State Housing Finance Commission's
Racial Equity Strategic Plan (2023-2025)**

Actions, Steps & Processes Supporting WSHFC's Racial Equity & Antiracist Priorities



Presented to the Washington State Housing Finance Commission

Drafted by Dr. Carmen Phelps – Lead Racial Equity/ Antiracism Consultant for Project 986

March 2023

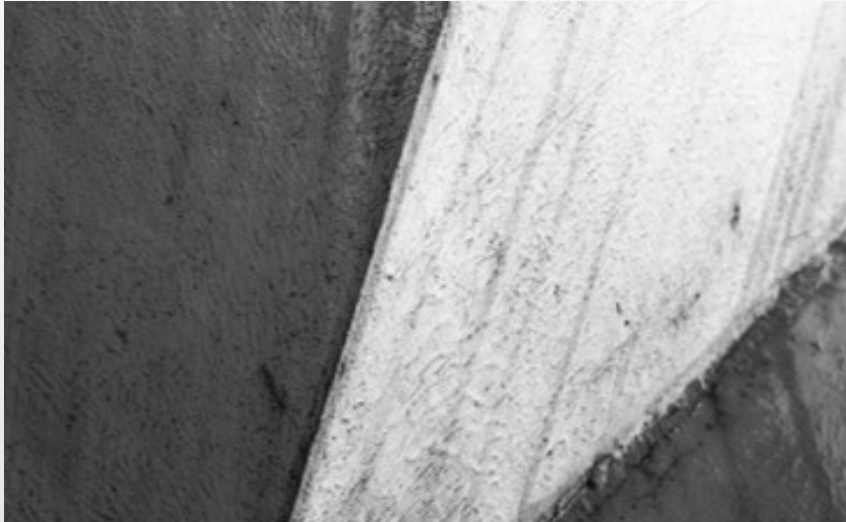


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Part 1:

Opening Statement: The Washington State Housing Finance Commission's Racial Equity Strategic Plan

The development of WSHFC's first strategic plan centering racial equity and antiracist priorities represents the agency's goal to promote racially equitable outcomes through its practices in service to Washington residents as well as its goal to transform into an antiracist organization. Completed with the support of racial equity and antiracism consultant Dr. Carmen Phelps of Project 986 and resulting from the involvement and participation of Commission staff and board members, the agency's three-year racial equity plan is the result of a one-year planning process and will be implemented from 2023 through 2025.

We acknowledge that legacies of racially biased systems and policies continue to inform racial inequities in housing and the disproportionate ways in which BIPOC (Black; Indigenous; Asian; Non-White Latinx/ Hispanic and Multiracial Communities) have been adversely impacted by such legacies and have identified opportunities for the agency to proactively address systemic and cultural barriers to equitable and just life outcomes for BIPOC in both our internal and external practices.

In addition, the implementation of WSHFC's racial equity strategic plan will support the agency's intentions to:

- ensure agency-wide accountability for promoting racial equity in key areas of focus;
- inspire agency culture changes in favor of desired racial equity outcomes and impact internally and externally;
- engage external invested parties; collaborators; partners and beneficiaries in our efforts in order to maximize the potential for desired impact on the communities we serve and
- take meaningful steps toward the longer-term goal and ongoing work of aligning all Commission practices and processes with racial equity and antiracist objectives.

We look forward to sharing updates about the status of our efforts as we implement our action steps in support of our racial equity priorities over the course of the next three years.

Part II:

Overview of Guiding Principles Supporting the Implementation of WSHFC's Racial Equity Strategic Plan

Normalizing & Enacting *Guiding Principles* to Support the Realization of the WSHFC's Racial Equity Goals Means Committing to the Following:

**Guiding Principle 5:
Shared Accountability**

Hold ourselves accountable for our division and agency-wide racial equity efforts and dedicate time to an intentional focus on our respective and collective progress

DEI Administrator Recruitment Goal:
Recruit a DEI Administrator to serve as a member of the Executive Management Team and holding decision-making power for the purpose of leading as well as ensuring the coordination and sustainability of WSHFC's racial equity efforts

Culture & Restorative Healing Goal:
Create a professional environment of trust, support for and validation of all employees representing WSHFC, including a focus on promoting restorative healing & addressing organizational, race-informed trauma in support of BIPOC employees

**Guiding Principle 1:
Collaboration**

Seek opportunities to work across divisions and teams to maximize our potential to realize our racial equity goals

Leadership Development Goal:
Build the capacity of our leaders and people managers to model/exemplify racial equity and antiracist leadership practices in support of culturally and racially diverse employees

*Continuum of Proposed Guiding Principles (Outer Circle)
Supporting the WSHFC's Racial Equity Goals (Inner Circle)*

Internal Policy Goal:
Develop new and/ or enhance current employee-related policies to ensure alignment with racial equity and antiracist objectives (i.e. performance review; advancement processes and professional development opportunities as well as benefits and compensation structures)

Resource Accessibility Goal:
Increase the accessibility of our resources for BIPOC residents and/or entities which are prioritizing the needs of BIPOC residents in Washington by leveraging our role/position in the affordable housing ecosystem

**Guiding Principle 4:
Transparency**

Communicate about our divisional racial equity efforts with openness, consistency and authenticity

Internal Data-gathering Goal:
Develop information and data-gathering processes meant to yield increased and ongoing insight about the experiences of WSHFC staff across cultural and racial demographics which would be regularly implemented and from which outcomes would inform potential adjustments to internal practices; employee-related policy design, etc.

**Guiding Principle 2:
Connection & Communication**

Create opportunities to communicate with one another within our teams and across divisions about challenges and triumphs we are experiencing as we implement racial equity actions, steps and processes and encouraging shared learning and growth with flexibility; patience and intention

Public Engagement Goal:
Enhance our approach to community/public engagement and outreach as well as data-gathering in order to increase our potential to more effectively serve and become a trusted resource to Washington's BIPOC residents

Communications Goal:
Design and implement an internal and external-facing communications strategy to include a focus on our racial equity and antiracism efforts and to ensure that internal and external beneficiaries are updated on the status of our racial equity and antiracism priorities

Guiding Principle 3: Valuing Diverse Perspectives

Validate, acknowledge and be responsive to all voices and experiences representing our agency internally as well as the external communities we serve

Part III:

Supporting WSHFC's Racial Equity Strategic Plan: *Recommendations for Time & Budget Commitments*

Supporting WSHFC's Racial Equity Strategic Plan: Recommendations for Time & Budget Commitments

Given the scope of work proposed for WSHFC's three-year racial equity strategic plan and the agency's longer-term vision to transform into an antiracist organization as well as apply a racial equity lens to all of its practices, it is recommended that all staff dedicate a minimum of 10% of their time (monthly) to focusing on contributing to; supporting and executing actions in areas where their divisions hold accountability, including participating in racial equity activities offered by the Commission for the purpose of building the agency's capacity for promoting racial equity and engaging in antiracist practices in an ongoing, sustainable way.

In addition, proposed action steps reflected in the plan may require the support of a budget of approximately \$25,000-\$30,000 for each year in which action steps are implemented (2023-2025.)

Part IV:

Racial Equity Strategic Plan Goal Matrixes

(Action Steps; Timelines; Areas of Accountability and Key Performance Indicators)

Culture/Restorative Healing Goal (continued on next slide): Create a professional environment of trust, support for and validation of all employees representing WSHFC, including a focus on promoting restorative healing & addressing organizational, race-informed trauma in support of BIPOC employees

<p><i>Proposed Actions for Review</i> <i>*(indicates that additional information related to actions can be found in the Appendix on Slide 24)</i></p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p><i>*KPI's</i> (Key Performance Indicators)</p>
<p>*1 – Invite/ offer BIPOC staff to establish an affinity group prioritizing the experiences of BIPOC employees and for which space is created for connection, community-building and dialogue focusing on topics of their choice (for example, justice-centered self-care; resiliency and well-being) and with the support of WSHFC leadership and people managers. Participation in this group would be voluntary for BIPOC employees and agenda; infrastructure; engagement expectations; values and group vision would be determined by participating members (although the purpose and vision should be focused on restorative healing for BIPOC.) The group should share outcomes regarding its progress/status with the EMT in the form of ongoing reports to inform updates and enhancements to the WSHFC’s racial equity efforts (internally/externally) from the perspective of BIPOC employees. Reports can also include group requests for resources and/or support for its processes as necessary and as the group’s work evolves. Report contents should not target the development of any particular individual but instead address how overall group outcomes will/can inform approaches to racial equity efforts for the Commission. <i>The group may decide to have cross-group discussions with the White-identified staff affinity group (see below); however, this should not be a requirement or expectation.. (Intersects with the Valuing Diverse Perspectives Guiding Principle)</i></p>	<p>By the end of the third quarter of 2023</p>	<p>Leading: Volunteer participants of BIPOC Affinity Group; Directors/HR</p> <p>Supporting: Directors; HR; Communications; IT</p>	<p>*Via newly-developed data-gathering processes administered on an a biannual basis (at a minimum) staff receive communication about this opportunity; group is established; BIPOC employees report/experience the Commission’s openness to providing supportive space and resources to address the intra and inter-group experiences of BIPOC staff collectively and while prioritizing restorative healing in response to harmful and/or traumatizing BIPOC experiences; BIPOC staff experience continued support for the group and/or invitations to participate; staff receive regular updates summarizing activities</p>
<p>2 – For the purpose of encouraging staff growth and learning, invite/ offer White-identified staff to establish a White allyship, advocacy and/or co-conspirator group focusing on addressing and confronting White privilege; White Supremacist and White Dominant Cultural norms historically and currently perpetuated in the agency, including in the individual and collective behaviors and actions of Whites, and which are marginalizing BIPOC employees and BIPOC external communities served by the agency’s mission. Participation in this group would be voluntary for White-identified employees and infrastructure; engagement expectations; values and group vision would be determined by participating members (although the purpose and vision should remain intact and focus on challenging/confronting WDC and White Privilege.) The group should share outcomes regarding its progress/status with the EMT to inform updates and enhancements to the WSHFC’s racial equity efforts (internally/externally.) Reports can also include group requests for resources and/or support for its processes as necessary and as the group’s work evolves. Report contents should not target the development of any particular individual but instead address how overall outcomes will inform approaches to racial equity efforts. <i>The group may decide to have cross-group discussions with the BIPOC staff affinity group; however, this should not be a requirement or expectation. (Intersects with the Valuing Diverse Perspectives Guiding Principle)</i></p>	<p>By the end of the third quarter of 2023</p>	<p>Leading: Volunteer members of the White-identified Ally/ Advocacy/ Co-conspirator group</p> <p>Supporting: EMT/ HR; Communications; IT</p>	<p>*Via newly-developed data-gathering processes administered biannually (at a minimum), staff receive communication about this opportunity; group is established; White-identified employees report/experience the Commission’s openness to providing space and resources for the group to address with intention aspects of WDC/White Privilege currently over-advantaging Whites and disadvantaging BIPOC internally and externally to the Commission and in support of the development of White employees; White staff experience continued support for the group and/or invitations to participate; staff receive regular updates summarizing activities</p>

Culture/Restorative Healing Goal (continued): Create a professional environment of trust, support for and validation of all employees representing WSHFC, including a focus on promoting restorative healing & addressing organizational, race-informed trauma in support of BIPOC employees

<p><i>Proposed Actions for Review</i> <i>*(indicates that additional information related to actions can be found in the Appendix on Slide 24)</i></p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p><i>*KPI's</i> (Key Performance Indicators)</p>
<p>*3 – Establish a Racial Equity Education Task Force/Coalition (with cross-divisional representation) charged with identifying racial equity trainings; learning opportunities and workshops supporting Commission staff development and current racial equity/antiracism goals being operationalized across the agency.</p>	<p>By the end of the third quarter of 2023</p>	<p>Leading: EMT/HR Supporting: Communications; IT</p>	<p>Staff receive communication about this opportunity; group is established and reports experiencing Commission support for its efforts via newly-developed data-gathering processes</p>
<p>*4 – Initiate and finalize a search for a racial equity/antiracism-centered conflict resolutions specialist to support the Commission on a contractual (outside/objective) basis. Once a DEI Administrator is selected and onboarded, given the desire to prioritize a racial equity lens in the Commission’s conflict resolutions processes as recommended, the conflict resolutions specialist could report to and work collaboratively with the DEI Administrator. <i>(Intersects with Conflict Resolution Workgroup recommendations)</i></p>	<p>By the first quarter of 2024; search ends before the close of 2024</p>	<p>Leading: Conflict Resolution Workgroup Supporting: EMT; HR</p>	<p>Workgroup recruitment process is approved by EMT/HR; staff receive regular updates on efforts; finalist recommendations are made by Workgroup and specialist is onboarded</p>
<p>5a – Invest in the services of a facilitator with expertise in leading individual and group restorative healing processes through a race-based trauma lens and addressing the experiences of BIPOC adversely impacted by racist systems, practices and environments where White Dominant Culture is normalized internal and external to the agency</p> <p>5b: Invest in a series of introductory and advanced racial equity training for Commission staff in order to promote growth and learning, including training which elevates awareness about the meaning and significance of justice-centered, restorative healing processes and the desired impact of this work related to the WSHFC’s racial equity efforts</p>	<p>5a – by the second quarter of 2024 (if the BIPOC group supports this timing given its approved agenda)</p> <p>5b - Trainings/activities should begin by the third quarter of 2024 and be ongoing as needed/desired</p>	<p>5a - Leading: BIPOC Affinity Group Supporting: EMT/ HR</p> <p>5b – Leading: Racial Equity/ Antiracism Education Task Force Supporting: EMT; HR; All Staff</p>	<p>*5a - BIPOC group reports experiencing support from selected facilitator; facilitator processes are in alignment with/ support its agenda</p> <p>*5b – Via newly-developed data-gathering processes, staff report that desired outcomes from trainings have been experienced</p>
<p>6 - Review status of action steps supporting Culture/Restorative Healing goal and assess next steps for next phase of work (beginning in 2026) <i>(Intersects with Shared Accountability Guiding Principle)</i></p>	<p>Review should begin by the second half of 2025</p>	<p>Leading: EMT Supporting: Communications; IT</p>	<p>*Via newly-developed data-gathering processes, all staff have an opportunity to review the status of actions supporting this goal and recommend approaches to the agency’s next phase of work</p>

Leadership Development Goal (continued on next slide): Build the capacity of our leaders and people managers to model/exemplify racial equity and antiracist leadership practices in support of culturally and racially diverse employees

<p><i>Proposed Actions for Review</i> <i>(*Indicates that additional information related to designated areas can be found in the Appendix on Slide 24)</i></p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p><i>*KPI's</i> (Key Performance Indicators)</p>
<p>1 – Receive one-on-one coaching focusing on addressing individual challenging and opportunities associated with developing behaviors; communication and supervisory practices and interactions aligned with racial equity values and desired racial equity outcomes for the Commission</p>	<p>Beginning in the second half of 2023 and ongoing as desired/recommended by coach/consultant; outcomes from coaching can be assessed in performance review processes on an ongoing basis</p>	<p>Leading: Directors; PM's Supporting: Designated Coaches</p>	<p>*Newly-developed data-gathering processes administered biannually (at a minimum) Leaders/PM's are increasingly capable of identifying and implementing opportunities to align supervisory/ leadership practices/ behaviors and interactions with racial equity objectives</p>
<p>2a – Directors facilitate regular discussions with divisions on the status of their respective group's racial equity efforts</p> <p>2b – Directors take shared responsibility for hosting racial equity update sessions for the Commission, including all members of their divisions, in deciding upon a rotating schedule for all-staff update sessions meant for each division to provide status reports on their racial equity efforts; setting the agenda for such sessions and soliciting input from all staff as to whether guiding principles for the plan are being adhered to by all groups <i>(Intersects with the Collaboration; Communication & Connection; Valuing Diverse Perspectives; Transparency & Shared Accountability Guiding Principles)</i></p>	<p>2a - Beginning in the third quarter of 2023 and ongoing on a semi-annual basis</p> <p>2b – Beginning in the final quarter of 2023 and ongoing on a semi-annual basis</p>	<p>Leading: Directors Supporting: Communications</p>	<p>*2a – Newly-developed data-gathering processes administered biannually (at a minimum) yield that all team members representing respective divisions are experiencing consistent opportunities to provide input on group racial equity efforts</p> <p>*2b – Newly-developed data-gathering processes administered biannually (at a minimum) yield that all Commission staff are experiencing consistent opportunities to ask questions about and provide input on agency racial equity efforts</p>
<p>*3 – All people managers participate in a learning activity/training focusing on approaches to modeling intersectional racial equity/ antiracist values through behaviors; communication; supervisory practices and interactions and for the purpose of supporting racially diverse staff and teams as well as conflict resolution strategies. Training experiences should be interactive and include workshopping tools; strategies, etc. To avoid one-over-one relationships among attendees experiencing the training, it is recommended that those reporting to anyone else receiving the training experience it separately (creating space for open, safe communication) <i>(Intersects with Conflict Resolution Recommendations and Connection & Communication Guiding Principles)</i></p>	<p>Trainings/activities should begin by the end of the third quarter of 2024 and be ongoing as needed/desired and/or recommended by facilitators</p>	<p>Leading: PM's (including Directors) Supporting: Racial Equity/ Antiracism Education Task Force; Training Facilitators</p>	<p>*Newly-developed data-gathering processes administered biannually (at a minimum) yield that Leaders/PM's are increasingly capable of identifying and implementing opportunities to align supervisory/ leadership practices with racial equity objectives and experience collective, inter-group support for progress</p>

Leadership Development Goal (continued): Build the capacity of our leaders and people managers to model/exemplify racial equity and antiracist leadership practices in support of culturally and racially diverse employees

<p><i>Proposed Actions for Review</i> (*Indicates that additional information related to designated areas can be found in the Appendix on Slide 24)</p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p><i>*KPI's</i> (Key Performance Indicators)</p>
<p>4 – For those receiving one-on-one coaching and training on approaches to modeling intersectional racial equity/antiracist values through behaviors; communication; leadership practices and interactions, create opportunities for collective, inter-group (Directors//PM's) discussion about outcomes/accumulating knowledge and how new tools will be applied to practices as associated with coaching/training experiences and share general updates with staff and the Board on the status of collective efforts in this area, ensuring that reports do not target the development of any particular individual but instead address how overall outcomes will inform approaches to racial equity efforts (<i>Intersects with Connection & Communication; Shared Accountability & Transparency Guiding Principles</i>)</p>	<p>Begin cultivating an intergroup supportive culture of learning following trainings no later than late 2024; Reports to Board and staff providing an overview of collective outcomes are shared annually beginning in 2024</p>	<p>Leading: Directors; PM's Supporting: Board; Staff; Racial Equity/ Antiracism Education Task Force</p>	<p>*Newly-developed data-gathering processes administered biannually (at a minimum) yield that Commission staff and Board members experience open, transparent communication with respect to Directors/PM's racial equity development</p>
<p>5 – Directors decide upon a fair, equitable amount of time individual staff members will be expected to spend supporting the Commission's racial equity efforts beginning in 2026 (divisional and/or Commission-wide) and for which they will be acknowledged/credited during performance reviews and as part of the Commission's evolving racial equity accountability infrastructure, including what is expected of all PM's with respect to modeling racial equity/antiracist-aligned behaviors (<i>Intersects with Shared Accountability Guiding Principle</i>)</p>	<p>First quarter of 2025</p>	<p>Leading: Directors Supporting: PM's Communications</p>	<p>*Newly-developed data-gathering processes administered biannually (at a minimum) yield that increasing numbers of staff report being informed about what will be expected of them with respect to supporting the Commission's racial equity efforts going into 2026</p>
<p>*6 - Directors and people managers provide opportunities for direct reports to share how they are experiencing their PM's leadership/supervisory practices, including when they feel most and least supported; validated; heard, etc. as well as how conflict resolution services/supportive resources are being experienced when/if needed. <i>Direct reports should be invited rather than required to respond to such questions. (Intersects with Valuing Diverse Perspectives Guiding Principle)</i></p>	<p>Beginning in 2025; direct reports should be offered an opportunity to respond to such questions during data gathering processes as well as performance reviews with PM's</p>	<p>Leading: Directors; PM's Supporting: HR; All staff/individuals reporting to all PM's</p>	<p>*Newly-developed data-gathering processes administered biannually (at a minimum) yield that all staff report being provided opportunities to react and/or respond to PM's practices relative to their individual experiences as direct reports</p>
<p>7 – Review status of action steps supporting Leadership Development goal and assess next steps for subsequent phase of work (beginning in 2026) (<i>Intersects with Shared Accountability Guiding Principle</i>)</p>	<p>Begin reviewing by the second half of 2025</p>	<p>Leading: All staff have an opportunity to review and reflect upon the status of actions associated with this goal and make recommendations for next phase of work</p>	<p>*Newly-developed data-gathering processes administered biannually (at a minimum) yield that all staff report being provided an opportunity to review the status of actions supporting this goal and recommend approaches to the agency's next phase of work</p>

Internal Policy Goal (continued on next slide): Develop new and/ or enhance current employee-related policies to ensure alignment with racial equity and antiracist objectives (i.e. performance review; advancement processes and professional development opportunities as well as benefits and compensation structures)

<p><i>Proposed Actions for Review</i> <i>(*Indicates that additional information related to designated areas can be found in the Appendix on Slide 25)</i></p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p><i>*KPI's</i> (Key Performance Indicators)</p>
<p>1 – For benchmarking purposes, review outcomes from most recent performance reviews and employee advancement processes to assess potential disparities across racial demographics; report findings from review process to the EMT <i>(Intersects with Transparency Guiding Principle)</i></p>	<p>In the third quarter of 2023</p>	<p>Leading: HR Supporting: EMT</p>	<p>Policies/processes have been reviewed and opportunities for enhanced alignment with racial equity/ antiracism objectives have been identified and communicated to staff</p>
<p>2 – Receive training on approaches to aligning organizational internal policies (including conflict resolution policy); benefits and compensation structures with racial equity objectives and/or consistent with antiracist practices; Applying tools/new knowledge from trainings, perform impact analysis process for all policies; benefits and/or services provided to employees to ensure that there are no disparate impacts to culturally/racially diverse staff (examining whether or not benefits have an especially adverse impact on particular employee demographics compared to others); update policies accordingly (beginning with those having the most immediate impact)</p>	<p>Experience training by the final quarter of 2023; perform impact analysis on internal policies/processes by the end of 2024; update/enhance policies/processes where necessary by the end of 2025; communicate updates to staff in 2026; assess staff knowledge of policy changes by the end of 2026</p>	<p>Leading: HR; EMT; PM's Supporting: Racial Equity Education Task Force; Training Facilitator</p>	<p>*Via newly-developed data-gathering processes, appropriate parties with decision-making power in policy development report an increased ability to identify and implement opportunities to align internal policies/benefits with racial equity objectives; updated policies reflect such outcomes and are communicated to staff; staff report awareness/ knowledge of updated policies</p>
<p>3 – Update language to existing Conflict Resolution Policy to reflect alignment with racial equity/antiracism policy objectives and outcomes <i>(intersects with Conflict Resolution Workgroup recommendations)</i></p>	<p>By the end of 2023</p>	<p>Leading: HR Supporting: Conflict Resolution Workgroup; Communications</p>	<p>Conflict resolution policy language is updated accordingly; staff report transparency in communication about updates</p>
<p>*4 – Evaluate and honor transferrable skillsets among direct reports when reviewing qualifications for advancement/promotions opportunities and for the purpose of identifying nontraditional skillsets (as opposed to conventional skillsets) which can be valuable to the fulfillment of advanced responsibilities for which employees are being considered</p>	<p>Begin putting this approach into practice by the second half of 2023</p>	<p>Leading: All PM's Supporting: HR; DEI Administrator</p>	<p>*Via newly-developed data-gathering processes, staff report that transferrable skillsets are acknowledged/valued by PM's and/or that they inform advancement and performance review outcomes</p>
<p>*5 - Develop a process and timeline for the reimagining and revising the Commission's Office Procedure Manual (OPM)</p>	<p>Initiate process by the third quarter of 2023; finalize process by the end of 2024</p>	<p>Leading: Executive Division/ Administration Supporting: Communications; All divisions</p>	<p>Commission OPM is revised consistent with desired racial equity objectives and as informed by an inclusive process; staff report this process as being inclusive/ responsive to culturally/racially diverse staff needs/input</p>

Internal Policy Goal (continued): Develop new and/ or enhance current employee-related policies to ensure alignment with racial equity and antiracist objectives (i.e. performance review, advancement processes and professional development opportunities as well as benefits and compensation structures)

<p><i>Proposed Actions for Review</i> <i>(*Indicates that additional information related to designated areas can be found in the Appendix on Slide 25)</i></p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p><i>*KPI's</i> (Key Performance Indicators)</p>
<p>6 - Solicit input from all employees regarding experiences with performance review and professional advancement/ support processes as well as accessibility of and satisfaction with benefits (excluding compensation); outcomes should be disaggregated across racial demographics and can be used to inform enhancements to these areas. <i>(Intersects with the Valuing Diverse Perspectives Guiding Principle)</i></p>	<p>In the second quarter of 2024</p>	<p>Leading: HR; EMT Supporting: DEI Administrator</p>	<p>*Via newly-developed data-gathering processes, staff report adequate opportunities to share their experiences in these areas, including how data will inform next steps in enhancing processes and how enhancements will be communicated</p>
<p>*7– Informed by leadership and PM trainings, ensure that all staff are equitably supported in their efforts to meet their individual personal/professional development goals and that strategies/systems are in place to support the growth, professional development and career aspirations of all direct reports. This includes tailoring support strategies to the needs of culturally and racially diverse direct reports; practicing active listening and responsiveness to direct report needs, etc. Solicit data on staff experiences as it relates to support for individual professional development</p>	<p>Begin putting into practice after experiencing appropriate leadership training and no later than the end of 2024; begin collecting data on staff experiences by early 2025</p>	<p>Leading: All PM's Supporting: HR; DEI Administrator</p>	<p>*Via newly-developed data-gathering processes, staff report experiencing support from PM's in this individualized, justice-oriented way</p>
<p>8– Clarify/codify expectations for HR administrators and people managers to demonstrate how they are implementing antiracist policies in support of diverse employees/direct reports and as part of performance measures for PM's <i>(Intersects with Shared Accountability Guiding Principle)</i></p>	<p>Clarify expectations by the end of 2024; begin evaluating PM performance in this area during individual review processes in 2025</p>	<p>Leading: EMT; HR Supporting: Communications; IT</p>	<p>*HR personnel and PM's report adequate communication about/awareness of expectations related to their performance in this area; staff report transparency in communication related to PM and HR performance expectations via newly-developed data-gathering processes</p>
<p>9– Review status of action steps supporting Internal Policy goal and assess next steps for next phase of work (beginning in 2026) <i>(Intersects with Shared Accountability Guiding Principle)</i></p>	<p>By the second half of 2025</p>	<p>Leading: EMT; Communications Supporting: All staff</p>	<p>All staff report having an opportunity to review the status of actions supporting this goal and recommend approaches to the agency's next phase of work</p>

DEI Administrator Recruitment Goal: Recruit a DEI Administrator to serve as a member of the Executive Management Team and holding decision-making power for the purpose of leading as well as ensuring the coordination and sustainability of WSHFC’s racial equity efforts

<i>Proposed Actions for Review</i> <i>(*Indicates that additional information related to designated areas can be found in the Appendix on Slide 25)</i>	<i>Timeline</i>	<i>Accountability</i>	<i>*KPI's</i> <i>(Key Performance Indicators)</i>
*1 – Implement an inclusive, fair process for establishing a Recruitment Committee to lead the Commission’s efforts to hire a full-time, DEI Administrator to serve as a member of the EMT	No later than the second quarter of 2023; committee convenes beginning of the 2nd quarter	Leading: EMT; HR Supporting: Communications; IT	*Process for establishing committee is complete and staff receive communication about group composition by the beginning of 2nd quarter; staff report experiencing an inclusive recruitment effort once process has ended (2024) via newly-developed data-gathering processes
*2 (a) Draft position description, including the application of a racial equity lens to determining qualifications; experience, etc. (b) Secure recruiter through RFP process (c) Confirm and Implement a fair, just and equitable recruitment process for DEI Administrator, including the application of a racial equity lens to determining qualifications; experience, etc.	EMT approves draft position description process no later than end of second quarter of 2023; RFP process for hiring recruiter concludes by no later than end of second quarter; recruitment process ensues by the beginning of third quarter 2023.	Leading: Recruiter; DEI Administrator Recruitment Committee Supporting: EMT	Group recruitment process is approved by EMT; staff receive communication about the group’s recruitment process prior to when it begins; staff receive updates on process accordingly as steps are taken
3 – Present recommendation for desired candidate to serve as the Commission’s inaugural DEI Administrator	By the beginning of fourth quarter 2023	Leading: DEI Administrator Recruitment Committee reports recommendations to the EMT Supporting: EMT	The EMT receives communication from the recruitment committee regarding its recommendations for their candidate of choice to serve as DEI Administrator
4 – Confirm the Commission’s inaugural DEI Administrator and onboard the individual accordingly	By the fourth quarter of 2023	Leading: DEI Administrator Recruitment Committee; EMT Supporting: Communications	Staff receive communication regarding the finalist who will join the Commission as its inaugural DEI Administrator; DEI Administrator is onboarded
5 – Review current racial equity/ antiracism plan and the role the DEI Administrator will play in the next phase of work, including the approval of a budget to support racial equity/antiracism f efforts (beginning in 2026)	Final half of 2025	Leading: EMT (including DEI Administrator) Supporting: All staff	All staff, including inaugural DEI Administrator (if timing is appropriate) have an opportunity to assess racial equity/antiracism progress for the Commission and share recommendations for next steps

Public Engagement Goal (continued on the next slide): Enhance our approach to community/ public engagement and outreach as well as data-gathering in order to increase our potential to more effectively serve and become a trusted resource to Washington’s BIPOC residents

<p><i>Proposed Action Steps</i> <i>*(indicates that additional information related to designated areas can be found in the Appendix on Slide 26)</i></p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p>KPI's (Key Performance Indicators)</p>
<p>*1 – Review existing sponsorship and membership historical data and develop equitable criteria and cohesive policy that can be used to evaluate all future requests for sponsorship to align with the racial equity strategic goals</p>	<p>Initiate first phase of process in the first quarter of 2023 <i>(See Appendix for details related to supportive steps for this action.)</i></p>	<p>Leading: Finance Supporting: EMT; Sponsorship Policy Workgroup (*See references to this workgroup where all supportive action steps for this process are detailed in the Appendix)</p>	<p>Staff receive communication about this opportunity; workgroup is established and reports experiencing Commission support for its efforts</p>
<p>*2 - Develop a Commission-wide equitable, inclusive strategy for engaging community members and incorporating their feedback into Commission decision-making <i>(Intersects with the Valuing Diverse Perspectives Guiding Principle)</i></p>	<p>Third quarter of 2023</p>	<p>Leading: Executive Division/ Administration Supporting: DEI Administrator; all divisions; IT; approved external stakeholders</p>	<p>Newly-developed data-gathering efforts yield that approved external beneficiaries experience inclusive approaches to the agency’s decision-making processes; Executive Division is able to communicate ways in which approved external beneficiaries’ input has informed agency decisions</p>
<p>*3 – Complete stakeholder mapping exercise to understand the importance of public engagement and create an engagement plan for all programs <i>(Intersects with the Valuing Diverse Perspectives Guiding Principle)</i></p>	<p>Complete process by the third quarter of 2023</p>	<p>Leading: MHCF; AMC Supporting: All staff</p>	<p>Staff understanding of public engagement principles is increased; newly-developed data-gathering efforts yield that target communities feel that engagement efforts are valuable to homebuying process</p>
<p>4 – Pursue potential sponsorship opportunities for community-based partners targeting underserved communities (i.e. festivals, neighborhood meetings, lender events)</p>	<p>Begin preliminary research on existing opportunities in this area in the third quarter of 2023; begin serving as sponsors for select events by 2025</p>	<p>Leading: Homeownership Supporting: Finance; Executive Division/Administration</p>	<p>Social media data - messaging salience and resonance; number of partners; spread of partners/funds; number of events; the number of unique contacts</p>

Public Engagement Goal (continued): Enhance our approach to community/ public engagement and outreach as well as data-gathering in order to increase our potential to more effectively serve and become a trusted resource to Washington’s BIPOC residents

<p><i>Proposed Action Steps</i> <i>*(indicates that additional information related to designated areas can be found in the Appendix on Slide 26)</i></p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p>KPI's (Key Performance Indicators)</p>
<p>5 - Improve WBARS data gathering and reporting: to inform policy to address negative housing outcome indicators such as eviction and housing instability</p>	<p>Complete by the end of 2024</p>	<p>Leading: AMC</p>	<p>WBARS data-gathering processes are improved for the purpose of addressing adverse housing indicators such as eviction and housing instability, including indicators highlighting potential racial disparities in these areas</p>
<p>6– Provide new and/or enhance existing trainings for property owners, managers served-by and/or pursuing the Commission’s resources</p>	<p>First quarter of 2024</p>	<p>Leading: AMC: Supporting: EMT to add an FTE</p>	<p>AMC has hired a training coordinator and will enhance revamp Fundamentals, Bond and advanced trainings; create on demand trainings; re-introduce in person trainings; incorporate Fair Housing modules; property managers and owners will have increased awareness of good stewardship of the resources and have better Fair Housing test outcomes</p>
<p>7 - Conduct a Racial Equity Impact Assessment (REIA) on MHCF practices</p>	<p>Begin in the second quarter of 2023 and ongoing through the second quarter of 2024</p>	<p>Leading: MHCF Supporting/Collaborating: Homeownership</p>	<p>MHCF has increased readiness for promoting racial equity through practices, including how to determine KPI's for ongoing efforts</p>
<p>8 – Form a Community Advisory Board</p>	<p>Begin developing mission/vision/goals for the board; identify criteria for and actual members to serve on the board by the end of 2025</p>	<p>Leading: MHCF Supporting: Select staff serve as members of an advisory group to lead this process</p>	<p>Commission staff serving on advisory planning group are identified; board mission/vision/values are established; criteria is established for individuals serving on the board; individuals who can serve on the board are identified</p>
<p>9 - Improve Home Base non-compliance data gathering and reporting to inform training development, decrease non-compliance events and improve housing services overall</p>	<p>Complete by the end of 2025</p>	<p>Leading: AMC</p>	<p>Data-gathering in this area is improved to inform training and decrease instances of non-compliance; improve housing overall</p>

Resource Accessibility Goal (continued on next two slides): Increase the accessibility of our resources for BIPOC residents and/or entities which are prioritizing the needs of BIPOC residents in Washington by leveraging our role/position in the affordable housing ecosystem

<i>Proposed Action Steps</i>	<i>Timeline</i>	<i>Accountability</i>	KPI's (Key Performance Indicators)
1 – Update the language and content of our forms and applications to increase access to such materials for LIHTC applicants and residents and site staff	Beginning in the second quarter and ongoing through the third quarter of 2023	Leading: AMC Support: Communication team	Languages for select forms/applications is updated to reflect the Commission’s efforts to increase access to materials and/or to promote equitable access to materials for BIPOC residents; process is informed by outcomes from survey launched for the purpose of acquiring information about the accessibility of our materials/applications; newly-developed data-gathering processes yield that forms/materials are more accessible to those who might benefit from our resources
2 – Reduce access to barriers in homeownership by offering services in languages other than English in order to better serve non-English speaking communities	Begin preliminary research on existing opportunities in this area in the third quarter of 2023; finalize and begin to implement processes in 2025	Leading: Homeownership Supporting: Executive Division/Administration; IT; Finance	Increased program usage among non-English speaking home buyers; number of times service is used, ratio of translated calls to total call volume, language use frequency, distribution of usage rates among avenues to access (phone, online, in person / broker or lender)
3 – Increase awareness of programs by leveraging outreach opportunities created through community education and partner presentations	Begin preliminary research on existing opportunities in this area in the third quarter of 2023; finalize and begin to implement processes in 2025	Leading: Homeownership Supporting: Executive Division/Administration; MHCF	Increased number of events YTD by comparison; re-invitation rate; salience of message in target community; engagement rate; number of partners
4 - Map out existing access to each of our resources and identify opportunities to address financial or structural barriers which may impede access to beneficiaries of our resources	Complete mapping process by the end of 2024	Leading: MHCF (Program Leads; Director) Supporting: DEI Administrator; MHCF Staff	A fully-developed matrix that will allow the MHCF team to compare means of access to resources for end users is completed; institutional/systemic barriers to resource access have been identified and mitigated where the Commission has the authority to do so

Resource Accessibility Goal (continued) Increase the accessibility of our resources for BIPOC residents and/or entities which are prioritizing the needs of BIPOC residents in Washington by leveraging our role/position in the affordable housing ecosystem

<p><i>Proposed Action Steps</i> <i>*(indicates that additional information related to designated areas can be found in the Appendix on Slide 23)</i></p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p>KPI's (Key Performance Indicators)</p>
<p>5 – Provide training for PA's regarding approaches to addressing BIPOC resident concerns</p>	<p>First and second quarters of 2024</p>	<p>Leading: AMC Supporting: Communications/ Racial Equity Education Workgroup</p>	<p>Trainings are offered by Commission; newly-developed data-gathering processes yield that trainings offered to this group have increased awareness about approaches to serving/supporting BIPOC residents</p>
<p>6 - Refine existing program resources to reduce barriers/increase accessibility for BIPOC residents and invested parties/stakeholders and our capacity to engage and support BIPOC residents</p>	<p>Begin after executing proposed action #2 by 2024 - can happen simultaneously with actions #7 and #8; complete by the end of 2025</p>	<p>Leading: MHCF (Program leads; Director) Supporting: Communications</p>	<p>Number of BIPOC residents and invested parties/stakeholders accessing resources has increased</p>
<p>7 - Amplify external opportunities for funding and/or capacity building resources to increases access to housing/resources for BIPOC communities</p>	<p>Begin after the completion of proposed action #2; can occur simultaneously with proposed action #6 and #8; complete by the end of 2024</p>	<p>Leading: MHFC (Director/SME's)</p>	<p>Comprehensive list of external partner resources (local gov't, nonprofits, etc.) is built; method/process to track referrals MHFC makes to other housing/resources (e.g., referral made to a capacity building program for emerging developers administered by a county) is created</p>
<p>8 - Manage/refine consultant lists- proactively solicit qualifications from a wide and diverse group of professionals to disseminate to interested clients</p>	<p>Complete by the end of 2024</p>	<p>Leading: MHFC (Director with support from SME's)</p>	<p>Rate of BIPOC representation on consultant list has increased</p>
<p>9 – Enhance lines of communication with residents by creating a resident portal on our website where residents can securely share documents and concerns with AMC staff; develop an external-facing portal where residents can securely share documentation and concerns regarding residential/housing experiences with AMC for the division’s review and awareness <i>(Intersects with Valuing Diverse Perspectives Guiding Principle)</i></p>	<p>Second quarter of 2025</p>	<p>Leading: AMC Supporting: Communications</p>	<p>Methods for communicating with residents is established; newly-developed data-gathering processes yield that BIPOC residents are experiencing increased support from PM's; increased numbers of residents report experiencing equitable support in efforts to address barriers to housing (across racial demographics); portal is created and launched</p>

Resource Accessibility Goal (continued): Increase the accessibility of our resources for BIPOC residents and/or entities which are prioritizing the needs of BIPOC residents in Washington by leveraging our role/position in the affordable housing ecosystem

<i>Proposed Action Steps</i> <i>*(indicates that additional information related to designated areas can be found in the Appendix on Slide 23)</i>	<i>Timeline</i>	<i>Accountability</i>	KPI's (Key Performance Indicators)
10 – Improve the WSHFC funded rental housing finder site	Second quarter of 2025	Leading: Administration; Supporting: AMC	Site is developed and launched; newly-developed data-gathering process yields that the site has provided valuable information to those using the site

Communications Goal: Design and implement an internal and external-facing communications strategy to include a focus on our racial equity and antiracism efforts and to ensure that internal and external beneficiaries are updated on the status of our racial equity and antiracism priorities

<p><i>Proposed Action Steps</i> <i>*(indicates that additional information related to designated areas can be found in the Appendix on Slide 27)</i></p>	<p><i>Timeline</i></p>	<p><i>Accountability</i></p>	<p><i>*KPI's</i> (Key Performance Indicators)</p>
<p>*1 - Developing a process and timeline for the development and implementation of an updated communications strategy focusing on racial equity and antiracism efforts (internally and externally) <i>(Intersects with the Transparency Guiding Principle)</i></p>	<p>Beginning in the second quarter of 2023 and ending by the fourth quarter of 2023</p>	<p>Leading: Communications Supporting: Executive Division; All staff</p>	<p>*Update to communications strategy as described and as informed by staff input is complete and has been shared with staff as well as approved external stakeholders</p>
<p>2 - Develop an external-facing communications webpage with a specific focus on BIPOC community resources and/or FAQ's as informed by previous survey outcomes . featuring new services, bills, laws that impact resident experiences, etc.</p>	<p>Third and fourth quarters of 2024 (for both a and b actions)</p>	<p>Leading: AMC Supporting: Communications; IT; DEI Administrator; DEI/Racial Equity Consultants</p>	<p>a - Webpage is developed; future assessment through newly-developed tracking efforts yield that webpage is frequently accessed by those pursuing opportunities for resources; newly-developed data-gathering efforts yield that visitors experience increased access to Commission resources via the webpage and/or that webpage provides valuable information</p>
<p>*3 - Host a webinar for approved stakeholders focusing on issues of relevance to residents; property owners and managers, including Tax Credit Lease Rider; expectations for LIHTC residents and how that differs from regular lease, application processes, etc.</p>	<p>By the end of 2024</p>	<p>Leading: AMC Supporting: Racial Equity Training Workgroup; DEI/Racial Equity Consultants; Communications</p>	<p>Webinar is launched; data-gathering yields that information shared during webinar is valuable to target audiences</p>

Internal Data-gathering Goal: Develop information and data-gathering processes meant to yield increased and ongoing insight about the experiences of WSHFC staff across cultural and racial demographics which would be regularly implemented and from which outcomes would inform potential adjustments to internal practices; employee-related policy design, etc.

<i>Proposed Action Steps</i>	<i>Timeline</i>	<i>Accountability</i>	<i>KPI's (Key Performance Indicators)</i>
<p>Design; approve and implement data-gathering processes to assess employee experiences related to action steps included in the racial equity strategic plan associated with the agency's internal-facing goals and/or which have the greatest potential to impact employee experiences, including those connected to the implementation of the racial equity plan. Where appropriate, and to avoid survey fatigue, multiple data-gathering processes can be executed simultaneously in response to multiple initiatives/action steps appearing in the plan. <i>(In this case, internal data-gathering efforts represent both a goal and a strategy for the agency, where newly-developed data-gathering strategies have been referenced in the KPI sections of the internal-facing goals for the Commission.)</i></p>	<p>Beginning in 2023 as initial action steps are taken in association with internal-facing racial equity goals (Culture/Restorative Healing; Leadership Development; Internal Policy; (Internal) Communications goal and ongoing through 2025</p>	<p>Leading: Executive Division/Administration; EMT; IT Supporting: All staff</p>	<p>Data-gathering processes as described with respect to assessing the agency's internal-facing action steps having the greatest potential to impact employee experiences have been designed; approved and implemented beginning in 2023;</p>

Part V:

Appendix

(Where noted, additional information related to content included in the racial equity strategic plan goal matrixes can be found in this section.)

Culture/Restorative Healing Goal

Proposed steps supporting proposed action item #1 “establishing a BIPOC restorative healing group” involve a specialized focus on facilitating activities meant to address instances/incidents of implicit/explicit race-informed bias; microaggressions; trauma and other experiences which are harmful and diminishing to BIPOC individuals as well as activities focusing on promoting resiliency; self-care and wellness meant to mitigate the impact of traumatizing experiences

Proposed steps supporting proposed Action item #3 “establishing a racial equity education task force” may include a consideration for the following recommendations: Members who have not served on the RJET or Racial Equity Strategic Planning Group should have priority consideration for the purpose of encouraging inclusive, agency-wide participation in the Commission’s racial equity efforts. A fair, just selection process can include that for which employees are nominated by a colleague or can self-nominate for the purpose of participating on the group and that an approved set of questions be developed to which those nominating others would need to submit written responses as well as those who are self-nominating for participation. Group composition should reflect equitable representation across the Commission (i.e. no more than two (2) individuals representing a division; diverse cultural and racial representation; diverse professional levels/status at the Commission, etc.) Individuals serving on this group should not serve on other, concurrently functioning groups (i.e. the DEI Administrator Recruitment Committee.) *EMT members should be responsible for approving the final group composition.*

Proposed steps supporting proposed action item #4 “recruiting a conflict resolution expert (contractual)” may include a consideration for the following recommendations: Ensuring that this individual is working on a contractual (outside/objective party) basis to increase the likelihood of this individual’s ability to build trust with staff representing the Commission. Candidates should demonstrate their expertise aligning conflict resolution processes with racial equity/antiracism objectives. Workgroup (hiring committee) should solicit input from staff to inform recruitment process and hiring recommendations. An inclusive recruitment process should involve input from staff (i.e. during interview processes) and provide staff with an opportunity to share desired qualifications for the selected individual. In the event that current Workgroup members would prefer to rotate off of the group, a fair, just and inclusive process for determining new members should be instituted (similar to the process established for the Racial Equity Education Task Force and the DEI Administrator Recruitment Committee)

Proposed steps included in the KPI Column of the “Culture/Restorative Healing” goal, where indicated, represent opportunities to formalize data-gathering strategies aligned with the Racial Equity Internal Data-gathering Goal. (In this case, newly-developed data-gathering processes connected to this goal represent both a strategy and a goal for the Commission.)

Leadership Development Goal

Proposed steps supporting proposed action item #3 “learning activities for all people managers, including directors) may include a consideration for the following recommendations: Leaders and PM’s receiving this training should decide upon desired outcomes for all trainings supporting their development, including what they most want and/or need to experience, etc., to inform the selection of potential facilitators (vetted by the Racial Equity Education Task Force.) In addition, it is recommended that trainings be interactive and include ample time for workshopping case studies; discussions; processing, etc., rather than be designed for “passive” attendee experiences.

Proposed steps supporting proposed Action item #6 “equitably supporting diverse staff” may include a consideration for the following recommendations: Approaches to this work should prioritize the professional needs and status of individual employees rather than reflect a standardized approach to doing so. Regular check-ins with direct reports is recommended so that there are consistent opportunities for PM’s to communicate observed opportunities for further development for direct reports. Trainings focusing on this subject are also recommended and could be included as part of a series of trainings for Commission leaders (decision-makers) and PM’s focusing on implementing racial equity-aligned practices and adopting accompanying behaviors in support of culturally and racially diverse staff and consistent with Commission racial equity/ antiracism goals.

Proposed steps included in the KPI Column of the “Leadership Development” goal, where indicated, represent opportunities to formalize data-gathering strategies aligned with the Racial Equity Internal Data-gathering Goal. (In this case, newly-developed data-gathering processes connected to this goal represent both a strategy and a goal for the Commission.)

Internal Policy Goal

Proposed steps supporting proposed action item #4 “honoring transferrable skillsets” may include a consideration for the following recommendations: For PM’s supporting culturally and racially diverse staff, many of whom may not have developed professional skillsets through conventional or traditional experience or practice, honoring and valuing skillsets acquired through non-conventional means taking into consideration how one’s capacity to fulfill work-related responsibilities as the result of both types of experiences informs fair, just performance review; recruitment and advancement processes. This is especially important when considering the disparities in access to employment opportunities for BIPOC compared to Whites in many industries and across professions, where unconventional pathways to professional development are often a consequence of such disparities. In this case, valuing and honoring transferrable and conventional skillsets in equitable ways increases the likelihood that performance review; recruitment and advancement processes are fair and just and take into consideration the reality of occupational disparities informed by racial bias and racist systems.

Proposed steps supporting proposed action item #5 “Updating the OPM” include the following:

- Specifying a timeline for the process
- Reimagining content for the OPM by utilizing racial equity planning tool
- Strategizing / prioritizing methods for updating content for the OPM
- Gathering feedback from all staff and shaping the process according to staff input
- Address how we will ensure ongoing maintenance and regular revision of the OPM
- Establish a baseline for accountability and establish KPIs for evaluating impact of updating OPM content

Proposed steps supporting proposed action item #7 “equitably supporting staff” may include a consideration for the following recommendations: Approaches to this work should prioritize the professional needs and status of individual employees rather than reflect a standardized approach to doing so. Regular check-ins with direct reports is recommended so that there are consistent opportunities for PM’s to communicate observed opportunities for further development for direct reports. Trainings focusing on this subject are also recommended and could be included as part of a series of trainings for Commission leaders (decision-makers) and PM’s focusing on implementing racial equity-aligned practices and adopting accompanying behaviors in support of culturally and racially diverse staff and consistent with Commission racial equity/ antiracism goals.

Proposed steps included in the KPI Column of the “Internal Policy” goal, where indicated, represent opportunities to formalize data-gathering strategies aligned with the Racial Equity Internal Data-gathering Goal. (In this case, newly-developed data-gathering processes connected to this goal represent both a strategy and a goal for the Commission.)

DEI Administrator Recruitment Goal

Proposed steps supporting proposed action item #1 “establishing a DEI Administrator recruitment committee” may include a consideration for the following recommendations. Members who have not served on the RJET or Racial Equity Strategic Planning Group should have priority consideration for the purpose of encouraging inclusive, agency-wide participation in the Commission’s racial equity efforts. A fair, just selection process can include that for which employees are nominated by a colleague or can self-nominate for the purpose of participating on the group and that an approved set of questions be developed to which those nominating others would need to submit written responses as well as those who are self-nominating for participation. Group composition should reflect equitable representation across the Commission (i.e. no more than two (2) individuals representing a division; diverse cultural and racial representation; diverse professional levels/status at the Commission, etc.) Individuals serving on this group should not serve on other, concurrently functioning groups (i.e. the Racial Equity Education Task Force.) *EMT members should be responsible for approving the final group composition.*

Proposed steps supporting proposed action item #2 “implementing a fair, just recruitment process” may include a consideration for the following recommendations. Recommended considerations include the following: developing a list of required and preferred qualifications which factor in traditional and transferrable skillsets; adequate (rather than excessive) years of service; adequate (rather than excessive) levels of education and experience with leading explicitly antiracist processes – preferably internal to an organization. In addition, to ensure an inclusive decision-making process, Commission staff should be solicited for individual desired characteristics for the inaugural DEI Administrator and for the purpose of informing the Recruitment Committee’s efforts. This opportunity should also be posted in traditional and social media outlets and shared with the Commission’s networks, including new outlets not previously utilized by the Commission in order to reach new markets and increase access to this opportunity.

Proposed steps included in the KPI Column of the “Recruiting a DEI Administrator” goal, where indicated, represent opportunities to formalize data-gathering strategies aligned with the Racial Equity Internal Data-gathering Goal. (In this case, newly-developed data-gathering processes connected to this goal represent both a strategy and a goal for the Commission.)

Public Engagement Goal

Proposed steps supporting proposed action item #1 “reviewing existing sponsorship and membership data” may include the following:

Supportive Step 1a: Form cross divisional working group with participation from all divisions to work on policy in Q1 of 2023; Leading: Finance; Supporting: EMT

Supportive Step 1b: Gather the data: information gathering on past sponsorships; identifying active BIPOC community organizations without prior Commission sponsorship for potential future sponsorships in Q1 of 2023; Leading: Finance; Supporting: Sponsorship Policy Workgroup; KPI’s: Historical Commission sponsorship report is obtained and a list of BIPOC community organizations for potential Commission sponsorship is developed

Supportive Step 1c: Create draft version of sponsorship policy by Q3 2023; Leading: Finance; Supporting: Sponsorship Policy Workgroup; KPI’s: Drafted selection criteria are developed and new policy is created

Supportive Step 1d: Solicit input from management on draft policy by Q4 2023; Leading: Sponsorship Policy Workgroup; Supporting: EMT; KPI’s: Management input on policy is received

Supportive Step 1e: Finalize policy by Q4 2023; Leading: Sponsorship Policy Workgroup; Supporting: EMT; KPI’s: Approval of policy by EMT is received

Supportive Step 1f: Implement the policy beginning in Q1 of 2024 and through Q4 of 2024; Leading: Finance; Supporting: all divisions; KPI’s: Policy is supported and implemented

Supportive Step 1g: Assess policy implementation and update policy if needed in Q1 of 2025; Leading: Administration and Finance; Supporting: all divisions; KPI’s: All divisions report having an opportunity to review policy implementation supporting this goal and recommend any updates or improvements to the policy for future implementation

Proposed steps supporting proposed action item #2 “develop a commission-wide equitable, inclusive strategy for engaging community members and incorporating their feedback into Commission decision-making” may include the following:

1. Convene and facilitate a cross-divisional staff team to examine public engagement needs Commission-wide.
2. Assess current public engagement and outreach practices

3. Initial ideation and discovery process may include a focus on any of the following:

- What do staff need/want?
- Who are the stakeholders? What do the stakeholders want?
- What functions could be centralized?
- What role can Admin play in organizing and facilitating public engagement across divisions?
- Assess what could go wrong and how we can mitigate it. Examples: harm and over-promising and under delivering.
- How can we update staff and stakeholders? (keep them engaged and informed)
- Assess what could go wrong and how we can mitigate it. Examples: harm and over-promising and under-delivering.

4. Update current public engagement and outreach plan accordingly; engage in continuous review and update processes informed by newly-designed data-gathering efforts accordingly

Potential activities supporting proposed action item #3 “facilitate mapping process” may address the following:

- MHCF division by staff who have some grounding in this practice facilitate meetings
- Use process from reputable consultant/public engagement curriculum
- Begin with a mini-seminar on the “whys” behind the concept of public engagement
- Hire a summer intern from a Public Policy program to map stakeholders
- Goal is a comprehensive understanding of various interested party groups from an impact/access/accountability analysis

Communications Goal

Proposed steps supporting proposed action item #1 “developing and implementing an updated communications strategy” may include the following:

- Assessment of current practices in this area
- Initiate ideation and discovery process
- Identify our needs and stakeholders’ needs related to communications
- Identify risks and mitigations of communications efforts
- Create blueprint for developing new and/or enhancing current communications strategy
- Identify steps and timeline; roles, costs, outcome metrics, etc.
- Update staff and stakeholders (keep them engaged and informed)
- Refer to racial equity tool for updating communications process
- Update staff and stakeholders on our communications strategy (keep them engaged and informed on ongoing efforts in this area)

Proposed steps supporting proposed action item #3 “develop a Commission-wide equitable, inclusive strategy for engaging community members and incorporating their feedback into Commission decision-making” may include the following:

1. Convene and facilitate a cross-divisional staff team to examine public engagement needs Commission-wide.
2. Assess current public engagement and outreach practices
3. Initial ideation and discovery process may include a focus on any of the following:
 - What do staff need/want?
 - Who are the stakeholders? What do the stakeholders want?
 - What functions could be centralized?
 - What role can Admin play in organizing and facilitating public engagement across divisions?
 - How can we improve the current public engagement process? (Example: public hearings at Commissioner meetings)
 - Update staff and stakeholders (keep them engaged and informed)
 - Assess what could go wrong and how we can mitigate it. Examples: harm and over-promising and under delivering.
 - How can we improve the current public engagement process? (Example: public hearings at Commissioner meetings)
 - How can we update staff and stakeholders? (keep them engaged and informed)
 - Assess what could go wrong and how we can mitigate it. Examples: harm and over-promising and under-delivering.

4. Update current public engagement and outreach plan accordingly; engage in continuous review and update processes informed by newly-designed data-gathering efforts accordingly

Proposed steps included in the KPI Column of the “Communications” goal, where indicated, represent opportunities to formalize data-gathering strategies aligned with the Racial Equity Internal Data-gathering Goal. (In this case, newly-developed data-gathering processes connected to this goal represent both a strategy and a goal for the Commission.)



Note of Gratitude

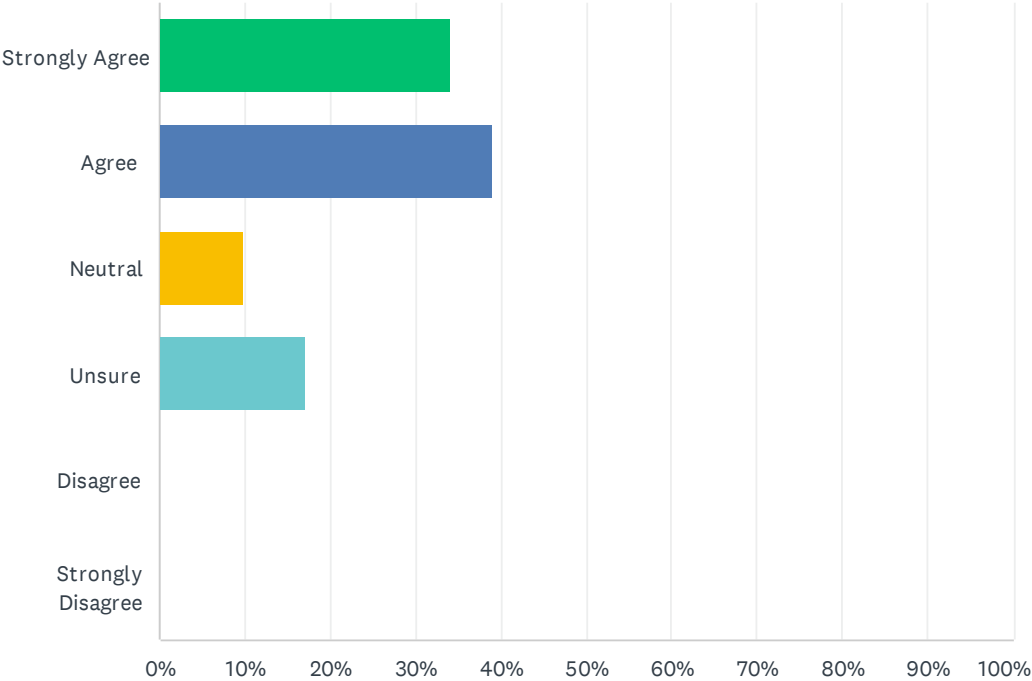
Thank you for the opportunity to support the Washington State Housing Finance Commission's racial equity strategic planning process.

Dr. Carmen Phelps – Project 986

www.project986consulting.com

Q1 The plan reflects the Commission’s goal to promote and prioritize equitable, fair and just experiences and outcomes for BIPOC employees serving and representing the agency.

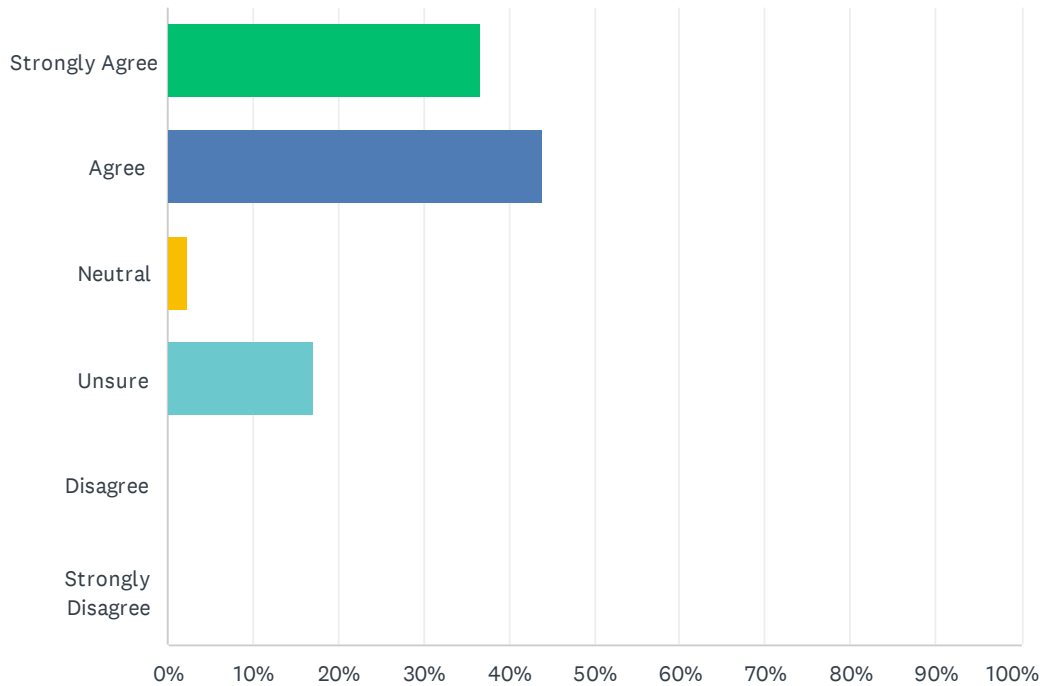
Answered: 41 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly Agree	34.15%	14
Agree	39.02%	16
Neutral	9.76%	4
Unsure	17.07%	7
Disagree	0.00%	0
Strongly Disagree	0.00%	0
TOTAL		41

Q2 The plan reflects the Commission’s goal to promote and prioritize equitable, fair and just experiences and outcomes for BIPOC communities served externally by its mission.

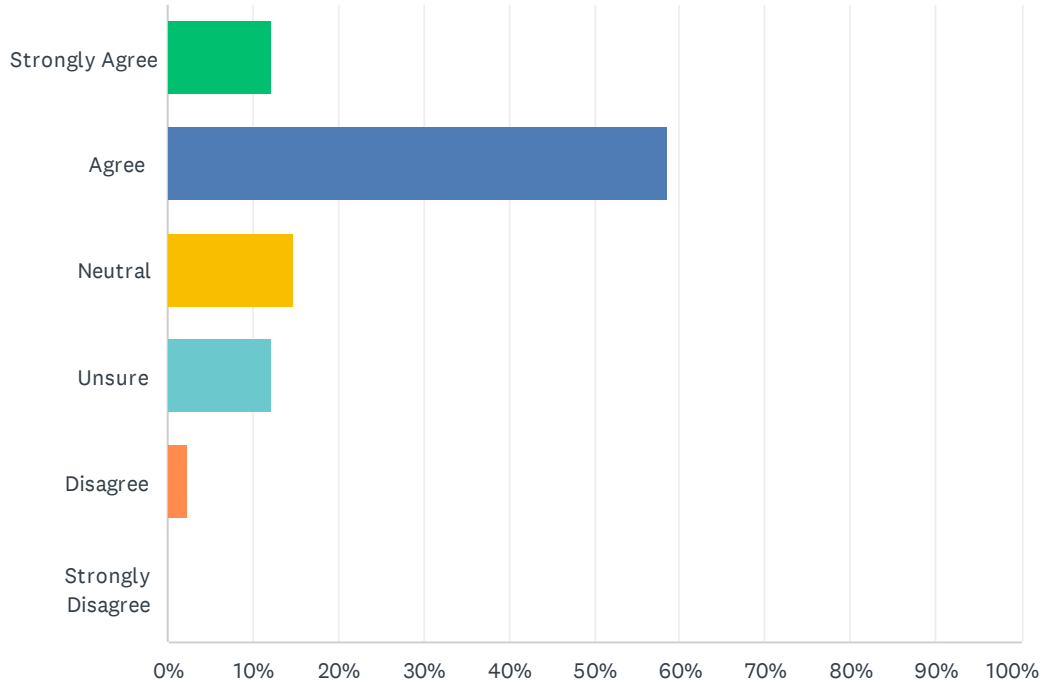
Answered: 41 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly Agree	36.59%	15
Agree	43.90%	18
Neutral	2.44%	1
Unsure	17.07%	7
Disagree	0.00%	0
Strongly Disagree	0.00%	0
TOTAL		41

Q3 The plan reflects achievable steps the Commission can take to promote racial equity and/or to engage in antiracist practices.

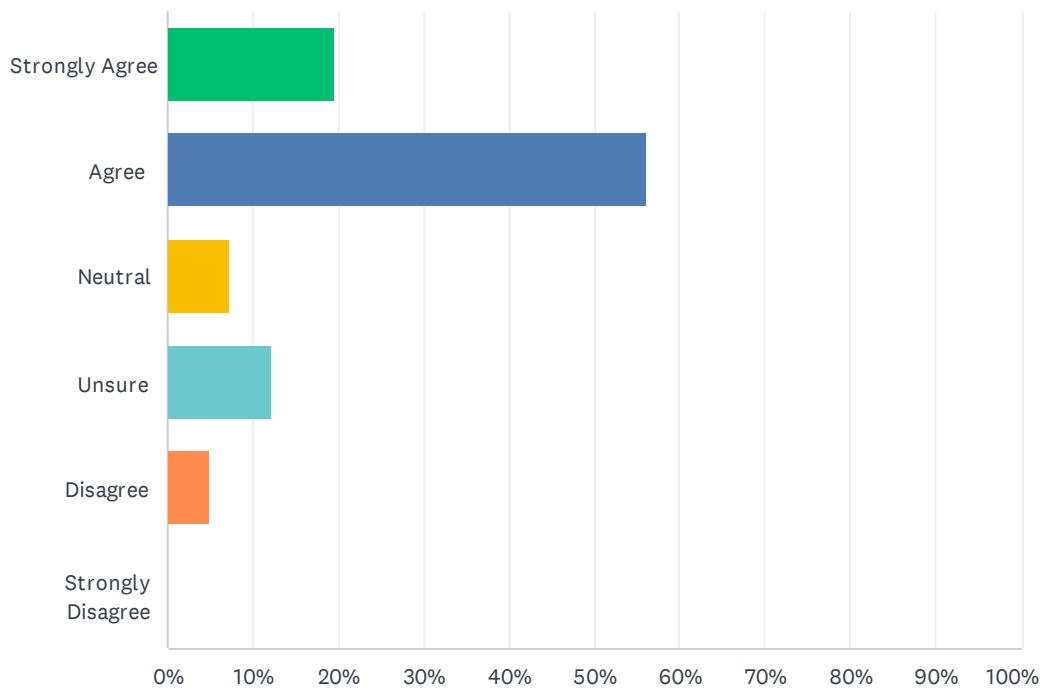
Answered: 41 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly Agree	12.20%	5
Agree	58.54%	24
Neutral	14.63%	6
Unsure	12.20%	5
Disagree	2.44%	1
Strongly Disagree	0.00%	0
TOTAL		41

Q4 The plan reflects a power sharing rather than a power hoarding/power centering model for promoting racial equity and antiracist practices at the Commission. (Please note: a “power hoarding/ centering” model centralizes the power of particular voices and interests, where such groups have dominant influence in the plans outcomes without consideration for the perspectives of those with less power and/or who are marginalized. Conversely, a “power-sharing” model includes opportunities for all individual contributors (in this case staff) representing all demographics and all levels of the organization) to influence the outcomes of the plan as well as participate in processes and action steps reflected in the plan.)

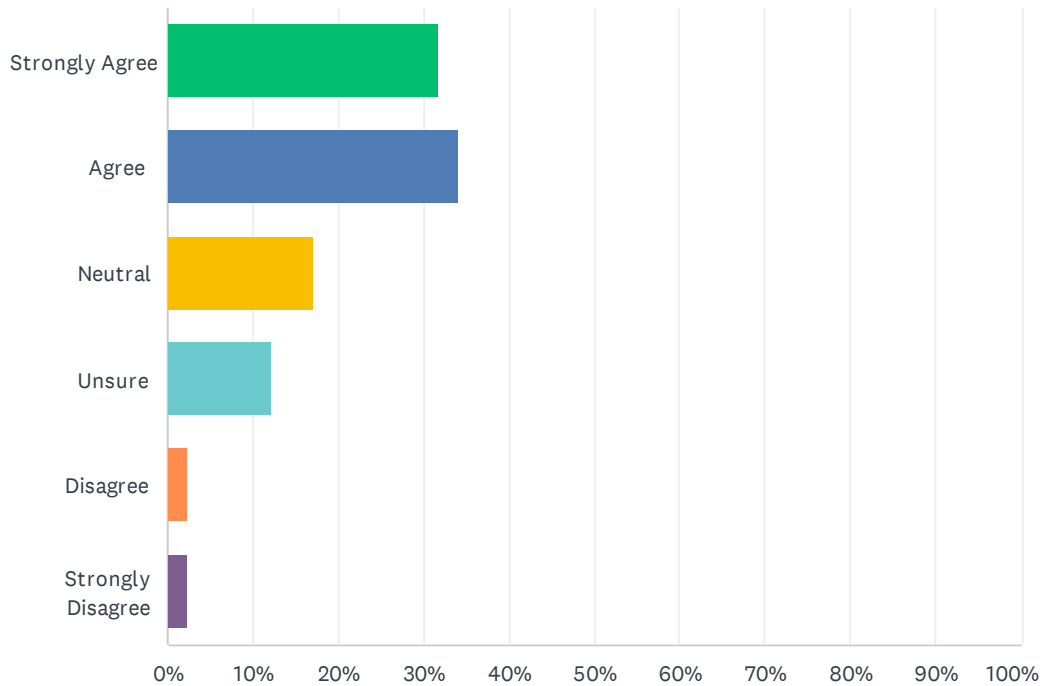
Answered: 41 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly Agree	19.51%	8
Agree	56.10%	23
Neutral	7.32%	3
Unsure	12.20%	5
Disagree	4.88%	2
Strongly Disagree	0.00%	0
TOTAL		41

Q5 I see areas in the plan where I can make contributions to and/or participate and/or play an active role in the Commission’s efforts to promote racial equity and/or antiracism.

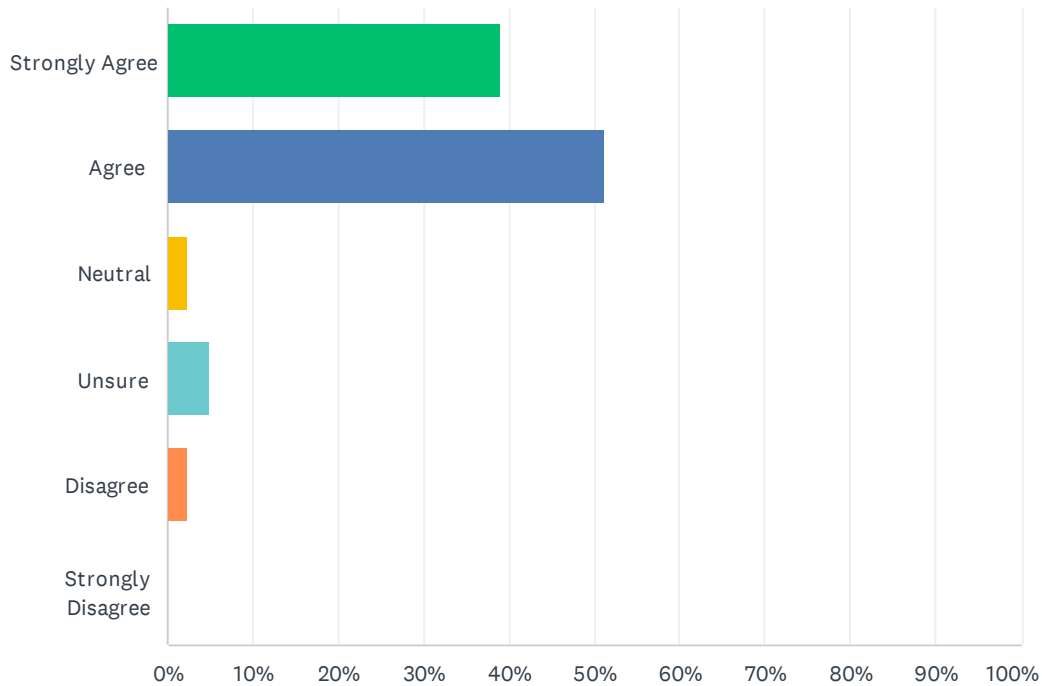
Answered: 41 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly Agree	31.71%	13
Agree	34.15%	14
Neutral	17.07%	7
Unsure	12.20%	5
Disagree	2.44%	1
Strongly Disagree	2.44%	1
TOTAL		41

Q6 If enacted, the plan would represent progressive steps in the Commission’s efforts to promote racial equity and/or to engage in antiracist practices.

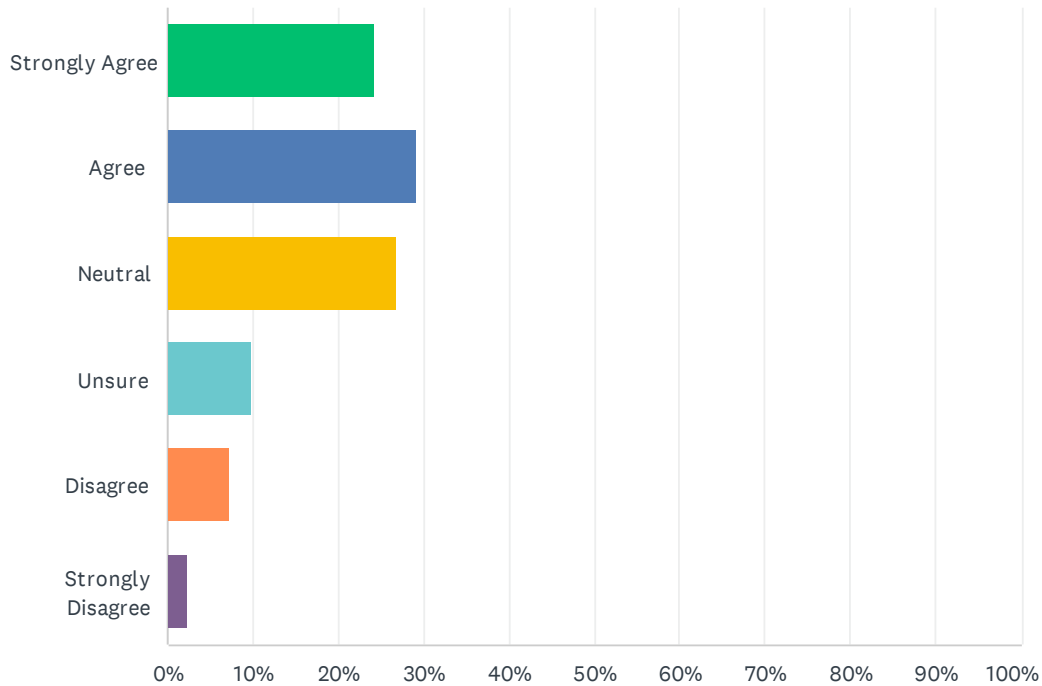
Answered: 41 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly Agree	39.02%	16
Agree	51.22%	21
Neutral	2.44%	1
Unsure	4.88%	2
Disagree	2.44%	1
Strongly Disagree	0.00%	0
TOTAL		41

Q7 I see ways in which my contributions to the racial equity pre-planning assessment process (survey; focus groups and/or interviews) have influenced the contents of the plan.

Answered: 41 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly Agree	24.39%	10
Agree	29.27%	12
Neutral	26.83%	11
Unsure	9.76%	4
Disagree	7.32%	3
Strongly Disagree	2.44%	1
TOTAL		41

Q8 Please share areas where you would like to see revisions to the plan, including reasons why you feel any such revisions would improve the plan. (You may respond "Not Applicable" if you are not advocating for revisions to the plan at this time.)

Answered: 41 Skipped: 0

- More than half of participants answered "Not Applicable"
- 10% of participants expressed concern for the Commission's potential to implement the plan, given challenges with time constraints; a belief that the Commission has yet to prioritize the time necessary to implement steps reflected in the plan; current work-related responsibilities and/or that many individuals struggle to accomplish tasks not related to the plan's action steps;

Q9 Which action steps are you most excited for the Commission to implement?

Answered: 41 Skipped: 0

- 10 participants responded "Hiring a DEI Administrator"
- Four participants responded "Not Applicable"
- Four participants responded "Not Sure"
- Two participants responded "Increasing Accessibility of Resources Goal"
- Two participants responded "Leadership Development Goal"
- Two participants responded "enforcing an accountability infrastructure"

Q10 Which, if any, action steps do you have questions or concerns about?
(You may respond "Not Applicable" if you do not have questions or concerns about any aspect of the plan at this time.)

Answered: 41 Skipped: 0

- 23 participants responded "Not Applicable"
- 4 participants responded "Culture/Restorative Healing Goal"



Rent Stabilization Policy

Lisa Vatske

Guiding Principles: We Value

BUDGET SESSION 2023



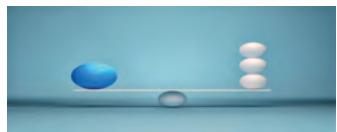
Housing stability as an essential foundation



Financial and physical health of rent restricted housing properties



Property owners serving our most vulnerable residents rely on subsidies



Low-income residents need manageable rent increases to avoid displacement, particularly BIPOC residents

We acknowledge that these values are inherently in conflict and seek to find balance to ensure that both residents and the buildings within which they live are healthy and stable.



2023-2025 Operating Budget Proviso

- Report to the legislature on efforts taken to stabilize rents for residents of affordable housing units financed by the Commission.
- Rent stabilization efforts include, but not limited to: limiting or mitigating the impacts of rent increases for residents of qualifying units.
- Interim report due by December 1, 2023.
- Final report by December 1, 2024.

*Note: Department of Commerce has a similar requirement.



Income and Rent Methodology

HUD's rent limit methodology is based on median income data from the Census Bureau's American Census Survey (ACS) that lags by three years from the year the limits become effective. Changes in median income are unpredictable and can result in varied rent limit changes year over year.

New Rent Limits:

HUD published 2023 income and rent limits on May 15th, 2023.

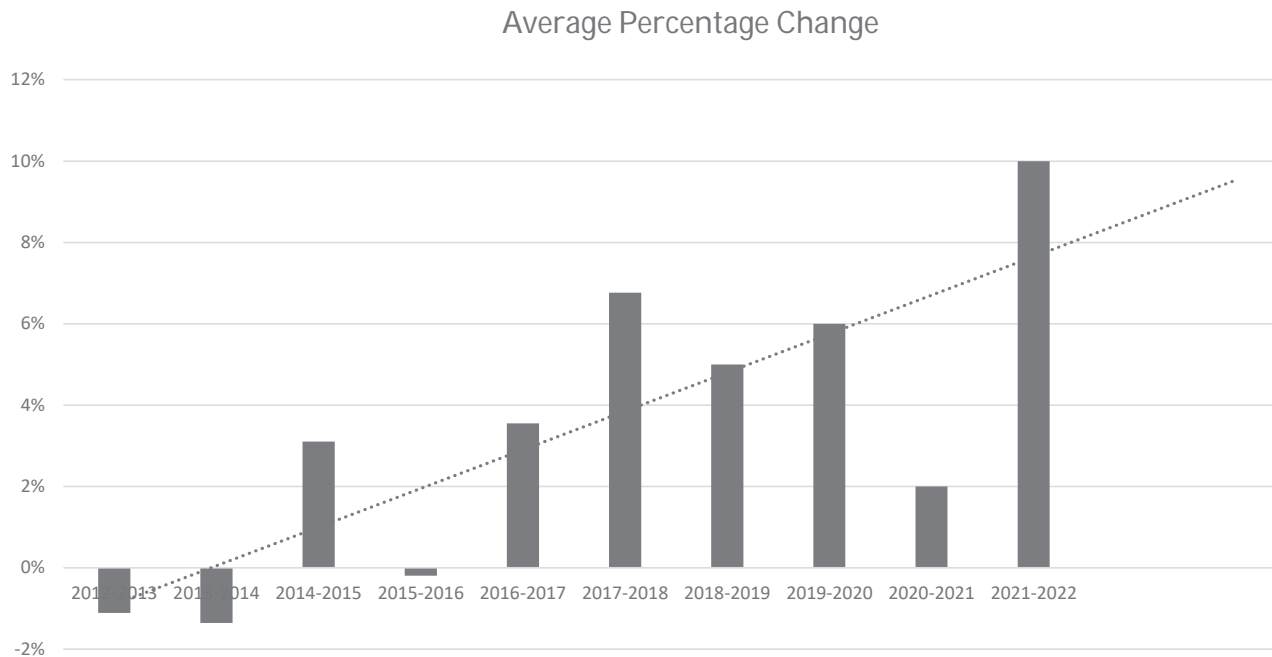
The cap is less than 6%, lower than Novogradac's original estimate of almost 12%.

HUD Rent Limit Trends

BUDGET SESSION 2023



- Average Percent Change 2012-2022



Counties: Clark, Grant, King, Kitsap, Pierce, Skagit, Snohomish, Spokane, Thurston, Whatcom, Yakima

Trends

- Data covers rent limit changes for 11 counties with 25 projects and more
- The biggest average year over year increase for each analyzed county is 4% and the smallest is 3%
- The lowest percentage change year over year was -1% in 2012-2014

Context: Landscape 2020 -Present

BUDGET SESSION 2023



- Eviction Moratorium During COVID
- Emergency Rental Assistance
- Landlord-Tenant Law Changes — State & Local
- Impacts of Operating Cost & Inflation



Residents

- Residents experience rent increases differently depending on several factors
- Incomes have not kept pace with costs of living
- Some people are on fixed incomes such as social security or disability with little to no pathway to manage cost increases
- Some residents are supported with rental assistance (i.e. Section 8), most are not

Building Owners

- Owner's must be able to cover operating expenses and building repairs
- Operating expenses continue to increase, (i.e. insurance and labor costs)
- Increased wear and tear on the building and units, as residents have spent more time at home since COVID
- Geographic location of properties

Other

- Regulatory environment and restrictions
- Explore first, a forward-looking strategy for new projects
- Strategies for existing properties

Rent stabilization policies must balance both the needs of residents and rent-restricted housing property owners to ensure predictability and stability.



Trends in Operations

- Are rents being increased to the maximum allowed each year?
- Operations expenses/capital needs
- Market changes



Rent Burden

- Are there informative trends based on Area Median Income or other demographics?



Underlying Factors

- Subsidized versus Unsubsidized properties
- Type of housing and people served
- Geographic location of project
- Developer/Operator type



Engagement and Analysis

Develop Outreach & Engagement Plan:

- Coordinate with Department of Commerce
- Collaborate with Interested Parties to surface issues and inform strategies

Research:

- Understand practices used in other States
- Analysis of current portfolio trends and behaviors

Interim Report Due 12/1/2023: summarize findings from engagement, surfaced issues and potential strategies

Value Statements

BUDGET SESSION 2023



We value housing stability as an essential foundation for people to thrive and that everyone, regardless of income, race, ethnicity, gender identity and ability, deserves a healthy, safe and affordable place to live.

We value the financial health of rent-restricted housing properties to ensure that buildings are physically maintained as quality, healthy and safe places for residents to live.

We value that property owners serving our most vulnerable residents such as people coming out of homelessness, people with disabilities, or seniors on fixed incomes, rely on operating, maintenance and services funding which are competitive and limited resources.

We value that low-income residents need predictable and manageable rent increases to maintain housing stability, prevent displacement and/or falling into homelessness, particularly Black, Indigenous, People of Color (BIPOC) residents who are disproportionately impacted in our systems.



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

Comments/Questions?



WASHINGTON STATE
HOUSING FINANCE
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Opening doors to a better life

Reference Slides

HUD Rent Limit Trends By County

BUDGET SESSION 2023



- Average Percent Change 2012-2022

County	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	AVG/County
Clark	-5%	0%	6%	0%	2%	9%	8%	5%	5%	9%	4%
Grant	-3%	1%	3%	-4%	7%	9%	-1%	8%	3%	10%	3%
King	-1%	2%	2%	1%	6%	11%	3%	8%	-3%	12%	4%
Kitsap	-3%	-10%	14%	5%	-1%	7%	4%	7%	3%	9%	3%
Pierce	-3%	-5%	6%	2%	3%	0%	7%	8%	5%	12%	4%
Skagit	3%	-1%	2%	-5%	2%	4%	10%	3%	5%	5%	3%
Snohomish	-1%	2%	2%	1%	6%	11%	3%	8%	-3%	12%	4%
Spokane	0%	3%	0%	-3%	5%	-1%	10%	8%	0%	9%	3%
Thurston	3%	-4%	-4%	3%	4%	2%	8%	4%	4%	12%	3%
Whatcom	3%	-4%	1%	3%	-2%	11%	4%	8%	-5%	12%	3%
Yakima	-3%	1%	3%	-4%	7%	9%	-1%	5%	5%	12%	3%
Yearly Average	-1%	-1%	3%	0%	4%	7%	5%	6%	2%	10%	3%
max	3%	3%	14%	5%	7%	11%	10%	8%	5%	12%	4%
min	-5%	-10%	-4%	-5%	-2%	-1%	-1%	3%	-5%	5%	3%



WASHINGTON STATE
HOUSING FINANCE
COMMISSION



Homeownership Assistance Fund

**One Year In & the
Road Ahead**



WSHFC HAF Update May 2023

**Emily Northrup
Grants Administrator**

**Rich Zwicker
Education & Training
Administrator**



Homeowner Assistance Fund

BUDGET SESSION 2023



Homeowner Assistance Fund (HAF)

- **Federal help** for homeowners struggling because of COVID-19
- www.WashingtonHAF.org
- Provides **grants up to \$60K** for homeowners impacted by COVID-19
- **Access through state foreclosure hotline:**
1-877-894-4663
- Assistance for past-due mortgage payments, COA/HOA, and taxes

Who is eligible for HAF?

BUDGET SESSION 2023



Eligible Homeowners:

- Washington state homeowner
- Owner-occupied
- COVID-19 hardship
- At or Below 100% of County's Area Median Income
- Manufactured homes on rented property

Default Counseling and CLA Funding

BUDGET SESSION 2023



- Default Counseling and Civil Legal Aid (CLA) funding available through June 30, 2024, via FFA, budget proviso and federal HAF funding
- Hotline funded for default assistance through at least June 30, 2024
- Demand for services is already beyond pre-COVID levels
- Funding is uncertain AFTER July 1, 2024



HAF Program Timeline

- HAF Program transferred to the Commission end of 2021
- HAF PILOT Program opened in January of 2022
- HAF Plan developed and approved by Commission by March 31, 2022
- HAF Plan approved by Treasury on April 21, 2022



HAF Program Timeline

- HAF Program opened to public on July 1, 2022
- HAF Program outreach started August 2022
- HAF Program scheduled to conclude June 30, 2024 (although Treasury deadline is Sept 2027)

How's it Going?

BUDGET SESSION 2023



The program has:

- Provided over \$20 million in HAF grants
- Provided financial assistance to over 1,000 households
- Currently providing nearly \$1 million in grants per week
- Provided over \$6 million in funding to the hotline, counseling and civil legal aid (via HAF, FFA and Legislature) serving thousands of households



Other Notable Events Include:

- Developing Partnership with Swinomish Tribes
- FFA Modification to stop sales during HAF Process
- Creating a “small lender program” and a “private lender program” to assist those with non-traditional banking

Who's been helped?

BUDGET SESSION 2023



Demographics of Assistance

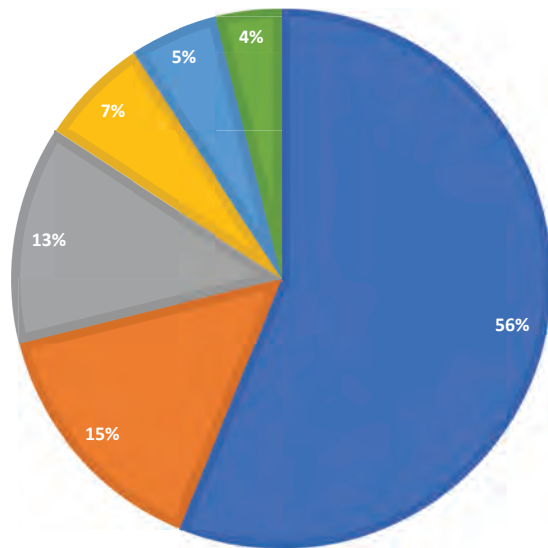
- Assistance has reached every county except one (Garfield)
- 44% of funds went to BIPOC households
- Both King and Pierce counties awarded more funding to BIPOC households than white households



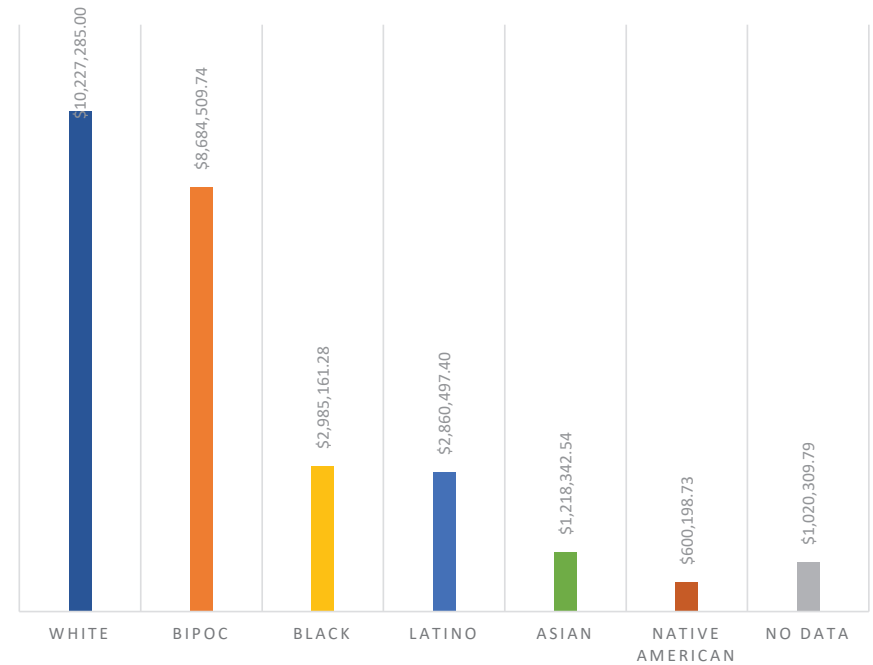
Assistance Demographics

Total Applications by Race

■ White ■ Latino ■ Black ■ Asian ■ No Data ■ Native American



Total Allocation by Race



Where's the help going?

BUDGET SESSION 2023



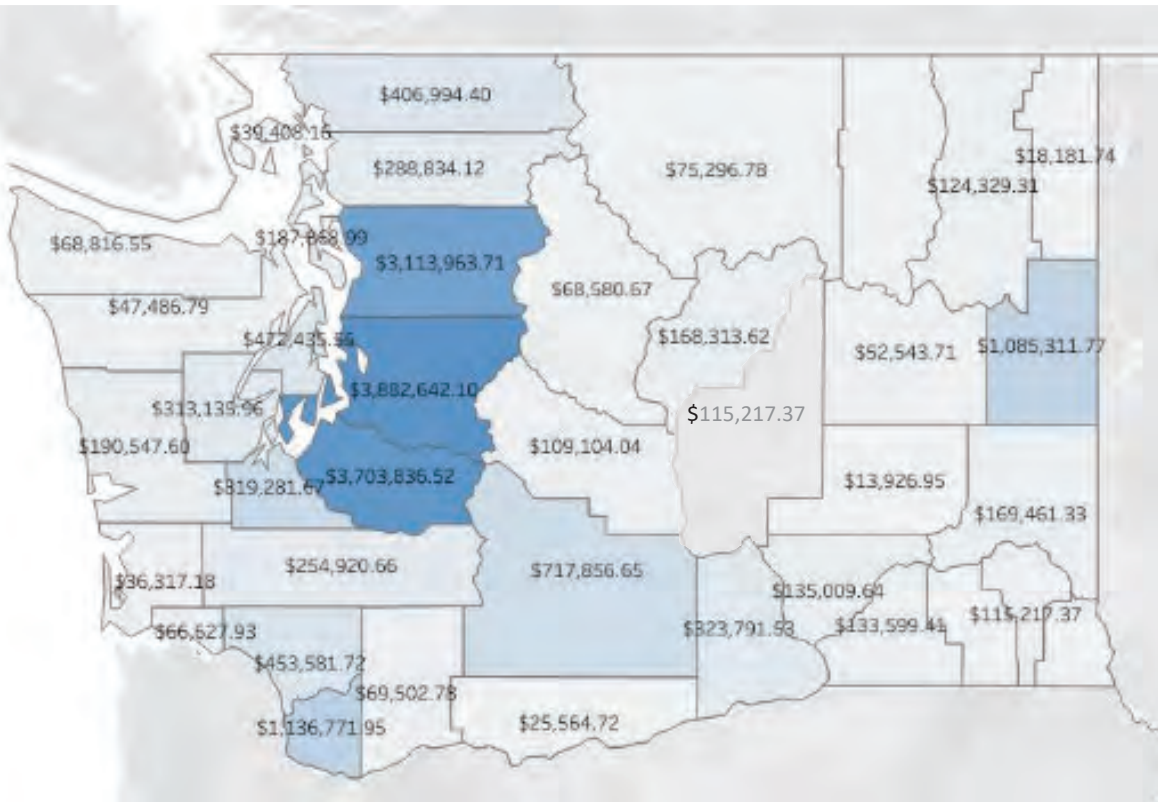
Assistance Geography

Eastern Washington

- 208 Applications
 - 24% of applications
- \$3,428,323 total funding
 - 18% of granted awards

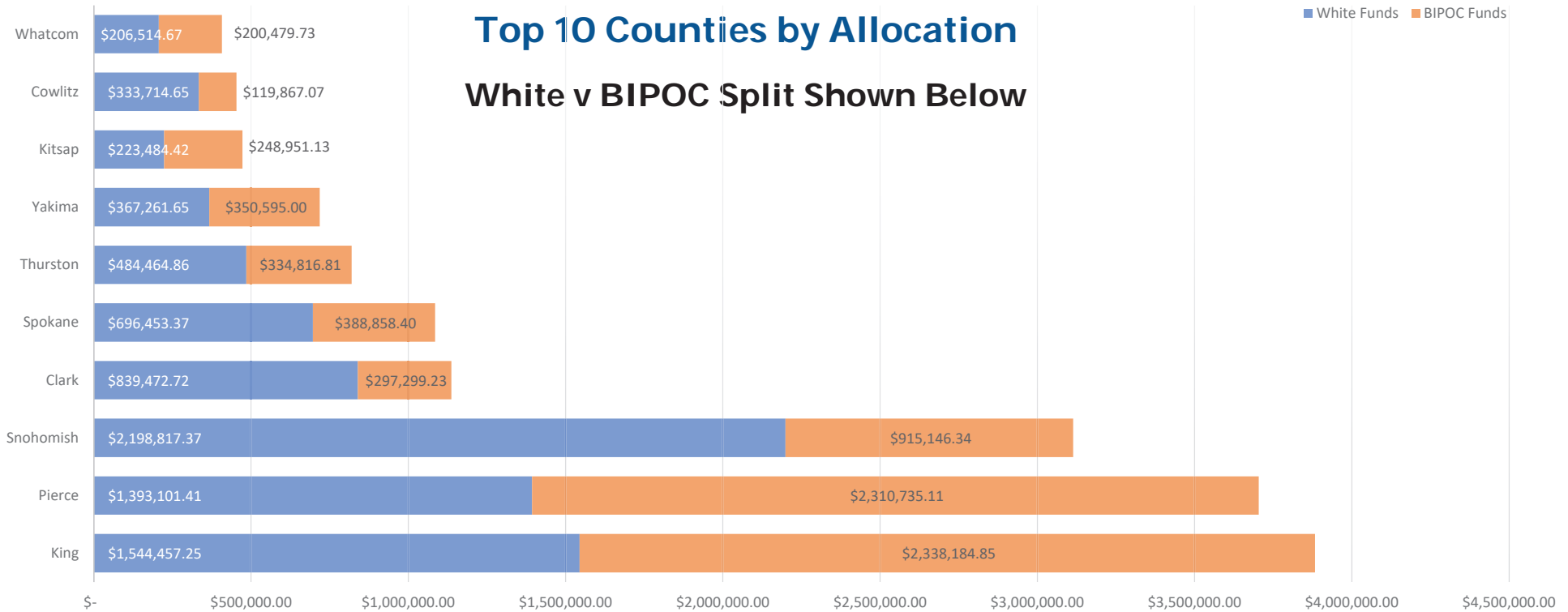
Western Washington

- 677 Applications
 - 76% of applications
- \$15,483,472 total funding
 - 82% of granted awards



Washington Population Split: 22% Eastern and 78% Western

Where's the help going?

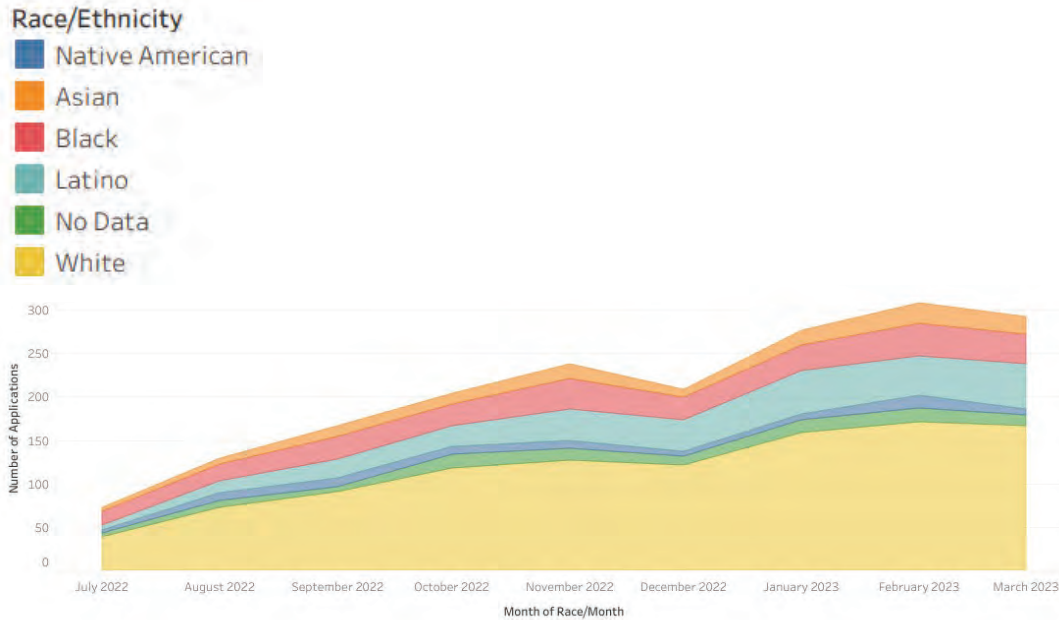


	King	Pierce	Snohomish	Clark	Spokane	Thurston	Yakima	Kitsap	Cowlitz	Whatcom
White Funds	\$1,544,457.25	\$1,393,101.41	\$2,198,817.37	\$839,472.72	\$696,453.37	\$484,464.86	\$367,261.65	\$223,484.42	\$333,714.65	\$206,514.67
BIPOC Funds	\$2,338,184.85	\$2,310,735.11	\$915,146.34	\$297,299.23	\$388,858.40	\$334,816.81	\$350,595.00	\$248,951.13	\$119,867.07	\$200,479.73

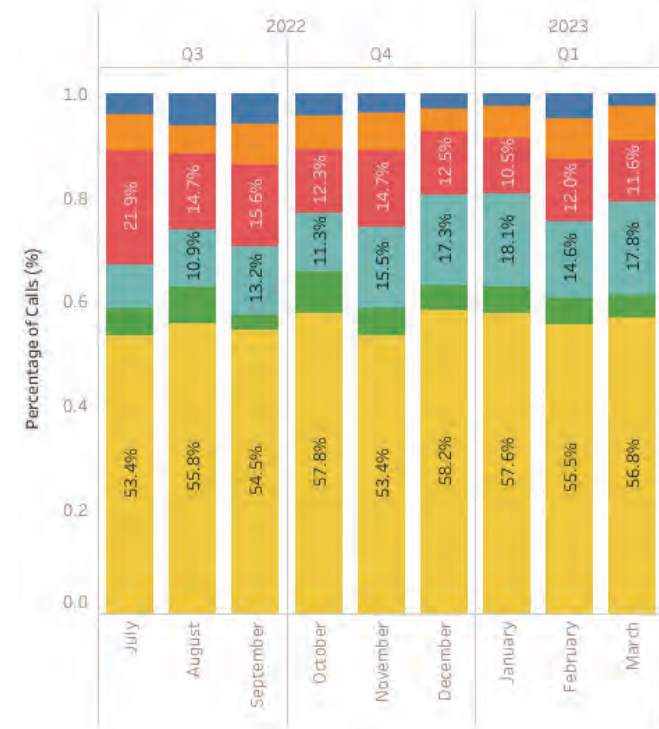
Who's Applying?



Applications over Time



Applications by Ethnicity (% Total)



Where do we go from here?

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Options being considered:

- Consider avenues for program expansion:
 - ✓ Changing AMI or back-end ratios
 - ✓ Targeting loans held by non-profits
 - ✓ Expanding Swinomish efforts to other Tribes
 - ✓ Expanding outreach efforts
- Extending Program deadline to address changes in the economy
- Continue to work w/ Treasury for program expansion opportunities

Intentional Outreach

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Washington State Homeownership Hotline:

1-877-894-4663



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Update on Hybrid Work, Technology, and Future Office Space Considerations





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**Discussion:
FY '24 Budget,
External Challenges,
and Direction to
Staff**



Questions?



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Thank you!

