

WASHINGTON STATE HOUSING FINANCE COMMISSION

**** AMENDED ****
BOARD MEETING PACKET
AUGUST 22, 2024



**WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION WORK SESSION AGENDA**

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Work Session** in the **28th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, on Thursday, August 22, 2024, at 10:00 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 [Zoom Link](#), go to “Join a Meeting” or “Join” and enter:

**Webinar/Meeting ID: 868 3329 5318
Passcode: 328707**

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

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

- A. Lisa Vatske/Jackie Moynahan/Vanessa Thomas/Chrystal White:** Briefing on ETO (Eventual Tenant Ownership) status update, new framework and proposed policy. (30 min.)
- B. Lisa Vatske/Jason Hennigan:** Overview and update of upcoming Supplemental bond requests & bond policy updates. (20 min.)
- C. Lisa DeBrock:** Update on the Covenant Homeownership Program (15 min.)
- D. Nashika Stanbro/Margret Graham:** Community Engagement Approach (20 mins)

Note: There will be a break after the conclusion of the Work Session. The Commission Meeting will reconvene at 1 p.m.

Public Engagement at Commission Meetings

Members of the public are welcome at all the meetings of the Housing Finance Commission board. These include monthly business meetings as well as work sessions, which typically take place quarterly.

Sharing Your Thoughts

We are committed to providing a fair, respectful and safe opportunity for all voices to be heard.

Public comment is not part of Commission work sessions, but business meetings offer two opportunities:

- **Public hearings (specific topics):**

Most Commission meetings begin with public hearings on specific financing projects or other decisions that will come to the Commission for a decision in the near future. Please limit comments during this time to those directly related to the hearing topic.

- **Public comment period (any topic):**

During this period, which takes place at the end of the business meeting, the Commissioners listen to public concerns and comments on any topic related to the work of the Commission. Anyone who wishes to speak can take this opportunity. The starting time for the public comment period depends on the length of the Commission's other business.

The Commissioners may not respond to your comment or question during the meeting, but staff may follow up with you with your consent.

- **Zoom Chat**

The chat feature is disabled in all Commission meetings and work sessions, as phone attendees cannot participate.

Raising Your Hand

The meeting chair will ask you to "raise your hand" or otherwise indicate that you would like to speak. If online, use the Zoom "raise hand" feature. Attendees on the telephone can press *9 to "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.

Community Standards

- Please keep your comments brief (2 minutes). The chair may ask you to bring your statement to a close after that time, especially if others are waiting to speak.
- Please keep your comments respectful. Any remarks or behavior that is rude, abusive, or otherwise disruptive will not be tolerated. This specifically includes slurs regarding protected classes as outlined by federal and state statute, such as race/ethnicity, disability, religion, sexual orientation, gender identity, etc. For complete list of state protected classes, visit hum.wa.gov.
- Those who do not follow these standards will be asked to leave or removed from the meeting.

Eventual Tenant Ownership (ETO): Policies and Procedures Updates

*Lisa Vatske, Jackie Moynahan and
Vanessa Thomas
Multifamily Housing and Community
Facilities Division*

*Chrystal White
Asset Management and Compliance
Division*

August 2024



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**





Context and Current Status



Updated ETO Framework and Guidance

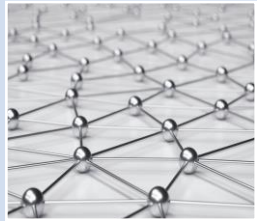


Proposed 2025 Updates and Next Steps

Value of Eventual Tenant Ownership



WASHINGTON STATE
HOUSING FINANCE
COMMISSION



Commission: Has incentivized this option with 2 points; value in adding more pathways for homeownership where there are limited capital resources available to create homeownership.



Owners: A unique opportunity for developer/owners with interest in creating pathways to homeownership leveraging the LIHTC, **after year 15**, units are released from the regulatory agreement once sold.



Residents: Provides option to move from renting to owning at an affordable price; opportunity to build wealth and mitigate displacement.

ETO Legal Requirements



Eventual Tenant Ownership =

Option allowing LIHTC units to be sold to residents for homeownership after the 15-year compliance period

IRS Code Section 42(m)(1)

- Requires that state LIHTC Qualified Allocation Plans (QAPs) include selection criteria to determine the state's housing priorities.
- Eventual Tenant Ownership is **one of ten criteria the state is required to consider**
- States decide how to include criteria in the QAP and may add other criteria

WAC 262-01-03

- Mirrors Section 42 requirements
- Lists 14 criteria that the Commission should give weight to when allocating LIHTC
- “Projects intended for ETO” is one of these 14 criteria

Original Approach to ETO



- As required, added ETO to competitive criteria
- Value: Unique pathway to homeownership
- Very slight incentive of 2 points
- Awarded the points based on the developer submitting a high-level plan for transferring ownership after Year 15
- Commission took a hands-off approach: Flexibility to implement the plan
- 18 projects have elected to do ETO

2023+ Timelines and Processes



Pre-2023

- Working with projects that have already committed to ETO or requested to participate
- AMC using new Framework to update conversion plans.

2023 - Present

- 2024 Competition: Suspended incentive points (applicants can still choose ETO)
- Research & ETO Work Group formed to fill implementation gaps
- SAO performance audit in process

2025 and Beyond

- Implementation of updated policies & procedures
- Restore ETO Points for 2025 application cycle
- Auditor's suggestions to be incorporated into policies moving forward, if needed.

18 Total Projects (603 Units)

Post Year 15: 12 Projects

- All are either past year 15 or approaching year 15 in 2025

Approved Conversion Plans: 1 Project

- Tulalip Homes I

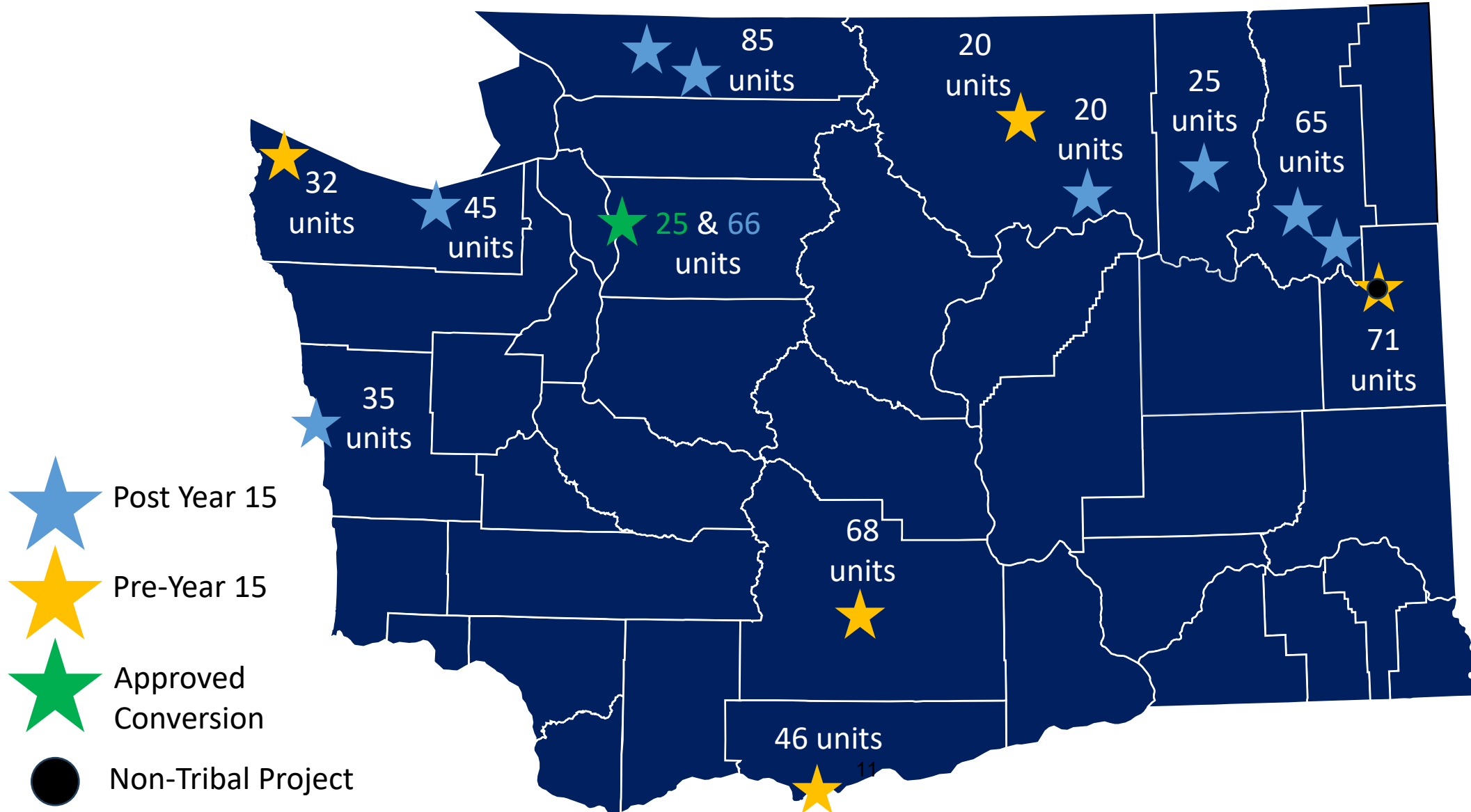
Pre-Year 15: 6 Projects

- Projects reaching year 15 between 2026 - 2037

ETO Portfolio: 18 Projects (603 Units)



WASHINGTON STATE
HOUSING FINANCE
COMMISSION





Activities

- Reviewed other state HFA's QAPs and policies/procedures on ETO
- Talked directly with 7 other HFA's active in this space including Minnesota, New Mexico, Ohio and Virginia.
- Talked with tribal consultants
- Engaged with ETO project owners as part of process, hearing their challenges/concerns



Key Learnings

- No IRS guidance beyond setting minimum purchase price
- Very few HFAs have experience to point to
- More tools/guidance needed for owners and residents
- We are learning by doing and continue to iterate to support successful outcomes.

Result: Updated Approach to ETO



WASHINGTON STATE
HOUSING FINANCE
COMMISSION



Set specific requirements and expectations up front at application (price methodology, homebuyer education, types of property, etc.)



Be clear about Commission requirements vs. owner options (i.e. resale requirements/tenant accounts)



Update internal process to increase coordination between MHCF & AMC throughout process



Provide transparent and clear guidance for developers/property owners and tenants electing ETO; adopt tools used by other HFAs



Update reporting and compliance requirements



Updated:

- LIHTC Compliance Manual
- Regulatory Agreement
- 9% Policy Language
- Owner's Annual Certification
- Tax Credit Lease Rider

Newly Created:

- 9% Application Form/
Conversion Plan
- ETO Guide for Owners and
Tenants
- Internal docs:
 - 1) ETO Internal Process Flow
 - 2) Internal ETO Checklist

Core Procedural Improvements



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Project Eligibility

Property Type:

SF, Townhome, Duplexes
ONLY

Clear lot lines, separate
legal descriptions, and
BINs for each unit

**Required pre-
application meeting**
with Commission staff
(MHCF & AMC jointly)

More detailed
application form

ETO Conversion Plan Requirements

Purchase Price:

**Clear, defined purchase
price** or methodology

Added: Max purchase price

Disclosures of discount or
resale restrictions

Specifics and guidance on
homeowner education and
budgeting/financial
counseling requirements

Enhanced Compliance

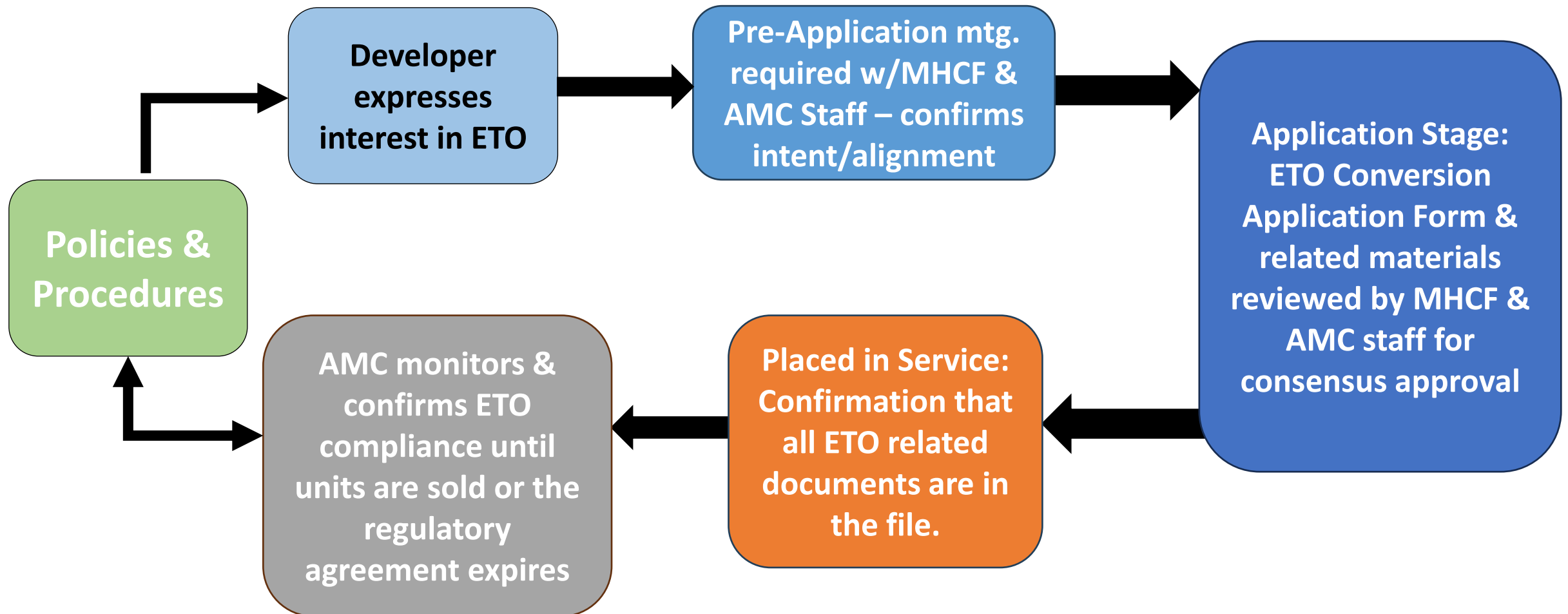
**Owner's Annual
Certification** to include
ETO section

Year 13: Detailed report
required

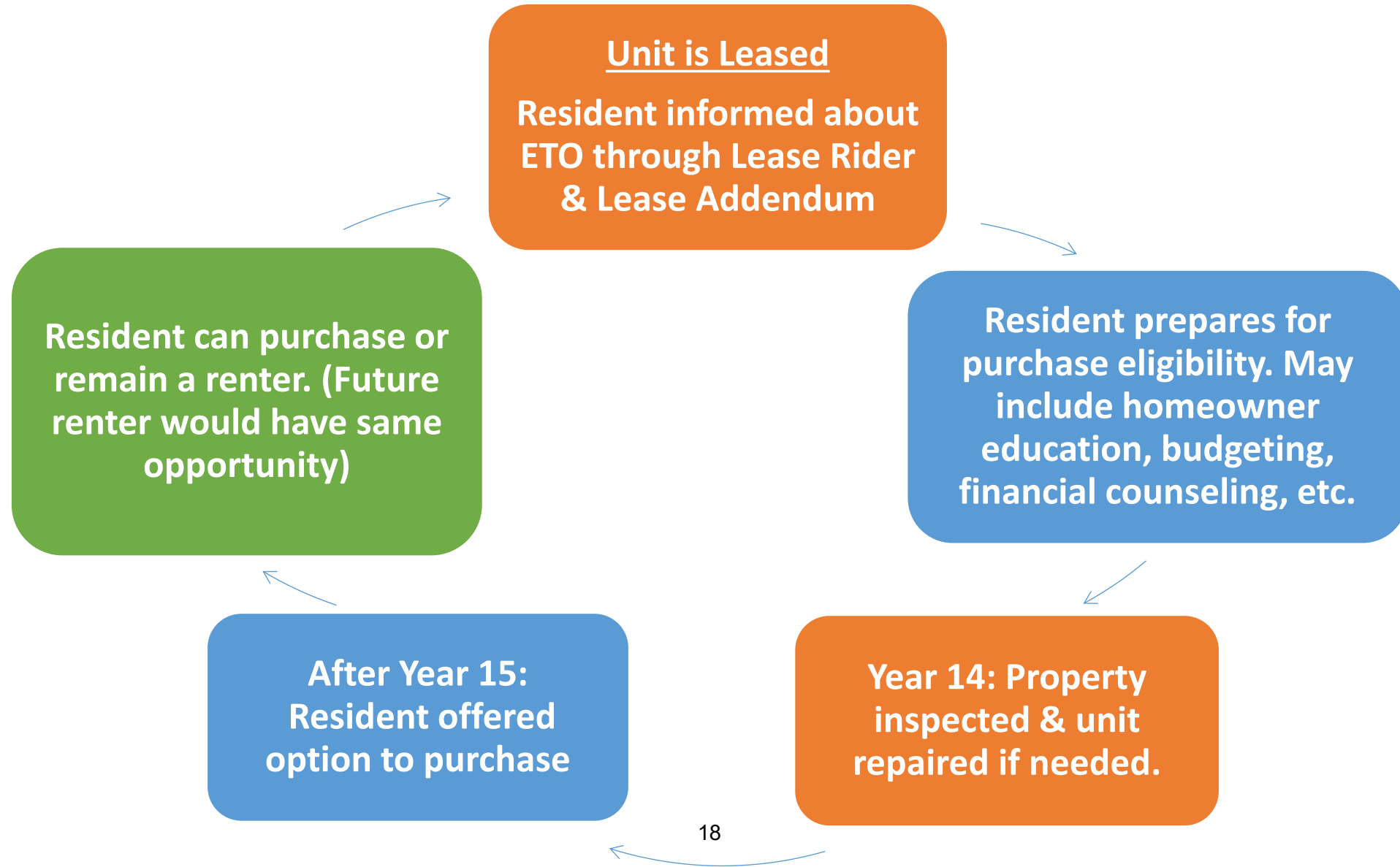
Year 14: Physical
inspection required; all
repairs done before unit
conversion/sale

Lease package must provide
resident with transparent
information on ETO

Internal Process Flow & Coordination



Process for Residents



With framework in place:



Asking for your approval to restore 2 incentive points for ETO option
(Section 6.20 of 9% LIHTC policies)

Updated procedures to be required for all applicants going forward

Next Steps for 2024



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Implementation

- Updated policies/procedures to be implemented with 2025 allocation cycle (applications due in November)

Conclusion of State Performance Audit

- September - Technical review
- Oct/Nov - Final report
- December - JLARC presentation



A stylized, light blue graphic of a microscope is positioned in the top right corner of the slide. It consists of a rectangular eyepiece at the top, a vertical column in the middle, and a long, angled tube extending downwards and to the right.

Questions?

Covenant Homeownership DPA Program

August 22, 2024



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

COVENANT
Homeownership
Program

wshfc.org/covenant

14 Homebuyers Closed!



- **14 loan closings confirmed**
- **24 more loans reserved as of Monday 8/19**

First Covenant Homebuyer with loan officer Jessica Talton of Movement Mortgage

- Closed on 7/15
- Condo in Renton
- \$75,978 in Covenant DPA

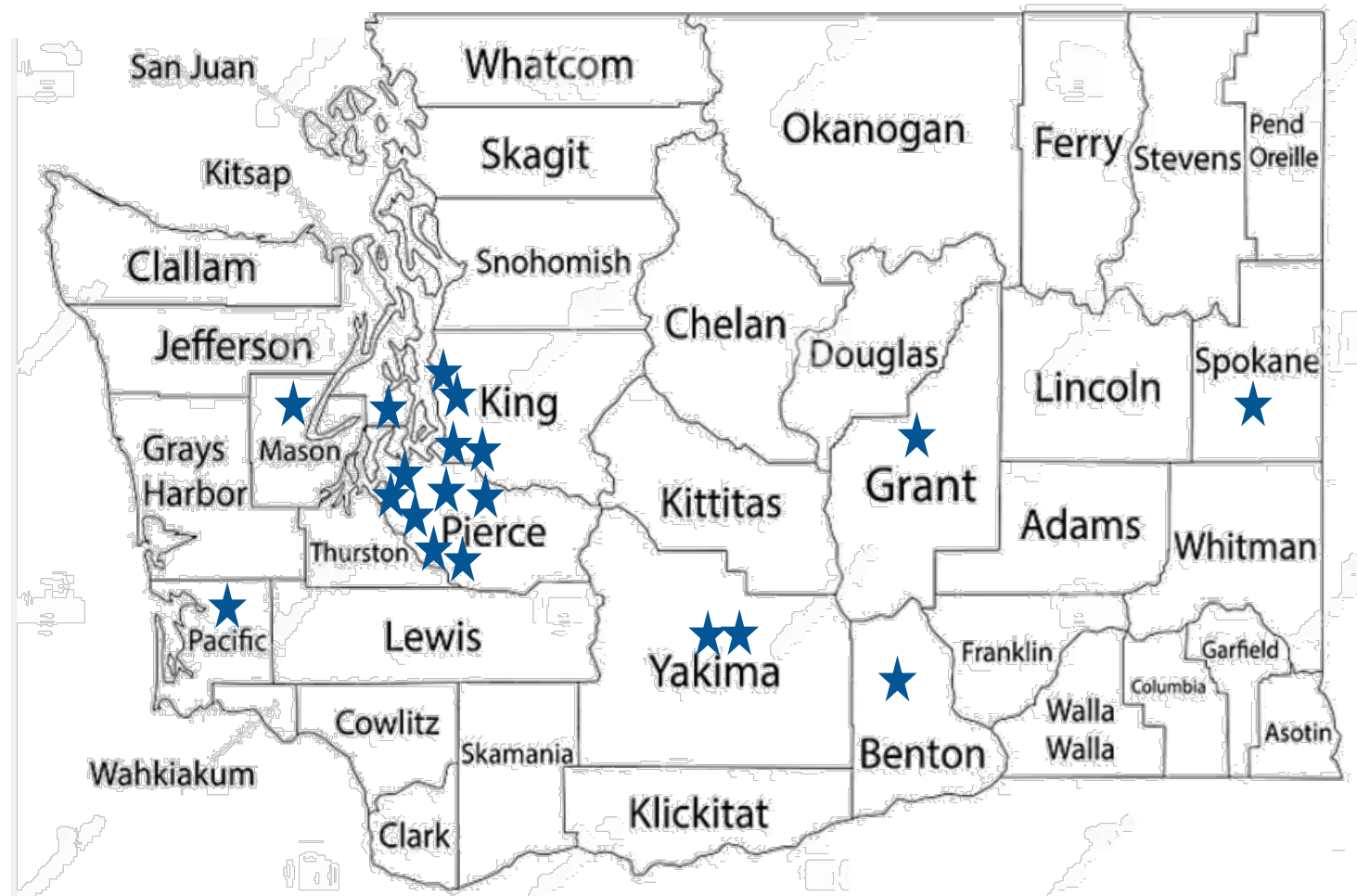
Covenant Loan Reservations

Total Dollars Reserved:

\$3.7 million

**38 Loans Reserved/Closed
in the following counties**

- Pierce (18)
- King (12)
- Spokane (1)
- Kitsap (1)
- Grant (1)
- Mason (1)
- Yakima (2)
- Benton (1)
- Pacific (1)



Covenant Loan Reservations



Average Loan Amount:

\$99,312

Lowest loan: \$52,106

Highest loan: \$166,037

Average Home Price:

\$445,058

Lowest Home Price: \$210,000

Highest home price: \$740,000



Average Homebuyer Age:

38

Youngest: 23

Oldest: 80

Average Household Size:

2.05 members

Size range: 1-6 members

(sixteen have 1 member, three have 6 members, and the rest have 2-4)

Lender Training and Engagement

532 Loan Officers, Real-Estate Professionals, and Nonprofits Trained

June – Eight In-Person Trainings

Vancouver, Tacoma, Seattle, Everett, Bellingham, Yakima, Tri-Cities, & Spokane

July & August – Six Virtual Trainings

7/16, 7/18, 7/22, 7/23, 7/29, 8/15



- **Loan officers call frequently with questions**
- **2-3 send family history documentation each day**
- **Many are actively marketing the program**

Homebuyer Outreach

- Sharing outreach flyer and materials with BHI Buyer Outreach team and community organizations
- Outreach kit complete
- Supporting lender outreach efforts
- Coordinating with DFI staff
- Attending community events:
 - Juneteenth, NW African American Museum, Night Market, Nubian Jam, Emoja Fest, etc.



The flyer features a photograph of a smiling Black family (a woman, a man, and two children) sitting together on a staircase. The text is overlaid on a dark background with white and orange accents.

Start on the path to homeownership
— with help every step of the way

Interested in owning a home someday?
Get free, expert help from a real person AND financial help with your home loan.
No matter where you are today, you can start on the path to reach your dream.

Washington State Homeownership Hotline
Call to be connected to support, guidance and financial help for homebuyers.
1-877-894-HOME (4663)

Deep roots in Washington state?
You could be eligible for the new Covenant Homeownership Program, which offers additional help with the down payment on a home. This program may be for you if:

- You or a parent/grandparent lived in Washington state before 1968
- That person is Black, Hispanic, Indigenous, or in another racial group identified in the Covenant study
- You meet income guidelines

Call the hotline or use the online form to get a call back.

Washington State Homeownership Hotline 1-877-894-HOME (4663)

First Homebuyer Celebration!

August 9:

**Presented Jessica Talton of
Movement Mortgage with a
Proud Partner Award!**

**Celebrated with
homebuyer**



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Next Steps



Continue lender/real estate professional training, support and engagement



Coordinate with WHRC and housing counselors



Focus on homebuyer outreach:

- Developing outreach strategies for different areas/groups
- Hiring new outreach staff – interviewing applicants now

Thank you!
Questions?



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

COVENANT
Homeownership
Program

wshfc.org/covenant



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Commission-Wide Community Engagement

August 22, 2024

Nashika Stanbro
Diversity, Equity and Inclusion Director

Margret Graham
Communications Director

A New Frontier

Community Engagement (not just outreach)

- **Values:** Inclusivity, long-term vision, mutual benefit
- **Relationship-Centric Approach**
 - Listen and Learn: Active dialogue
 - Collaborate
 - Promote self-sufficiency

Current State: Internal Support Structure

Asset Management, Homeownership, Multifamily

- Each of the divisions has a community outreach and/or engagement role.
- Each division has different programs, audiences and goals for engagement
- Building relationships by division

Homeownership

- **One Homeownership Marketing/Outreach Manager – Kat Komin**
- **Adding another outreach specialist for the Covenant program**

Past two years:

- Developing partnerships in King/Pierce counties through Black Home Initiative, Realtists, etc.

2024-25:

- Building relationships in more areas of the state, with more Covenant-eligible communities

Multifamily & Community Facilities

- **Refocus over past two years on BIPOC and CBO developers**
- **Nonprofit/Community Outreach Lead – Keri Williams**
- Monthly facilitated meetings with HDC CBO Affinity Group to discuss policy and capacity issues
- New web page where CBO partners can find updates, opportunities to engage links to resources, and opportunity to provide feedback directly
- Ongoing one-on-one dialogue with community-based organizations
- Session at Housing Washington will highlight partnerships created under our Bond/4% Tax Credit policy, as well as capacity-building programs by others
- In development: Will engage residents and property owners/managers to inform our rent stabilization work with the Dept of Commerce

Asset Management/Compliance

- **New focus on resident needs and engaging resident voices**
- **New Community Outreach Specialist – Renee Dillard**

Improving intake and certification forms:

- Hiring experts to analyze forms, gather feedback, identify improvements to improve comprehension and accessibility for residents and property managers.

Offering resident resources:

- Developing a dedicated web page for residents with updated links to relevant resources

Fair Housing Trainings:

- Clarifying the Commission's role in Fair Housing enforcement and exploring Fair Housing trainers to educate the Commission, residents, and operators.
- Building partnerships with state Fair Housing enforcers to strengthen our training initiatives.

Resident and Community Engagement Process:

- Developing a streamlined process for residents, housing advocates, and the community to effectively contact the Commission to help capture/document resident concerns and address them in a timely and equitable manner.

Future State: Commission-Wide Approach

➤ Bringing these efforts together

- Larger context for engagement – building relationships as a Commission, not just individual lines of business
- Ensure that dialogue can create real change in our programs
- Consistency and coherence in our approach – avoid duplication, missed opportunities, community fatigue
- Support the individuals in their work and the divisions in their specific goals

Next Steps through 2025

- Convene the Community Engagement Team
- Pro-Equity Anti-Racism PEAR (Executive Order 22-04) strategic plan integration
- Provide training for engagement staff and their leadership
- Design a shared approach and best practices
- Standardize outreach/engagement templates and tools
- Ongoing support from DEI and Communications
- Regular collaboration



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Thank you!

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

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Special Meeting** in the **Commission’s Board Room**, located at 1000 Second Avenue, 28th Floor, Seattle, Washington 98104-3601, on Thursday August 22, 2024, at 1:00 p.m. to consider the following:

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 [Zoom Link](#), go to “Join a Meeting” or “Join” and enter:

**Webinar/Meeting ID: 868 3329 5318
Passcode: 328707**

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

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

I. Chair: Approval of the Minutes from the July 25, 2024, Special Meeting. (5 min.)

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

A. The Overlake School Student and Community Center, OID # 24-87A

Jason Hennigan: The proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to provide a portion of the financing for the construction and equipping of a facility to house admissions, administrative offices and a community center, located at 20301 NE 108th Street, Redmond, WA 98053, owned and to be owned and operated by The Overlake School, a Washington nonprofit corporation and an 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 \$10,000,000. (5 min.)

B. Jacob Richardson: Recommend and present Projects for Allocation of Low-Income Housing Tax Credits from the 2024 funding round. (5 min.)

TC #	Project Name	City	County	Annual Tax Credit Amount
24-11	Sea Mar Community Health Centers/Sea Mar South Park Housing	Seattle	King	\$2,148,140

III. Consider and Act on the Following Action Items:

A. Resolution No. 24-92 for the 2024 Allocation of Credit for the Housing Tax Credit Program

Lisa Vatske: A resolution authorizing the Executive Director to make reservations and/or allocations of 2024 Housing Tax Credits. (5 min.)

TC #	Project Name	City	County	Annual Tax Credit Amount
24-11	Sea Mar Community Health Centers/Sea Mar South Park Housing	Seattle	King	\$2,148,140

~~B. Resolution No. 24-83, Broadway Urbaine, OID # 24-80A~~

~~**Lisa Vatske:** A resolution approving the issuance of one or more series of tax-exempt revenue bonds to provide a portion of the financing for the new construction and equipping of a 96-unit multifamily housing facility located at 229 Broadway Avenue E. and 815 E. Thomas Street, Seattle, WA 98102, to be owned by Broadway Urbaine LLC, a Washington limited liability company. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$34,000,000. The public hearing was held May 29, 2024. (5 min.)~~

~~C. Resolution No. 24-57, Squire Park Plaza, OID # 23-72A~~

~~**Lisa Vatske:** A resolution approving the issuance of one or more series of tax-exempt revenue bonds to refinance all or a portion of existing taxable debt used by the Borrower to finance the acquisition and rehabilitation of an existing facility located at 1710 S. Jackson Street, Seattle, WA 98144, to be owned by NHCDI/LIHI Squire Park Plaza LLC, a Washington limited liability company, a subsidiary of New Hope Community Development Institute and Low Income Housing Institute (LIHI), both of which are Washington nonprofit corporations 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 \$9,500,000. The public hearing was held September 28, 2023. (5 min.)~~

~~D. Resolution No. 24-94, Ovation at Mecker Apartments, OID # 21-39A~~

~~**Lisa Vatske:** A resolution approving the issuance of one or more series of tax-exempt revenue bonds originally issued and to be issued to finance a portion of the costs for the new construction and equipping of a 218-unit multifamily housing facility, located at 623 W. Mecker Street, Kent, WA 98032, to be owned by Ovation at Mecker, LLC, a Washington limited liability company. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$55,000,000. The public hearing was held May 21, 2024. (5 min.)~~

- E. Resolution No. 24-93, Citi Securitization Transaction**
Lisa Vatske: A resolution authorizing the issuance of municipal certificates to provide funds for the Commission’s purchase of a portfolio of existing Citibank-financed Washington State affordable housing tax-exempt loans and notes in a stated amount of not to exceed \$530 million. (5 min.)
- F. Proposed 9% Housing Tax Credit Program Policies Section 6.20 Eventual Tenant Ownership**
Lisa Vatske: Request approval of the proposed changes to the 9% Housing Tax Credit Program Policies Section 6.20 Eventual Tenant Ownership. (5 min.)
- G. Lisa Vatske/Steve Walker: Program-Related Investments** Approval of annual request to allocate undesignated funds into existing programs. (10 min.)
- IV. Informational Report on Department of Commerce Activities.** (10 min.)
- V. Executive Director’s Report** (10 min.)
- VI. Commissioners’ Report (10 min.)**
- VII. Chair: Consent Agenda (5 min.)**
 - A. Homeownership & Homebuyer Education Programs Monthly Activities Report**
 - B. Multifamily Housing and Community Facilities Monthly Activities Report**
 - C. Asset Management and Compliance Monthly Activities Report**
 - D. Financial Statements as of July 31, 2024**
- VIII. Chair: Miscellaneous Correspondence and Articles of Interest (5 min.)**
 - A. Miscellaneous Correspondence and Articles of Interest**
 - B. HFC Events Calendar**
- IX. Chair: Public Comment**
- X. Executive Session (if necessary)**
- XI. Adjourn**

Nicole Bascomb-Green, Chair
 Consent Agenda items will only be discussed at the request of a Commissioner.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

July 25, 2024

The Commission meeting was called to order by Chair Nicole Bascomb-Green at 1:02 p.m. in the 28th Floor Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Seattle, Washington 98104 and via Zoom. Those Commissioners present via Zoom were: Albert Tripp (joined online at 1:12 p.m.), Alishia Topper, Corina Grigoras, Ken Larsen, Lowel Krueger, Mike Pellicciotti, and Pedro Espinoza. Chair Bascomb-Green and Bill Rumpf were present in-person in the 28th Floor Board Room.

Approval of the Minutes

The June 27, 2024 Commission meeting minutes were approved as distributed.

Employee Recognition

Mr. Steve Walker, Executive Director, stated that every quarter, the Commission recognizes 1) staff tenure through Years of Service awards; 2) any individual/group Special Achievement awards; and 3) the recipient(s) of the Employee of the Quarter award, and yearly, the Employee of the Year award.

He reminded Commissioners that Employee Recognition is a 100% peer-driven program and thanked the following members of the Employee Recognition Committee: Tera Ahlborn, Lanakay Lipp, Kat Komin, Rahim Samatar, and Tanya Scratchley.

Mr. Walker then presented Years of Service awards to the following Commission staff members:

2 years of service:

- Allie Delano
- Kate DeCramer

5 years of service:

- Randy Mentele
- Vanessa Thomas

10 years of service:

- Kam Stewart
- Lisa Vatske

15 years of service:

- Lucas Loranger

Employee of the 2nd Quarter, 2024 – Allie Delano:

Mr. Walker then presented the Employee of the 2nd Quarter, 2024 award:

“This employee has enthusiastically embraced the responsibility of addressing a wide range of tasks, including troubleshooting technical issues and composing instructions for some of our business processes. This employee approached tasks with a fresh perspective, diligently worked on streamlining multiple processes, including updating how to issue 8823s and talking to IT about technology enhancements, and helped others to get a grasp on OneDrive, among other things.

She was able to meet her June production goals even though she was partially out on maternity leave. She builds relationships with external agencies and partners and always listens while trying to ensure she has everyone’s best interests at hand. And without hesitation, she jumps in when her teammates need extra assistance.

She reviews issues through multiple lenses before making a decision, to be sure to listen to and account for all factors. In the face of change, she strives to develop solutions that consider the perspectives and needs of everyone involved to ensure an inclusive approach. Her positivity, curiosity, inclusivity and can-do attitude are the reasons why Allie is our employee of the quarter.

Congratulations to Allie Delano, Employee of the Second Quarter 2024!”

**Special Recognition Group Award – Eventual Tenant Ownership (ETO)
Work Group – Jackie Moynahan, Vanessa Thomas, & Chrystal White:**

Mr. Walker then presented a Special Recognition Group Award:

“We are honored to nominate the ETO Work Group for their exceptional dedication and achievements in developing a comprehensive policy amendment, processes, and procedures for our Eventual Tenant Ownership Program since 2023. Despite minimal federal guidance and a lack of established best practices nationwide, this group demonstrated remarkable resilience, creativity, cross divisional collaboration and teamwork.

This group was faced with numerous unknowns and complex scenarios. The work group diligently navigated these challenges, learning from the limited examples available. They took a newly developed but not fully implemented framework and transformed it into a robust policy and internal process flow with cross divisional coordination from application through monitoring. They have updated the procedure that provides clear and detailed guidance for future projects. Their contributions include an updated 9% LIHTC allocation policy, detailed ETO implementation guide, essential forms, checklists, and updated compliance procedures.

Leadership: Jackie Moynahan

Jackie’s leadership was instrumental in the success of this project. By creating a project management plan with a clear timeline and setting clear expectations for the group, Jackie ensured that the team stayed focused and on track. Her clear

communication and open feedback loop fostered a collaborative environment where every team member could contribute effectively. Jackie has also created a feedback loop with leadership and counsel that helped create a solid output that is built on shared understanding of the purpose and goal. Additionally, Jackie played a vital role as the point person for the state audit, coordinating accurate and timely responses that were crucial for meeting the auditor's scope and expectation. Her efforts and leadership are a great model for how cross-divisional collaboration can be modeled and achieved.

Key Contributions: Chrystal White

Chrystal was a cornerstone of this work, representing AMC. She skillfully navigated the implementation of the framework for existing projects while simultaneously working on policy and procedures for future projects. Chrystal's ability to balance these responsibilities was commendable, and her efforts helped one project reach the approval stage, setting ground for future successes.

Key Contributions: Vanessa Thomas

Vanessa was the point person for this work on the MHCF side. Although Vanessa held two other unrelated positions during her involvement in this work group her interest and expertise in helping to create the policy language, application form and checklist was invaluable. Vanessa took the time and effort to understand the gaps and issues that needed to be addressed and developed the forms and checklist to support the criteria and framework needed for the sponsors and staff to have a roadmap for ensuring that all the components are addressed during the application process. Vanessa's ability to quickly learn, think about what is needed and how to develop materials that take a complex set of criteria and make it understandable has truly been a guiding light in this process. The achievements of this work group are a testament to their dedication, expertise, and ability to overcome significant challenges. Their work has laid a solid foundation for the continued success and improvement of the ETO program. We believe the ETO Work Group deserves recognition for a job that is well done."

Mr. Walker added that a presentation by the members of the ETO Work Group noted above, will be done at the Commission Meeting Work Session next month.

Chair Bascomb-Green congratulated all of the years of service, the ETO Work Group Special Recognition Award, and the Employee of the Quarter recipients.

**Public Hearing:
Project(s) for
Allocation of Low-
Income Housing
Tax Credits in the
2024 funding round**

The Chair opened a public hearing on the recommended allocation of 9% Low-income Housing Tax Credits (“LIHTC”) for the following two projects at 1:12 p.m.:

TC #	Project Name	City	County	Annual Tax Credit Amount
24-02	Broadway Senior Housing	Spokane Valley	Spokane	\$1,658,400
24-19	Burien Family Housing	Burien	King	\$1,545,743

Mr. Jacob Richardson, Manager, MHCF Division, stated these are the next two (of 13 total) projects for consideration for an allocation of 2024 9% LIHTCs this calendar year. Six projects have already been approved for an allocation of credit. The remaining five LIHTC projects should be ready for consideration/approval by the end of the summer and/or early fall.

Broadway Senior Housing

Mr. Richardson stated that Broadway Senior Housing is being developed by Spokane Neighborhood Action Partners (SNAP). It will have 60 units and will be located at 8001 East Broadway Ave, Spokane Valley, 99212. The project is in the Metro credit allocation pool.

Mr. Richardson introduced Mr. John Hoover, Director of Housing Services, from SNAP.

Mr. Hoover stated SNAP would provide 60 units of senior housing in an area of Spokane Valley that has very high demand for affordable senior housing. He

mentioned that after a local television station news story, prospective residents have been inquiring about and asking to be put on a waiting list for this particular property, even though the wait list has not been established yet.

Mr. Hoover also mentioned that just an hour ago, his office received news from both U.S. Senators Murray and Cantwell's offices that the U.S. Senate HUD & Transportation's budget was passed out of the committee with a \$2 million allocation for this project, all contingent on the current fiscal year operating budget passing in both houses of Congress.

Burien Family Housing

Mr. Richardson stated that Burien Family Housing is being developed by Mercy Housing Northwest. It will have 45 units and will be located at 12845 Ambaum Boulevard SW, Burien, 98146. The project is in the King County credit allocation pool.

Mr. Richardson introduced Joe Thompson, President, and Nicholas Efthimiadis, Associate Project Developer; both from Mercy Housing Northwest.

Mr. Thompson stated that Burien Family Housing will have a total of 90 units of family housing and is located in South King County, where the need for affordable housing is very high. This new construction will be a partnership with Mary's Place. The new facility will have a family shelter and will be co-located on the same campus that Mary's Place currently operates a facility in Burien. He concluded that the goal of the partnership is for families to exit homelessness and be in permanent affordable housing.

Mr. Thompson added the project will also feature on-site resident services that are based on Mercy's family program model for services, with a particular focus on educational programming to help promote the success of the kids attending school. He added further that there will be on-site services for all residents, with a focus on educational programming to ensure success for children attending school.

Mr. Efthimiadis commented that this project will ultimately be financed with 9% LIHTCs for the first 45 units, and at a later date, the remaining 46 units will be financed with a future allocation of 4% LIHTCs with tax-exempt bond financing. In addition, Mercy currently has committed funding from King County Housing Authority, the Department of Commerce, and the South King County Housing and Homelessness Partners as well as project-based vouchers issued from the County. He concluded that the project would be Energy Star certified, with air conditioning units in every unit, and their lender/investor selections would occur sometime in August or September of this year.

There was no written testimony or comments from members of the public for either project, and the public hearing was closed at 1:22 p.m.

**Public Hearing:
Proposed 9%
Housing Tax Credit
Program Policy
Changes for the
2025 Allocation
Round**

The Chair opened a public hearing for the proposed 9% Housing Tax Credit Program policy changes for the 2025 allocation round at 1:22 p.m.

Ms. Lisa Vatske, Director, Multifamily Housing & Community Facilities (MHCF) Division, stated that this public hearing is to approve the proposed LIHTC policy changes for the upcoming 2025 allocation round. She referred Commissioners to the memo and proposed changes table with details, included in the board meeting packet.

Ms. Vatske stated further that a few changes are proposed, through policy analysis and community engagement activities. MHCF held two meetings with members of HDC King County's Tax Credit Affinity Group, one meeting with members of the Metro Credit Allocation pool, one meeting with the Balance of State Credit Allocation pool, and one meeting regarding Eventual Tenant Ownership (ETO). She added that this process began in April to allow time later in the year to incorporate the changes in all of the application materials and to coincide with other funding rounds by local and State in the fall of this year.

She stated that a survey of stakeholders/interested parties was done in April, and comments/feedback were received through these surveys. From all of the feedback submitted, one final interested party meeting was held earlier this month, and afterwards, at today's Commission Meeting, the public hearing and immediately following this hearing, Commissioners consideration/approval of the policy changes for 2025.

Ms. Vatske then gave a presentation to summarize the policy changes referenced in the memo to Commissioners and accompanying table, listing the changes with more detail, that was included in the board meeting packet.

Section 6.7 -- Cost Containment – Energy Exemption: Adding an exemption for costs associated with including solar energy array in points. This ensures projects that pursue solar incentives are better able to compete for Cost Containment Incentive Point(s).

Section 6.19 -- Donation in Support of Local Housing Needs: Updating donation amounts and clarifying language to match the Bond/Tax Credit Program.

Section 6.20 -- Eventual Tenant Ownership (ETO): Restoring the two-point allocation for units that aim to be converted from rental to homeownership opportunities after Year 15.

Ms. Vatske stated that this two-point category was suspended in 2023 for the 2024 allocation round, with the intent of reviewing the current ETO projects' progress. During this interim period, project sponsors could elect ETO as it remained part of the Federal regulations, with two projects doing so. A cross-divisional group was formed to refine the ETO policies for framework and criteria to clarify expectations and requirements, and to update compliance monitoring. Commissioners will be presented with the policy change recommendation for ETO at the August meeting, with a presentation at the Work Session by members of the ETO Work Group.

Total Development Costs (TDC): A 3% increase in all four categories (Seattle, Balance of King County, Metro, and Balance of State) based on current internal cost data.

Section 6.6 -- Project-Based Rental Assistance: Adding language to allow operating and maintenance funding under this category.

Ms. Vatske then summarized that beyond 2025, there will be a larger program overhaul and comprehensive scoring assessment. Items such as a racial equity impact assessment, deeper policy and data analysis, and robust community engagement with more opportunities for collaboration would be done; while monitoring current market conditions, availability of resources and concerns with existing projects.

Mr. Rumpf asked Ms. Vatske the chances of any Federal tax legislation passing in 2024. Ms. Vatske replied that in her opinion, the chances are slim to none. She added that there is a possibility in 2025, given that many Federal tax provisions are set to expire that year.

There were no comments or written testimony from members of the public, and the public hearing was closed at 1:31 p.m.

**Action Item:
Resolution No. 24-88, 2024 Allocations of Credit for the Housing Tax Credit Program**

Ms. Vatske, stated that this is a resolution authorizing the Executive Director to make reservations and/or allocations of 2024 LIHTCs for the following two projects:

TC #	Project Name	City	County	Annual Tax Credit Amount
24-02	Broadway Senior Housing	Spokane Valley	Spokane	\$1,658,400
24-19	Burien Family Housing	Burien	King	\$1,545,743

Ms. Vatske stated that the public hearing for these two projects were just held prior to the consideration of this resolution.

Mr. Krueger moved to approve the resolution. Mr. Rumpf seconded the motion. The resolution was unanimously approved.

**Action Item:
Resolution No. 24-
89, Birchwood
Assisted Living
Facility, OID #24-
70A**

This action item was pulled from the agenda.

**Action Item:
Resolution No. 24-
83, Broadway
Urbaine, OID #24-
80A**

This action item was pulled from the agenda.

**Action Item:
Resolution No. 24-
85, Lansdale
Pointe, OID #23-
26A**

Ms. Vatske stated that this is a resolution approving the proposed issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 162-unit multifamily housing facility located at 911 Burr Road SE, Olympia, WA 98501, to be owned by VBT Lansdale Pointe 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 maximum note amount is not expected to exceed \$32,000,000. The public hearing was held February 22, 2024.

Ms. Vatske concluded that the bonds will be publicly sold, thus, no bond commitment letter will be issued.

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

**Action Item:
Resolution No. 24-
57, Squire Park
Plaza, OID #23-72A**

This action item was pulled from the agenda.

**Action Item:
Resolution No. 24-
90, YMCA of
Greater Seattle,
OID #24-79A**

Ms. Vatske stated that this was a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue bonds to refinance existing taxable and tax-exempt obligations used to finance or refinance the acquisition, construction, rehabilitation, expansion, preservation and equipping of nonprofit facilities owned and to be owned by The Young Men's Christian Association of Greater Seattle (the "Greater Seattle Y"), a Washington nonprofit corporation and an organization described under section 501(c)(3) of the IRS Tax Code (the "Code") and by Nexus Youth and Families, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Code, and to be operated by the Greater Seattle Y. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The aggregate maximum bond amount is not expected to exceed \$46,000,000. The public hearing was held June 27, 2024.

The project addresses and maximum bond amounts (23 projects total) are all listed below:

Project:	Kent YMCA
Project Address:	10878 SE 248th Street Kent, WA 98030
Estimated Project Cost:	\$7,350,000
Estimated Bonds for this Project:	\$7,350,000

Project:	Meredith Mathews East Madison YMCA
Project Address:	1700 23rd Avenue Seattle, WA 98122
Estimated Project Cost:	\$690,000
Estimated Bonds for this Project:	\$690,000

Project:	Dale Turner Family YMCA
Project Address:	19290 Aurora Avenue North Seattle, WA 98133
Estimated Project Cost:	\$14,600,000
Estimated Bonds for this Project:	\$14,600,000

Project:	Coal Creek YMCA
Project Address:	13750 Newcastle Golf Club Road Newcastle, WA 98059
Estimated Project Cost:	\$7,000,000
Estimated Bonds for this Project:	\$7,000,000

Project:	Nexus Housing - Enumclaw
Project Address:	410-30 Dickson Avenue and 729-31 Blake Street Enumclaw, WA 98022
Estimated Project Cost:	\$390,000
Estimated Bonds for this Project:	\$390,000

Project:	Nexus Auburn Social Impact Center
Project Address:	934-1000 Auburn Way South and 911-15 H Street SE Auburn, WA 98002
Estimated Project Cost:	\$1,450,000
Estimated Bonds for this Project:	\$1,450,000

Project:	Northshore YMCA
Project Address:	11811 NE 195th Street Bothell, WA 98011
Estimated Project Cost:	\$350,000
Estimated Bonds for this Project:	\$350,000

Project:	Mineral Lake
Project Address:	Approximately 2,000 acres contiguous with 284 Mineral Hill Road Mineral, WA 98355
Estimated Project Cost:	\$6,100,000
Estimated Bonds for this Project:	\$6,100,000

Project:	Camp Orkila
Project Address:	484 Camp Orkila Road Eastsound, WA 98245
Estimated Project Cost:	\$780,000
Estimated Bonds for this Project:	\$780,000

Project:	Camp Orkila
Project Address:	1867 Mount Baker Road Eastsound, WA 98245
Estimated Project Cost:	\$4,400,000
Estimated Bonds for this Project:	\$4,400,000

Project:	Camp Orkila
Project Address:	2570 Mount Baker Road Eastsound, WA 98245
Estimated Project Cost:	\$2,600,000
Estimated Bonds for this Project:	\$2,600,000

Project:	Downtown Seattle YMCA
Project Address:	909 4th Avenue Seattle, WA 98104
Estimated Project Cost:	\$425,000
Estimated Bonds for this Project:	\$425,000

Project:	Auburn YMCA
Project Address:	1620 Perimeter Road Auburn, WA 98001
Estimated Project Cost:	\$65,000
Estimated Bonds for this Project:	\$65,000

Project:	Lea Hill Early Education Center
Project Address:	12832 SE 312th Street Auburn, WA 98092
Estimated Project Cost:	\$15,000
Estimated Bonds for this Project:	\$15,000

Project:	Bellevue Family YMCA
Project Address:	14230 Bel-Red Road Bellevue, WA 98007
Estimated Project Cost:	\$275,000
Estimated Bonds for this Project:	\$275,000

Project:	Camp Colman
Project Address:	20016 Bay Road SW Longbranch, WA 98351
Estimated Project Cost:	\$165,000
Estimated Bonds for this Project:	\$165,000

Project:	Camp Terry
Project Address:	31112 SE 85th Place Issaquah, WA 98027
Estimated Project Cost:	\$25,000
Estimated Bonds for this Project:	\$25,000

Project:	Redmond Early Education Center
Project Address:	2710 Tagore Avenue NE Redmond, WA 98052
Estimated Project Cost:	\$50,000
Estimated Bonds for this Project:	\$50,000

Project:	Matt Griffin YMCA
Project Address:	3595 S 188th Street SeaTac, WA 98188
Estimated Project Cost:	\$65,000
Estimated Bonds for this Project:	\$65,000

Project:	Sammamish Community YMCA
Project Address:	831 228th Avenue SE Sammamish, WA 98075
Estimated Project Cost:	\$1,350,000
Estimated Bonds for this Project:	\$1,350,000

Project:	Snoqualmie Valley YMCA
-----------------	-------------------------------

Project Address:	35018 SE Ridge Street Snoqualmie, WA 98065
Estimated Project Cost:	\$25,000
Estimated Bonds for this Project:	\$25,000

Project:	University Family YMCA
Project Address:	5003 12th Avenue NE Seattle, WA 98105
Estimated Project Cost:	\$15,000
Estimated Bonds for this Project:	\$15,000

Project:	West Seattle YMCA
Project Address:	3622 SW Snoqualmie Street Seattle, WA 98126
Estimated Project Cost:	\$65,000
Estimated Bonds for this Project:	\$65,000

Ms. Vatske concluded that a bond purchase commitment letter was issued by The Commerce Bank for a combined amount not to exceed \$44,500,000.

Mr. Krueger moved to approve the resolution. Mr. Espinoza seconded the motion. The resolution was unanimously approved.

**Action Item:
Approval of
Proposed 9%
Housing Tax Credit
Program Policy
Changes for the
2025 Allocation
Round**

Ms. Vatske stated that this is request for approval by Commissioners of the proposed 9% Housing Tax Credit Program policy changes for the 2025 allocation round (with the exception of Section 6.20 regarding ETO which will be consider separately in August, 2024), as included in the board meeting packet, and as described in her presentation. There was no written testimony submitted, and no comments were made by members of the public during the public hearing.

Mr. Rumpf moved to approve the proposed 9% Housing Tax Credit Program policy changes for the 2025 allocation round, as distributed in the board meeting packet, with the exception of Section 6.20 regarding ETO which will be considered separately at the August, 2024 Commission Meeting. Ms. Grigoras seconded the motion. The motion was unanimously approved, with Mr. Tripp

abstaining from the vote, due to his internet connectivity issues during the public hearing and the presentation/discussion portions.

**Informational
Report on
Department of
Commerce
Activities**

Ms. Grigoras mentioned a few items from the monthly informational Department of Commerce activities report that was included in the board packet:

Homeownership Unit:

The balance in the Covenant Homeownership Account is currently \$7.8 million as of July 12. Current estimates available are approximately \$90 million in total through the end of fiscal year 2025 (e.g. June 30, 2025). The 2024 Fall Capital Competitive funding round commenced on July 19, 2024. There is \$17.5 million available and applications are due by September 23. Webinars and in person application workshops will be held in August 2024 and technical assistance is available from July 20 through September 19.

Commerce Community Engagement and Homeownership Unit staff continue to attend community meetings held by residents of privately held manufactured home communities who are being priced out of their communities by rent and fee increases. Commerce staff continue to work closely to connect community members with local service providers and fair housing resources to ensure that all available resources are known to the residents.

Office of Homeless Youth:

The Office of Homeless Youth (OHY) received \$500,000 in funding for fiscal year 2025 to design a direct cash transfer (DCT) pilot program to serve youth and young adults experiencing or are at risk of homelessness.

Office of Apple Health & Home & Permanent Supportive Housing:

Operations, Maintenance and Supportive Service Programs:

The team is currently closing state fiscal year 2024 and renewing budgets and contracts for State fiscal year 2025 (200+ contracts).

A Notice of Funding Announcement (NOFA) is projected to be released in August to add new Housing Trust Fund Operations & Maintenance (HTF-O&M) and Permanent Supportive Housing-Operations, Maintenance & Services (PSH-OMS) projects to the contract portfolio.

Ms. Grigoras added that Commerce is at 700 employees currently, up from around 300-350 employees around the time of the pandemic. She added further that Commerce is currently working on funding packages. She concluded by congratulating the Commission on the implementation of the Covenant Homeownership Program.

Executive Director's Report

Mr. Walker mentioned a few items from the Executive Director's Report, which was included in the board packet, as follows:

Multifamily & Community Facilities:

He is excited to announce that the Commission received a HUD award for its partnership with the Seattle Foundation on the Evergreen Impact Housing Fund (EIHF). Dan Rothman accompanied Kris Hermanns to Washington D.C. to accept the award. A press release on this is posted on the Seattle Foundation's website.

Kudos to staff and Pacifica for closing the PATH, 501(c)(3) nonprofit financing, as well as the Camas Flats project, a balance of state bond deal. Staff is continuing to develop a pipeline in the Land Acquisition Program. MHCF staff are continuing to track and monitor potential opportunities through the Inflation Reduction Act and recently participated in several sessions, hearing about progress on the state Green Bank as well as other financing updates.

Homeownership:

The Commission's first Covenant Homeownership Program (CHA) loan closes on August 15th! As of 7/22, the Commission has a total of 13 CHA reservations representing King, Pierce, Kitsap, Grant, and Spokane counties.

Calls to the hotline are steady. We are following up with many connections in communities and have been invited to do presentations at meetings and host tables at events all over the state. Homeownership staff and Margret Graham with Communications are to be commended.

Asset Management & Compliance (AMC):

Physical Inspections: Inspections are proceeding under HUD's NSPIRE standards, with LIHTC properties inspected at least once every three years. U.S. Housing Consultants are inspecting over 300 properties between March and October. Portfolio Analysts are reviewing inspection reports, collaborating with owners to resolve issues, and submitting reports to the IRS. The new inspection standards have increased the number of deficiencies being reviewed and reported.

As of June 30th, 48% of the total scheduled inspections have been completed. Portfolio Analysts are currently reviewing inspection reports. Although they have only reviewed a small portion of the total units inspected, the administrative workload has increased. Therefore, AMC staff are analyzing the impact of the new federal inspection standards and IRS requirements for filing an IRS Form 8823 (IRS form for noncompliance) for every instance of noncompliance. AMC Staff have observed a steep rise in staff workload directly attributable to the proliferation of 8823s filed for inspection violations. AMC is working on a process change proposal to ease the administrative burden and improve the effective monitoring of the assets.

AMC staff member Duane Bakke has retired from the Commission effective July 31st. He was a valued member of AMC and the Commission for 27 years and will be greatly missed.

Finance:

Another fiscal year end is upon us, and Finance Division staff are scrambling to close the books for Fiscal Year 2024 in preparation for the annual financial audit. Staff have been working with the auditors at Eide Bailly on providing preliminary information to get a head start on the audit, which will take place a month sooner than prior years, due to the requirements of the State Auditor's Office.

Other information from Steve:

Budget Proviso & RFPs: As the Commission works to implement the \$2 million Legislative Budget Proviso supporting homeownership and the Covenant Homeownership Act, the Commission now has two of what will be three total RFPs on the street; one for counseling and outreach, the second for a predevelopment fund grant manager to support BIPOC developers in their efforts to develop homebuying inventory. The third RFP will be for a consultant team to draft a long-term actionable plan to, among other activities, lower costs of starter homes and scale production. Thanks to Rich Zwicker, Carol Johnson, and Rona Monillas for their support in getting these proposals out.

Cascadia Housing Roadmap Steering Committee: Cascadia Innovation Corridor made up of Oregon, Washington and British Columbia seeks to build on the robust body of existing work on housing supply to develop a clear, tactical roadmap outlining how specific policy choices can bridge the housing supply and demand gap across the Cascadia mega-region. Chaired by former Gov. Gregoire, the roadmap will be released at a November conference. The steering committee is made up of developers, land use lawyers, policymakers, planners, development financiers, and other thought leaders to help shape the housing roadmap project (led by Boston Consulting Group) and the conference agenda.

Consent Agenda

The consent agenda was approved as distributed.

Adjournment

The meeting was adjourned at 1:54 p.m.

Signature

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the "Bonds") to finance and refinance the costs for construction and equipping of a nonprofit educational facility owned and to be owned and operated by The Overlake School, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, August 22, 2024. Participants wishing to join telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247. Participants wishing to attend in person may attend, in the 28th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

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

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

Webinar/Meeting ID: 868 3329 5318

Passcode: 328707

The Bonds will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing an exempt facility under Section 145 of the Code.

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

Project:	The Overlake School Student and Community Center
Project Address:	20301 NE 108th Street Redmond, WA 98053-7437
Total Estimated Project Cost:	\$10,750,000
Estimated Maximum Bond Amount:	\$10,000,000

Proceeds of the Bonds will be used to provide a portion of the financing for the construction and equipping of a facility to house admissions, administrative offices and a community center, and to pay all or a portion of the costs of issuing the Bonds.

This notice and the provision of toll-free telephone access to the hearing are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Project and the proposed plan of financing with respect to the Bonds may be mailed or faxed to the attention of Jason Hennigan, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, August 21, 2024. Public testimony will be heard from all interested members of the

public attending the hearing in person or via the telephone or internet. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

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

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

Nonprofit Facilities Program

Project Name	The Overlake School Student and Community Center
Borrower	The Overlake School
Description	The Overlake campus has been called "a green island of forest, pasture and wetland," a rural oasis in the busy Eastside. The Overlake School is on 73 acres of natural growth in Redmond, Washington, home of Microsoft. Once a farm, the campus combines a rural, reflective setting with access to neighboring high tech-resources. Tall firs, white fences, converted farm buildings and state-of-the-art math, science, technology and arts facilities combine to create Overlake's unique environment. The campus is designed to complement the physical environment, blending in well with green space. The campus setting encourages an equivalent personal growth in the students as they live and learn in this beautiful, peaceful environment.
Location	20301 NE 108th Street Redmond, WA 98053-7437
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	New Construction of a Nonprofit facility
<i>Financial Information</i>	
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$10,000,000
Total Estimated Project Costs	\$10,750,000
Bond Structure	Private Placement
Lender	Wells Fargo Bank, N.A.
Action	Public Hearing for OID # 24-87A
Anticipated Closing Date	September 2024



The Washington State
HOUSING FINANCE COMMISSION

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing for the purpose of considering the allocation by the Commission of federal low-income housing tax credits (the “Credits”) to sponsor multifamily residential projects. The project to be considered for an allocation of Credit is:

TC #	Project Name	City	County	Annual Tax Credit Amount
24-11	Sea Mar Community Health Center/Sea Mar South Park Housing	Seattle	King	\$2,148,440

The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, August 22, 2024. Participants wishing to attend in person may attend in the 28th Floor Board Room of the Commission's offices located at 1000 Second Avenue, Seattle, Washington 98104-3601.

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

To join virtually, please go to [Zoom Meeting](#), go to “Join” or “Join a Meeting” and enter:

Webinar/Meeting ID: 868 3329 5318
Passcode: 328707

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

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at 206.464.7139 or (800) 767-HOME (in state) at least 48 hours in advance of the hearing.

The Credits will be allocated pursuant to the authority of the Commission under Chapter 43. 180 RCW as amended, Executive Order 94-05, dated April 2, 1994, and the Internal Revenue Code of 1986, as amended. As a condition of receiving an allocation of tax credits and under a competitive process, the developers commit to serving very low and extremely low income and special needs populations for up to 40 years.

Written comments with respect to the proposed projects and allocation of Credits may be emailed to lisa.vatske@wshfc.org, mailed or faxed to the Washington State Housing Finance Commission (Attention: Lisa Vatske, MHCF Division Director, 1000 Second Avenue, Suite 2700, Seattle, Washington, 98104-3601; fax number (206) 587-5113) for receipt no later than 5:00 p.m. on August 21, 2024. The public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the projects will receive Credits; however, the Commission will not consider testimony and written comments regarding land use, zoning, and environmental regulation, which should be directed to the local jurisdictions that are authorized to consider these matters when issuing building permits for the project.

9% Competitive Housing Tax Credit Program

Project Name Sea Mar Community Health Centers / Sea Mar South Park Housing

Sponsor Sea Mar Community Health Centers

Description Sea Mar selected this site because it allows for a large residential development within an economically disadvantaged and majority BIPOC community, which Sea Mar has been serving since 1978. Sea Mar plans to redevelop the property to include primary care health services and affordable housing in the same building, which will add affordable housing stock for the South Park neighborhood of Seattle. The model of co-located primary care and affordable housing services has proven effective in increasing access to services for affordable housing residents.

Location 8800 14th Avenue S.
Seattle, WA 98108

Credit Pool King County

Project Type New Construction without Federal Subsidies

Low-Income Housing Units	Studio	6
	One Bedroom	30
	Two Bedroom	36
	Three Bedroom	6
	Total	78

Income Set-Asides 50% of units at 30% AMI
50% of units at 50% AMI

Scoring	Additional Low-Income Housing Set-Aside	60
	Additional Low-Income Use Period (22 Years)	44
	Housing Commitments for Priority Populations	20
	Leveraging	10
	Public Funding	2
	Developer Fees	10
	Location Efficient Project	2
	Area Targeted by a Local Jurisdiction	2
	Community Revitalization Plan	1

Located in a High/Very High Opportunity Area	1
Nonprofit Sponsor	5
Donation in Support of Local Housing Needs	5
Energy Consumption Model	2
Cost Containment Incentive	3
Total Points	167

Credit Request **\$2,148,440**

Development Budget

Acquisition Costs	\$1,200,000
Construction	\$32,304,829
Soft Costs	\$6,177,238
Financing Costs	\$1,988,775
Capitalized Reserves	\$225,000
Other Development Costs	\$973,000
Total Development Costs	\$42,868,842

Permanent Sources

Deferred Developer Fee	\$3,500,000
Perm Loan	\$3,857,200
Sponsor Loan - Land	\$1,200,000
Seattle Office of Housing	\$16,479,590
Tax Credit Equity at \$0.8300 per credit x 10 years	\$17,832,052
Total Sources	\$42,868,842

Total Development Cost Limit

Project's Total Development Cost Limit	\$41,290,356
TDC less Land, Offsite Infrastructure, and Reserves	\$41,401,936
Waiver	Required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
Studio	\$ 2,211	\$ 699
One Bedroom	\$ 2,269	\$ 745 - \$ 1,259
Two Bedroom	\$ 2,645	\$ 889 - \$ 1,506
Three Bedroom	\$ 3,510	\$ 1,018 - \$ 1,731



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

WSHFC Staff Use Only

Sea Mar Community Health
Centers/Sea Mar South Park
Housing

Project Name:

Reviewed by:

Jacob Richardson

Date:

8/15/2024

Recommendation:

Approve as Requested

Rationale:

The Sea Mar Community Health Centers/Sea Mar South Park Housing project exceeds the 2024 Metro TDC limits by 0.27%, or \$111,580.

The cost drivers for this project include:

- The site was formerly occupied by a gas station. Initial testing has detected petroleum in the soil which will likely require remediation.
- The size of the site and seismic building requirements necessitate structural steel framing for all of the exterior walls and interior load bearing walls.
- An underground utility vault will need to be installed under the street in order to order to bring power into the building.

The design team continues to work with the General Contractor to establish ways to reduce costs. The more significant cost drivers detailed above were outside of the developer's control given the extent of requirements associated with this project. As such, I recommend approval of this TDC cost waiver.

Approved by:

Lisa Vatske

Signature:

Lisa Vatske

Date:

8/16/2024

Total Development Cost Limit Waiver Request (2024)

Date of Waiver Request:	8/6/2024 (Updated)	Program Type:	9% Credit
Project Name:	Sea Mar Community Health Centers/Sea Mar South Park Housing		
Project City, County:	Seattle, King County		
Sponsor Organization:	Sea Mar Community Health Centers		
Project Contact:	Kristina Hoeschen		
Development Phase:	Closing - Final Bids		

1. Has this project received a TDC Waiver in the past? If so:

Approval Date:	10/19/2023	Approved TDC:	The waiver was not approved or denied. It was submitted and acknowledged with a note that if we receive an allocation, we will be asked to submit an updated request.
-----------------------	------------	----------------------	---

2. Please fill out all forms in this workbook:

- Square Footage
- Sources and Uses
- LIHTC Eligible Basis
- LIHTC Calculation
- Financing Terms

3. Description of Project

Briefly describe the project, the location and population to be served. If project is considered an "Urban Type Project" for purposes of the TDC limit, explain how it qualifies for that determination.

Sea Mar Community Health Centers is rebuilding its existing South Park medical clinic into a new 7-story multi-use facility that includes a medical clinic on the first floor and affordable housing on the upper floors. The Sea Mar South Park Housing property will bring safe and affordable housing to the South Park neighborhood of Seattle, an often overlooked neighborhood where the majority of the community is very low income and unable to afford the high prices of market rates in Seattle. This project will be a great benefit to the South Park neighborhood in Seattle with a major improvement to the cultural, social and economic vibrancy of the 14th Ave. arterial.

The development will be the largest building in the neighborhood and will create 78 units of affordable housing and a 13,580 SF primary care health center, which will include a full complement of modern exam rooms, support offices, and a pharmacy to better serve the health and housing needs of the community. The plan is to redevelop the Sea Mar-owned property located at 8800 14th Ave. S., Seattle, from an existing single story 6,000 SF office building with a 33-stall surface parking lot into a 7-story mixed-use building with a gross floor area of just over 93,000 SF. Just over 79,000 square feet will be residential occupancy that will provide 78 affordable apartment homes to individuals and families. There will be one dwelling unit for the manager. The current unit mix offers 6 studios, 30 1-BR, 36 2-BR, and 6 3-BR apartments. The project will serve households earning 30% and 50% AMI with 16 units set aside for homeless supportive housing and 16 units set aside for at least one household member who is disabled. The remaining square footage will be occupied by a brand new primary care health clinic owned and operated by Sea Mar. The health center will include 38 exam rooms, a pharmacy, and additional space that will support the delivery of modern health care to all patients who seek care, regardless of ability to pay.

According to the City of Seattle's comprehensive plan, this project is located within an 'urban village' and is situated along a major arterial for traffic between Boulevard Park, South Park, White Center and the high opportunity for growth in the SODO area of Seattle. South Park has a high need for access to affordable services. The neighborhood has a high rate of homelessness and displacement. The South Park population living below the poverty level is twice that of Seattle (28%), the median household income is \$20,000 less than the rest of Seattle, and over 50% of the residents speak a language other than English at home, compared to 22% Seattle-wide. This

project will best serve this community so Sea Mar can offer affordable rents for very low income to low income individuals and families, as well as help current community members avoid displacement caused by imminent gentrification and increasing housing costs.

4. Explain what this cost estimate is based on (bids, drawings, etc).

Where are you in the design/bidding process? Is a contingency or cost escalator included? If so, please explain what the assumptions are.

Sea Mar has submitted all permitting documents to the City of Seattle and is awaiting the permit from the city. An 11% contingency is included in the budget, which assumes commercial prevailing wages and takes into consideration the unique needs of the site. The proposed cost estimate is a conservative budget for the size and scope of the project that is specific to the design, location, project specific conditions and current market trends. The project costs have been reviewed and certified by a cost estimator and our architect.

5. Calculation of Project's Total Development Cost*

Total Residential Project Cost	\$ 43,820,876
- Land	\$ 1,200,000
- Offsite Infrastructure	\$ 700,000
- Capitalized Reserves	\$ 518,940
Total Development Cost	\$41,401,936

6. Calculation of Project's TDC limit:

Which limits is this project subject to?

Seattle

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
Number of Units**	6	30	36	6	0
Average Square Feet of Units					
Appropriate Cost/Unit Limits	\$ 414,690	\$ 474,227	\$ 563,046	\$ 717,625	\$ 717,625
Max Cost by Unit Type	\$2,488,140	\$14,226,810	\$20,269,656	\$4,305,750	\$0
Project's Total Development Cost Limit:					\$41,290,356
\$ Amount Above TDC Limit					\$111,580
% Above TDC Limit					0.27%

7. Cost Drivers

Select from drop down list to identify which cost drivers have caused the project to exceed the TDC Limit. What elements are unique to the project that cause it to exceed the Limit? The total amount in the cost column must match or exceed the amount above the Limit.

Category	Cost	Abbreviated description
1. Commercial Wage Rates	\$1,500,000	Commercial prevailing wages will be required for this project according to public funder requirements. Estimated difference between regular wages and prevailing wages is \$1.5M.

2.	Infrastructure	\$700,000	The City is currently requiring Sea Mar to pay for substantial off-site improvements in order to bring primary power to the building. These offsite improvements include burying power lines under the public right-of-way (14th Ave So) and installing a massive underground utility vault to house the power connections under the street/sidewalk.
3.	Structural	\$600,000	Site requires use of steel frame building (instead of wood), and concrete piles.
4.	Site-related	\$100,000	Environmental Abatement
5.	Select from List		
6.	Select from List		
7.	Select from List		
8.	Select from List		
9.	Select from List		

Total **\$2,900,000**

Amount Project exceeds Limit \$111,580

8. Narrative explanation of each cost driver listed above.

Include reasons why higher cost items have been included in the project. Also identify and quantify steps that have been taken to mitigate costs. If the project includes long term sustainability components beyond the Evergreen Sustainable Development Standards (ESDS), identify each item, why the decision was made to include it, and quantify the upfront costs and long term benefits.

If project already has a current TDC Waiver Approval and this is an **additional** waiver request above that, clearly explain the cost differences between the approved Total Development Cost in the original request and the Total Development Cost in this waiver request.

The current TDC limits reflect State Prevailing Wages - Residential as well as Davis Bacon - Residential Wages.

The proposed budget takes into account multiple project specific factors, as well as the overall trend for labor and materials that is currently being experienced in the market. The higher cost items are project-specific and must be budgeted for in order to build the project. The project specific factors that are being accounted for within the budget are the labor and material shortages, the commercial prevailing wage requirements, the offsite improvements and underground work, potential environmental hazards from petroleum that has been tested in the soil from exploratory drillings, poor soil conditions confirmed by the geotechnical report, building envelope, and building materials like steel and concrete.

Commercial prevailing wages are included in this project because they will be required for the public funding that is programmed as funding sources for the project. Because the first floor of the building is a health clinic, the entire project will require commercial prevailing wages, instead of residential prevailing wages. The estimate provided is an estimate of the cost of commercial prevailing wages in excess of residential prevailing wages.

The site used to be occupied by a gas station in the 50's and 60's. This gas station polluted the soil with petroleum, as evidenced by drilling samples taken by the Riley Group during exploratory Phase II drilling. Sea Mar anticipates the strong likelihood of having to remediate the soils in order to safely build. The size of the subject site also forced Sea Mar to design all of the structural walls to Type 1B construction. This means structural steel framing for all of the exterior walls and interior load bearing walls and this was a major cost driver for this project that must be incurred to provide the most housing for this site and build straight up to the property line.

The use of concrete and steel is another cost driving force for this project. The piles and the spread footings for this project will be constructed with reinforced concrete. Structural reinforcement for the special foundations is needed to comply with the seismic building requirements that are present due to the susceptibility for liquefaction of the soils, which is described in the geotechnical report. In addition to concrete, the project is currently designed with steel framing. The steel framing is more expensive up front, compared to lumber. In addition to structural steel framing, non-structural steel framing must be used for this project in order to comply with fire rating requirements of a high-rise. The project size and height is being maximized to

this project in order to comply with fire rating requirements of a high-rise. The project size and height is being maximized to deliver the most housing units possible per zoning requirement.

City Light and SDOT are requiring Sea Mar to pay for bringing power from a utility pole across the street (14th Ave So.) to alongside the proposed building under Trenton. This run will be about 160' and an underground vault will need to be installed under Trenton street in order to order to bring power into the building. City Light engineers currently are estimating this work to cost about \$900,000 and appears to be unavoidable if we want to bring power to the building.

Steps that have been taken and will be managed to mitigate costs will be end-to-end management of the competitive bidding process and making swift, practical and effective decisions in real time in response to design, onsite, labor and market factors so that construction costs can be vetted thoroughly and discerned rapidly. Much of construction costs are due to delays with procuring materials and the decision making process that is constantly tested throughout a construction project. Sea Mar is able to vet the cause and cost of each construction related decision quickly because Sea Mar is a vertically integrated non-profit that has its own general contracting license and manages the construction of all of its own capital projects. This capability is strategic and our experience allows us to work with the subcontractors directly, obtain competitive pricing for every trade, and then manage the results through fair and open discussion and direction. This process has proven very effective for previous capital projects that Sea Mar has developed and then subsequently constructed on its own.

9. Complete the following:

Number of Units by Building Type:

	Single Family Detached
	Townhouse/Duplex
	Walk-Up/Garden Style Apartments
	Low-Rise (2-3 stories with elevator)
	Mid-Rise (4-6 stories with elevator)
78	High Rise (7+ stories with elevator)

Parking

0	Number of Structured Parking† Stalls (Residential Only)
---	--

X	New Construction
	Rehabilitation
	State Prevailing Wages - Residential
X	State Prevailing Wages - Commercial
	Davis Bacon Wages - Residential
	Davis Bacon Wages - Commercial
	No wage requirements

*The Total Development Cost submitted in the Application may not exceed the Total Development Cost in the waiver request.

** Include Low-Income, Market Rate and Common Area Units.

† Structured parking is defined as an above-grade or underground structure specifically designed for vehicle parking.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
RESOLUTION NO. 24-92**

**A RESOLUTION of the Washington State Housing Finance Commission
authorizing the Executive Director to make reservations and/or
allocations of 2024 federal low-income housing tax credits.**

WHEREAS, Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), authorizes tax credits for the construction, acquisition or rehabilitation of residential rental projects meeting the requirements of the Code, including the set-aside of rental units for low-income tenants; and

WHEREAS, the Code authorizes the housing credit agency of a state to allocate the limited amount of federal low-income housing tax credits (the "Credit") available for projects within the state among such projects; and

WHEREAS, by Executive Order No. 94-05, the Governor of the State of Washington has designated the Washington State Housing Finance Commission (the "Commission") as the housing credit agency of Washington for the purposes of allocating Credit and has authorized the Commission to allocate such Credit in accordance with the terms and conditions of such Executive Order; and

WHEREAS, in order to provide decent, safe and affordable housing, the Commission is authorized pursuant to RCW 43.180.050(d) to participate fully in federal programs and to take such actions as are necessary and consistent with RCW 43.180.010 et seq. to secure to itself and the people of the State of Washington the benefits of those programs; and

WHEREAS, the Commission has approved a Qualified Allocation Plan (the "Allocation Plan") for the allocation of Credit, the Allocation Plan has been approved by the Governor in accordance with WAC 262-01-120; the Commission has approved rules (WAC 262-01-130) for the administration of the tax credit program (the "Rules"); and the Commission has issued policy statements advising the public about the Commission's current opinions, approaches, and likely courses of action in implementing the tax credit program (the "Policies"); and

WHEREAS, the Commission has received applications from developers of residential projects for consideration in the Commission's 2024 allocation program (the "Program"); and

WHEREAS, staff has reviewed the application(s) for the project(s) listed below in accordance with the Allocation Plan, the Rules and the Policies and has presented a recommendation to the Commission for the allocation of Credit to selected projects; and

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

Section 1. The Commission authorizes the Executive Director to reserve and/or allocate 2024 Credit in the anticipated amount, to the project or projects listed below, subject to the conditions set forth below. The Commission authorizes the Executive Director to take such actions as are necessary to make such reservations and/or allocations in accordance with the Code, the Allocation Plan, the Rules, and the Policies, including the criteria contained in Chapter Five of the

Policies (Project Ranking Policies”) and project feasibility and viability and other requirements as described in Chapters Two through Seven of the Policies.

Project(s):

TC #	Project Name	City	County	Annual Tax Credit Amount
24-11	Sea Mar Community Health Centers/Sea Mar South Park Housing	Seattle	King	\$2,148,440

Section 2. All actions previously taken by the Commission or its staff or agents in furtherance of the Program are hereby ratified and confirmed.

ADOPTED by the Washington State Housing Finance Commission at a special meeting duly noticed and called this 22nd day of August 2024.

WASHINGTON STATE
HOUSING FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

WASHINGTON STATE HOUSING FINANCE COMMISSION
9% Housing Tax Credit Program
2024 Allocation List

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

King County Pool (November 2023 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations					
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless	
24-13	Approved 6/27/2024	DESC Lake City	Downtown Emergency Service Center	Seattle	King	185	\$18,032	\$2,163,828	120	60	0	60	0	0	0	0	0	0	90
24-19	Approved 7/25/2024	Burien Family Housing	Mercy Housing Northwest	Burien	King	182	\$34,350	\$1,545,743	45	23	0	22	0	0	0	0	0	34	
24-23	Application	125th & Aurora Senior Housing	Low Income Housing Institute (LIHI)	Seattle	King	181	\$24,313	\$2,163,828	89	45	0	44	0	0	0	0	0	67	
24-11	Scheduled for 8/22/2024	Sea Mar Community Health Centers / Sea Mar South Park Housing	Sea Mar Community Health Centers	Seattle	King	167	\$27,902	\$2,148,440	77	39	0	38	0	0	0	0	0	0	
24-62	Credit Exchange	DESC Woodland	Downtown Emergency Service Center	Seattle	King	100	\$22,774	\$2,163,812	95	48	0	47	0	0	0	0	0	72	
	Credit Exchange	Horizon Housing at Totem Lake	Horizon Housing Alliance	Kirkland	King	189	\$26,576	\$1,063,040	40	0	0	0	0	0	0	0	0	30	
									King County Credit Allocated:	426	215	0	211	0	0	0	0	263	
									King County Credit Available:	\$7,107,110									
									Balance:	(\$4,141,381)									

King County Pool Unranked (Noncompetitive or Awaiting Other Funding Commitments)

24-20	Application	Pandion at Star Lake	TWG Development	Kent	King	*	\$28,360	\$794,080	28	14	0	14	0	0	0	0	0	21
24-12	Application	Sea Mar Community Health Centers / Lucy Lopez Apartments	Sea Mar Community Health Centers	Kent	King	*	\$28,060	\$869,859	31	16	0	15	0	0	14	0	0	0
									King County Unranked Balance:	59	30	0	29	0	14	0	0	21

Metro Pool (November 2023 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations					
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless	
Metro New Production																			
24-04	Approved 6/27/2024	River Family Haven	Catholic Charities Eastern Washington	Spokane	Spokane	171	\$28,208	\$1,974,527	70	35	7	0	28	0	0	0	0	18	
24-01	Approved 4/25/2024	Felida Park Senior Housing + PACE	Specialized Housing Inc.	Clark	Unincorporated Clark County	169	\$21,590	\$1,403,366	65	33	0	32	0	0	65	13	0		
24-05	Application	Mercy Aviva Crossing	Mercy Housing Northwest	Tacoma	Pierce	166	\$34,000	\$1,700,000	50	25	0	25	0	10	0	10	0		
24-02	Approved 7/25/2024	Broadway Senior Housing	Spokane Neighborhood Action Partners (SNAP)	Spokane Valley	Spokane	164	\$27,640	\$1,658,400	60	0	24	18	18	0	60	12	0		
24-03	Approved 6/27/2024	Bellis Fair Family Housing	Opportunity Council	Bellingham	Whatcom	160	\$28,609	\$1,802,385	63	32	0	19	12	0	0	13	13		
24-63	Credit Exchange	Hfium-en	Spokane Housing Authority	Spokane	Spokane	167	\$25,158	\$2,163,557	86	22	43	0	21	0	86	18	0		
									Total Metro Credit Allocated:	\$10,702,235									
									Metro Credit Available:	\$8,235,765									
									Metro Balance (Total):	(\$2,466,470)									

Non-Metro Pool (November 2023 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations					
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless	
Non-Metro Preservation and Recapitalization Pool																			
24-15	Application	CCHS Grant County Preservation	Catholic Charities Housing Services	Quincy	Grant	173	\$16,173	\$1,504,112	93	10	47	36	0	73	0	0	0	24	
									Non-Metro Rehab Credit Allocated:	\$1,504,112									
									93	10	47	36	0	73	0	0	24		
Non-Metro New Production																			
24-17	Approved 6/27/2024	CCHS Casa de la Mora	Catholic Charities Housing Services	Yakima	Yakima	175	\$24,187	\$1,741,480	72	18	36	0	18	0	0	0	0	18	
24-08	Approved 4/25/2024	WWHA Meadow Grove	Walla Walla Housing Authority	Walla Walla	Walla Walla	174	\$26,424	\$1,321,183	50	13	25	0	12	0	0	0	13		
24-10	Application	Twisp Family Haven	Catholic Housing Services of Eastern WA	Twisp	Okanogan	173	\$28,093	\$1,320,371	47	24	5	0	18	0	0	0	12		
	Credit Exchange	Rocky Point Housing Development	Othello Housing Authority	Othello	Adams	184	\$27,521	\$1,256,464	40	4	20	16	0	30	0	0	0		
									Non-Metro New Production and Preservation Credit Allocated:	\$7,143,610									
									Non-Metro Credit Available:	\$4,333,607									
									Non-Metro Balance:	(\$2,810,003)									

Non-Metro Unranked (Noncompetitive or Awaiting Other Funding Commitments)

24-18	Application	Alderwood Apartments	Trillium Housing Services	Yakima	Yakima	*	\$24,420	\$2,002,440	82	9	41	32	0	62	0	0	0	0	
24-07	Application	Cattlin and Main	Lower Columbia Community Action Council, Inc. (LCCAC)	Kelso	Cowlitz	*	\$27,640	\$1,105,600	40	20	4	0	16	0	0	0	10		
24-06	Application	Cottages at Pea Patch	OPAL Community Land Trust	Eastsound	San Juan	*	\$41,460	\$829,200	20	10	0	10	0	0	0	0	5		
24-21	Application	Franz Anderson PSH	Low Income Housing Institute	Olympia	Thurston	*	\$27,640	\$1,934,800	70	35	0	35	0	0	0	0	18		
24-09	Application	Lewis, Spruce, and Sixth	The Housing Authority of the City of Yakima	Yakima	Yakima	*	\$27,640	\$1,382,000	50	25	5	0	20	0	0	0	13		
24-14	Application	Moore Wright Legacy Housing	The Moore Wright Group	Aberdeen	Grays Harbor	*	\$27,639	\$1,879,432	68	59	0	9	0	0	0	0	17		
24-24	Application	Vince's Village	Bayside Housing & Services	Port Townsend	Jefferson	*	\$36,086	\$829,972	23	23	0	0	0	0	0	0	6		
24-16	Application	VDA North	Volunteers of American Western Washington (VOAWW)	Burlington	Skagit	*	\$20,481	\$839,715	41	21	0	20	0	0	0	0	11		
24-22	Application	228 Olympia	Interfaith Works	Olympia	Thurston	*	\$27,637	\$1,879,343	68	34	0	34	0	0	0	0	17		
									Non-Metro Waiting List Balance:	\$12,682,502	462	236	50	140	36	62	0	0	97

Statewide Allocation Round Totals:

Total Project Applications:	24	Total Credit Requested:	\$44,944,889	1,517	671	194	510	142	135	24	125	48	479
Total Projects Above Line:	12	Total Credit Available for 2024:	\$19,676,482	996	405	144	341	106	73	10	125	48	361
Application Success Percentage:	50%	FWD Commitment of 2025 LHTC:	\$10,923,966										
		Total LHTC Allocation for 2024:	\$30,598,448										

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

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 24-93

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of municipal certificates, evidencing an initial certificate balance of not to exceed \$530,000,000 to finance the purchase of a portfolio of loans and notes that financed multifamily housing facilities within the State of Washington from Citi Affordable Depositor LLC, or another affiliate of Citibank, N.A.; authorizing the designation of the certificates as social bonds; approving the sale of the municipal certificates to Jefferies LLC; delegating to the Executive Director of the Commission the authority to execute a final form of certificate purchase agreement; approving the form of a trust agreement, official statement, portfolio purchase agreement, servicing advisor agreement, servicing agreement, continuing disclosure agreement, and other related documents; and authorizing the officers and Executive Director of the Commission to amend and execute such documents and other related documents.

APPROVED ON AUGUST 22, 2024

PREPARED BY:

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

Table of Contents

	Page
Section 1. Definitions.....	2
Section 2. Findings.....	3
Section 3. Financing Program.....	3
Section 4. Authorization of the Certificates and Purchase of Portfolio.....	4
Section 5. Approval of Documents.....	4
Section 6. Issuance and Sale of the Certificates	5
Section 7. Social Bond Designation.....	6
Section 8. Executive Director	6
Section 9. Effective Date; Ratification	6

EXHIBIT A – Projected Portfolio List

RESOLUTION NO. 24-93

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of municipal certificates, evidencing an initial certificate balance of not to exceed \$530,000,000 to finance the purchase of a portfolio of loans and notes that financed multifamily housing facilities within the State of Washington from Citi Affordable Depositor LLC, or another affiliate of Citibank, N.A.; authorizing the designation of the certificates as social bonds; approving the sale of the municipal certificates to Jefferies LLC; delegating to the Executive Director of the Commission the authority to execute a final form of certificate purchase agreement; approving the form of a trust agreement, official statement, portfolio purchase agreement, servicing advisor agreement, servicing agreement, continuing disclosure agreement, and other related documents; and authorizing the officers 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 the sale of mortgages, mortgage loans and other assets held by the Commission; 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, the Commission and Citibank, N.A. (“Citi”), together with other governmental authorities in the State of Washington, previously financed multifamily residential

rental facilities (“Projects”) across the State of Washington, to be owned by various public and private developers using Citi’s tax-exempt note program; and

WHEREAS, Citi has requested that the Commission purchase the loans and notes for 12 Projects listed in Exhibit A hereto, with such additions or subtractions as may be required for rating purposes (the “Portfolio”) from Citi Affordable Depositor LLC (the “Seller”), or another affiliate of Citi, in order to provide Citi with the capacity to make additional loan funds available in Washington state; and

WHEREAS, it is desirable for the Commission to assist Citi in increasing its lending capacity in Washington state through: (1) the issuance of its Washington State Housing Finance Commission Municipal Certificates, Series 2024-1 Class A, in an initial certificate balance of not to exceed \$530,000,000 (the “Certificates”), evidencing an equity interest in a trust (the “Trust”); and (2) its acquisition of the Portfolio from the Seller with proceeds of the Certificates and deposit of the Portfolio with U.S. Bank Trust Company, National Association, as trustee of the Trust; and

WHEREAS, the Certificates will be rated at least A2(sf) by Moody’s Investors Service, Inc. and will be payable solely from the loan payments made on the Portfolio; and

WHEREAS, the Commission has received a form of certificate purchase agreement (the “Certificate Purchase Agreement”) from Jefferies LLC (the “Underwriter”) to purchase the Certificates in whole; 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 Trust Agreement, between the Commission and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”); the Portfolio Purchase Agreement, between the Commission and Seller, or another affiliate of Citi; the Certificate Purchase Agreement; the Servicing Agreement among the Commission, Greystone Servicing Company LLC (“Greystone”), and the Trustee (the “Servicing Agreement”); the Servicing Advisor Agreement between the Commission and Citi, or its affiliate (the “Servicing Advisor Agreement”); the Escrow Account Agreement among the Commission, Seller, or an affiliate, and U.S. Bank Trust Company, National Association, as custodian; the Continuing Disclosure Agreement between the Commission and BLX Group LLC (the “Dissemination Agent”); and the Dissemination Agent Agreement between the Commission and the Dissemination Agent.

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 issuance of the Certificates by the Commission will enable an active lender in Washington state to make loans to developers to construct new projects and rehabilitate existing projects, which will make additional units available to persons and families at affordable rents.

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 publicly sold nonrecourse revenue obligations (the “Program”). The

Commission hereby finds and determines that the Program is in furtherance of the Act and the Plan.

Section 4. Authorization of the Certificates and Purchase of Portfolio. The Commission hereby authorizes the issuance and delivery of its Certificates to be designated “Municipal Certificates, Series 2024-1 Class A” in an initial aggregate certificate balance of not to exceed \$530,000,000, pursuant to and in accordance with the provisions of the Act and the Trust Agreement.

The Commission authorizes the purchase of the Portfolio from Seller, or another Citi affiliate, pursuant to the Portfolio Purchase Agreement, using the proceeds of the Certificates and the deposit of the Portfolio with the Trustee under the Trust Agreement. As set forth in the Portfolio Purchase Agreement, (1) the Portfolio is serviced or will be serviced by Greystone, as a master servicer and special servicer, and (2) Citi or an affiliate was the originator of the loans comprising the Portfolio and serviced, or caused to be serviced, the loans prior to this sale. In purchasing the Portfolio, the Commission agrees to the engagement of Greystone by Citi for servicing and oversight roles, as described in the Servicing Agreement and the Servicing Advisor Agreement, respectively. To provide continuing disclosure as required by the Continuing Disclosure Agreement and Dissemination Agent Agreement, at the direction and request of the Underwriter, the Commission authorizes the engagement of BLX Group LLC as dissemination agent.

Section 5. Approval of Documents. It is hereby found and determined that the Trust Agreement, Portfolio Purchase Agreement, Certificate Purchase Agreement, Servicing Agreement, Servicing Advisor Agreement, Escrow Account Agreement, Continuing Disclosure Agreement, and the Dissemination Agent Agreement (collectively, the “Documents”) conform to

the requirements of the Act and provide appropriate security for the Certificates consistent with the Act.

The Documents 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 his designee, to execute on its behalf such Documents, the documents contemplated therein, and any other necessary documents or certificates, including a preliminary official statement and final official statement, and to do all things necessary on its behalf to proceed with the Program and the issuance, sale and delivery of the Certificates as authorized herein. Such officers, the Executive Director and the Secretary's designee, are each authorized to approve such changes in the 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 which are on file with the Commission. The designee of the Secretary may execute the 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 Sale of the Certificates. The Commission hereby authorizes and approves the sale of the Certificates to Jefferies LLC, an underwriter listed on its roster of approved underwriting firms as described in RCW 43.180.100, in accordance with the terms and conditions set forth in the Certificate Purchase Agreement. The Commission hereby delegates to the Executive Director the authority to execute the Certificate Purchase Agreement on behalf of the Commission in substantially the form filed with the Commission, subject to the following limitations: (a) the aggregate principal amount of the Class A Certificates does not exceed \$530,000,000; (b) the interest rate on the Class A Certificates equals the weighted average loan

coupon less the fixed expense rate, as defined in the Trust Agreement; (c) the Certificate Purchase Agreement is executed prior to December 31, 2024; and (d) the final terms of the Certificate Purchase Agreement are otherwise in furtherance of the Act and the Plan.

Section 7. Social Bond Designation. At the request of the Underwriter, the Commission hereby authorizes the designation of the Certificates as “Social Bonds” by Sustainalytics, a provider of second party opinions regarding green, social and sustainability bond designations. The Executive Director is hereby authorized to engage Sustainalytics to provide such opinion.

Section 8. 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 9. Effective Date; Ratification. This resolution shall become effective immediately after its adoption and signature by the Chair and attestation by the Secretary of the Commission or his designee and when effective shall act to ratify and confirm all acts taken previously in furtherance of and consistent with this resolution.

ADOPTED at a special meeting duly noticed and called this 22nd day of August, 2024.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

Exhibit A
PROJECTED PORTFOLIO LIST

Property Name	Property City	Total Units	Original Permanent Loan Amount
Polaris at SeaTac Apartments	SeaTac	365	\$81,000,000
Copper Gate Apartments	Auburn	500	\$69,170,000
Quinn by Vintage (Tranche A)	Shoreline	227	\$55,000,000
Novo on 52nd	Lynnwood	242	\$44,000,000
Capella at Esterra Park 4% Apartments	Redmond	212	\$42,800,000
Manor Way Apartments	Everett	205	\$40,000,000
Auburn Court Apartments	Auburn	296	\$39,900,000
Vantage II Apartments	Lynnwood	176	\$38,000,000
Legacy Plaza Senior Living	Auburn	166	\$37,250,000
Cedar Pointe Apartments	Arlington	255	\$33,670,000
Traditions at Federal Way Apartments	Federal Way	200	\$28,800,000
Mirabeau Commons Apartments (Tranche A)	Spokane Valley	120	\$11,050,000
Quinn by Vintage (Tranche B)	Shoreline	227	\$5,686,300
Mirabeau Commons Apartments (Tranche B)	Spokane Valley	120	\$1,750,000



Memorandum

To: Commissioners
From: Lisa Vatske
CC: Steve Walker
Date: August 14, 2024
Re: Proposed 9% Housing Tax Credit Program Policies Section 6.20 ETO

Overview

Staff are proposing updates to Section 6.20 Eventual Tenant Ownership (ETO) in the 9% tax credit program policies for 2025. Changes were identified through research conducted in 2023, input from owners of properties using the ETO option in the Commission’s portfolio as well as various community engagement activities. Staff hosted an Interested Parties meeting solely focused on Eventual Tenant Ownership as part of the community engagement activities for the overall changes to the 9% tax credit program. Materials, including a standalone Eventual Tenant Ownership Guide, were posted for public comment in May. A survey was also published to collect feedback on content published.

Based on feedback received through the meetings with Interested Parties, survey responses, and comments submitted to staff, along with additional internal analysis, staff made further revisions to the draft policy changes. These changes were published for additional public comment in July. A final community engagement session with Interested Parties was held in July to present final language.

Table 1 below shows the redline changes of Section 6.20 in the 9% tax credit program policies being proposed for 2025 along with the rationale.



Table 1: Proposed 2025 Policy Changes

Existing Policy	Proposed Changes	Rationale
<p>Section 6.20 Eventual Tenant Ownership</p>	<p><u>2 Points</u></p> <p><u>Two points will be awarded to Projects that include units that are intended for eventual tenant ownership after the initial 15-year compliance period.</u></p> <p><u>Eventual Tenant Ownership (ETO) is an option under the Tax Credit Program elected by the owner which allows the rental units financed under the program to be made available to residents for purchase as homeownership units after the end of the first 15-year compliance period. Post year 15, units are made available for sale under the conditions and requirements as outlined in the Lease Addendum and in compliance with the project’s Conversion Plan and the Tax Credit Compliance Procedures Manual.</u></p> <p><u>Applicants interested in ETO must review the 9% Housing Credit Program Eventual Tenant Ownership Guide for Property Owners and Residents for specific requirements and recommended practices. Applicants are required to have a pre-meeting to discuss their project and ETO obligations with Commission staff prior to submitting an application. It is recommended that owners reach out to Commission staff early to schedule a meeting and no later than 30 days before applying.</u></p> <p><u>The Commission allows the election of points for ETO only on properties which are developed as Single Family, Townhomes or Duplexes with clear lot delineation to convert to homeownership. In addition, each unit must be assigned its own Building Identification Number (BIN) and separate legal descriptions for each unit, prior to closing.</u></p> <p><u>Applicants interested in ETO must submit the required Conversion Plan Application Form and provide all the relevant documentation at the time of application. This form will allow the Commission to review how the owner intends to convert applicable units from rental units bound by the project’s Regulatory</u></p>	<p>Updating language to restore Eventual Tenant Ownership option, along with additional policies and procedures to clarify expectations and requirements for applicants seeking these points.</p>

Agreement to a unit available to be purchased by the resident. The conversion of units shall be in accordance with Section 42(i)(7) of the Code and the owner's Conversion Plan submitted in the application form and accepted by the Commission.

The documents and requirements mentioned in the above paragraphs are subject to change at any time. Please visit our website to find the most updated versions.

ETO Compliance Requirements:

As part of the owner's annual report submission each January 31st, the owner will be required to confirm in the Owner Annual Certification their compliance with the project's ETO Conversion Plan, commencing on the first anniversary of the date of the Regulatory Agreement. Commencing on the 13th anniversary, the owner must provide a detailed summary report describing its progress towards compliance with the Conversion Plan, including, but not limited to:

- The number of homeownership residents who intend to purchase their units after year 15
- Any materials in relation to ETO delivered from the owner to the residents
- Applicable information about homeownership education and counseling sessions (budget, financial, and maintenance/repair sessions) offered to the residents

Additionally, the owner is required to provide an ETO Lease Addendum to each resident detailing the specific provisions related to ETO for the property. See the 9% Housing Credit Program Eventual Tenant Ownership Guide for Property Owners and Residents for more guidance.

The Commission expects to receive all information and documentation in a timely manner reasonably requested by the Commission, its representatives, or designees throughout the Project Compliance Period. This includes but is not limited to all Certifications or other documentation as to the compliance of each Building in the Project with the terms of this policy, the Conversion Plan, the Low-Income Housing Tax Credit Compliance Manual, all applicable Tax Credit Laws, other requirements of the Commission, IRS, state, federal or local authorities.

	<p><u>The Owner must be familiar with and have read the Commission's Low Income Housing Tax Credit Compliance Procedures Manual section(s) specific to ETO and the 9% Housing Credit Program Eventual Tenant Ownership Guide for Property Owners and Residents.</u></p>	
--	---	--

2024 Program Related Investment (PRI) Recommendations

August 2024

Requests for allocation from 2024 PRI Undesignated to the programs as listed.

PRI Program	Current PRI Allocation*	Amount Requested	Program Description
Critical Community Response (Preservation)	\$37.5M	\$5M	Helps organizations with acquisition, rehabilitation, construction, preservation, and repurposing of community facilities critical to the population such as low-income housing or services that are not otherwise available in the community that have financing gaps.
Manufactured Housing	\$30.5M	\$2M	Assists in the preservation of manufactured home communities which serve lower-income homeowners. Eligible organizations include Resident Owned Communities as well as non-profits.
Farmland Protection and Affordability Investment (Farm PAI)	\$14M	\$2M	Initiative to preserve farmland and assist BIPOC (Black, Indigenous, and people of color) farmers. New requests mirrors Legislative appropriation to Conservation Commission for farmland easements.
Community Land Trust (CLT) Program	\$9.5M	\$2M	Financing Community Land Trusts for land, predevelopment, and construction. The current pipeline is utilizing all funds.
Capital Plus (WCRA)	\$17M	\$5M	Partnership with WCRA to fund below-market financing to nonprofits with capital needs up to \$1,500,000.

Home Advantage DPA Reinvestment Fund**	\$55.7 M	\$12.5M	Replenishing heavily utilized DPA subsidy program in support of Commission’s Home Advantage program.
Homeownership production reserve	New	\$10M	A reserve fund to be utilized in support of one or more of the multi-year affordable starter home production strategies identified in the “to-be-developed” production plan prescribe in the 2024 legislative budget proviso.
Total Amount Requested:		\$38.5 million	

* Amount of PRI funds that have been allocated to the program not including partner investments, if any as of 3/31/24. Total current assets in the program may exceed this amount as interest is earned and loans revolve.

** Current PRI allocation for the Home Advantage DPA Subsidy Fund represents repayments on previously issued Home Advantage DPAs, net of amounts reinvested in new DPA loans, and the \$80 million floor approved by the board at the May 2022 Commission Meeting.

Department of Commerce updates for the Housing Finance Commission meeting

Housing Division

Multifamily Housing Unit

Contact: Shawn.Slape@commerce.wa.gov.

Planning and Predesign Capital Equity Program

- The joint program between Local Government and the Housing Divisions supports organizations new to capital programs at Commerce. The program offers technical assistance and is presently reviewing applications for predevelopment funds to help communities build affordable housing and community facilities. 88 applications were received and awards up to \$200,000 will be announced in September.

Multifamily/Rental Capital Funding Round 2024

- The Multifamily/Rental Housing Trust Fund round is now open for the year 2024. Applications are due on September 18. The team held in-person workshops, online webinars and is currently offering weekly online office hours. The available funding includes \$40M for Apple Health and Homes Capital, \$18M for projects serving persons with Intellectual and Developmental Disabilities, and \$23M for general applications.

HTF Repair Fund

- New program guidelines were released and are available for public input [here](#). The program was made available by a \$5M appropriation in the 2024 Supplemental Budget for the purpose of addressing nonrecurring urgent repairs, abatement of potentially hazardous materials, and safety-related structural improvements. The program will utilize the Landlord Mitigation Program online portal to administer claims in a timely manner, and will result in the return hundreds of vacant units to occupancy.

Homeownership Unit

Contact: ann.campbell@commerce.wa.gov.

Community Reinvestment Plan Funding

- Homeownership Unit (HOU) is in the process of finalizing awards for the Community Reinvestment (CRP) funding. The three programs HOU is managing include: Blended Capital Enhancements, Homeownership Capital Accelerator and Black, Latina and Indigenous Led Lending Agency Support. 100 applications have been received for the three funding opportunities.

Homeownership Capital Funding Round 2024

- Homeownership Housing Trust Fund funding round is now open for the year 2024. Applications are due on September 24. The team is currently offering in-person workshops, application webinars, and debrief meetings for the unfunded applicants of 2023. They have an allocation of 17.5M to award this year.

Office of Apple Health & Home & Permanent Supportive Housing

Contact: Melodie.Pazolt@commerce.wa.gov.

PSH-OMS/HTF-O&M Program

- The PSH-OMS and HTF-O&M Program Notice of Funding Opportunity is scheduled to be released on August 19. These programs provide a supplement to rent assistance revenue for projects that have a gap. These programs are intended to serve extremely low-income individuals.

2025 Washington legislative session: **DRAFT** Housing Division legislative requests

Note: These are staff proposed legislative requests and are not yet vetted or approved by the Commerce Director's Office or the Governor's Office.

Capital Budget Decision Package

Affordable Housing Capital: \$1.2 billion

Commerce is requesting \$1.2 billion in capital funding for the 2025-27 biennium to develop and preserve ~13,000 subsidized housing units, as part of achieving the state 20-year 1.1 million NEW affordable housing unit target published by the Department in 2023. Beyond capital investments, achieving the 1.1 million NEW unit goal will require changes in existing land use and additional income or tenant-based supports. But in any plausible scenario, a significant increase in capital investments is necessary to achieve the state's affordability targets.

\$1.2 billion dollars in capital funding includes (tentative breakdown):

- 75% (\$900 million) for Multifamily/Rental Housing (incl. PSH, AHAH, preservation): Approx. 10,500 units (7,500 new units and 3,000 preserved units)
- 20% (\$240 million) for Homeownership: This can assist upwards of 3,000+ new homeowners. Creating new homeownership opportunities helps with generating rental-housing vacancies for new tenants.
- 5% (\$60 million) for Tribal Housing (both multifamily/rental and homeownership): Approx. 500 units

Operating Budget Decision Packages

Sustaining Homeless Programs funded through Document Recording Fee: \$403 million

The request for approx. \$403 million from the General Fund State (GFS) will maintain current funding levels + modest increases (to prevent loss of capacity due inflation and address growing caseloads) for programs that have been historically (wholly or partially) funded with document recording fees (per RCW 36.22.250):

- Homeless Crisis Response Grants: \$302.5 million to backfill homelessness assistance programs typically funded with Fund 10B.
- Apple Health & Homes/Permanent Supportive Housing Grants: \$88 million to backfill operations/maintenance/supportive services programs typically funded with Fund 12C.
- Landlord Mitigation Program: \$12.3 million to backfill the landlord mitigation programs typically funded with Fund 22S.

Commerce's programs are the backbone of the statewide homelessness system. We will need approximately \$933.6 million in state funds to operate at today's levels, PLUS an additional \$96 million (a 5% increase for inflation and a 10% increase for caseload increases for the core crisis response system programs) necessary to provide modest increases that would prevent loss of capacity due to inflation of growing caseload expected in 2025-27. We anticipate approx. \$642 million in revenues from DRF collections and GFS carry-forward approps. This leaves us with a ~\$387 million shortfall.

NOTE: these numbers will likely change as we get closer to the end of this biennium and update our forecasts based on future trends.

Homeless Diversion and Behavioral Health Rental Assistance: \$13 million

This request includes \$13 million in funding for two cost effective programs focused on two state priorities: addressing inequity and addressing substance use disorder. Relatively small incremental investments in these proven interventions will deliver outsized benefits to the effort to reduce homelessness, inequity, and the problems associated with substance use disorder:

- \$3 million for maintaining and increasing services under the Homeless Diversion Program, which helps keep people from entering the homelessness crisis response system.
- \$10 million for implementing an Apple Health & Homes PACT Teams – CBRA Housing Assistance Program, which would help Commerce and Health Care Authority partner in serving and providing rent assistance to individuals with complex and acute behavioral health conditions and who experience homelessness or housing instability.

Direct Cash Transfers for Homeless Youth Pilot Program: \$5 million

This request would implement the Direct Cash Transfer (DCT) pilot program currently being co-designed by OHY staff alongside young people with lived experience of homelessness and other stakeholders, through an appropriation in the 2025 supplemental operating budget. This request is supported by the Youth Homelessness Prevention Steering Committee as it aligns with recommendations for direct cash programming outlined in the [state's strategic plan on youth homelessness prevention](#). (There is companion agency request legislation to establish the program in statute; see below).

- Scalable, proposal of \$5 million

Foreclosure Fairness Operating: \$7.5 million

This proposal requests \$7.5 million (estimated) to maintain 2023-25 levels of service for the upcoming biennium through partner contracts for foreclosure prevention services.

When the program was created in 2011, there was funding provided and a fee structure that provided on-going funding. That original funding is depleted and the fee structure is insufficient to keep up with the demand, causing a shortfall to maintain current funding levels.

This program is administered through a partnership among organizations and state agencies, which play a critical role in delivering a suite of foreclosure prevention supports. The Foreclosure Fairness Act defines the amounts for each of the sub-contracted partner organizations as follows:

- 69% - Washington State Housing Finance Commission (WSHFC) funds and trains the housing counseling organizations

- 17% - Commerce acts as the coordinating entity for the collective
- 8% - Attorney General's Office (ATG) provides enforcement of the Foreclosure Fairness Act
- 6% - Office of Civil Legal Aid (OCLA) and Northwest Justice Project (NWJP) provide the legal supports;
- \$400,000 - Washington Homeownership Resource Center (WHRC) operates the foreclosure hotline and provides information about resources to homeowners

Permanent Supportive Advisory Committee Recommendations: \$1.4 million

This proposal requests \$1.4 million for two projects that are recommended by the Permanent Supportive Housing (PSH) Advisory Board: a Permanent Supportive Housing Learning Collaborative (\$650,000) and a Rent Assistance Database (RAD) (\$750,000).

The PSH Advisory Committee discussions exposed two significant barriers to connecting people to housing and is proposing the following solutions:

- PSH Learning Collaborative (\$650,000): A lack of knowledge in communities about the importance Permanent Supportive Housing (PSH), and how local officials can reduce barriers to constructions of new PSH units can be addressed through a PSH learning collaborative that will focus on the expansion of PSH units within the community. The collaborative would consist of conversations about zoning/citing challenges and opportunities. Education about the principles of PSH evidence-based practice principles and activities to demonstrate how PSH wraps services around the individual and how the community wraps services and supports around PSH. The PSH learning collaborative will include a deeper dive into the continuous quality improvement approach of the evidence-base practice principles of PSH and best practices on how to implement Housing First in communities that are also balancing substance use recovery principles. Communities will identify specific strategies to wrap intensive supports around complex individuals, discussing assessment tools, referral processes, partnership agreements and strategies to match people with the setting that best meets their needs.
- Rent Assistance Database (RAD) (\$750,000): To address a lack of awareness among people seeking housing and people trying to help them access housing, this platform would increase clarity on eligibility for housing subsidies. The Health Care Authority (HCA) recently received inquiries about eligibility for various housing resources and a joint position paper was developed by the three state agencies – Commerce, the Dept. of Social and Health Services (DSHS) and HCA – that describes rental resources. The goal of this project (RAD) would be to implement this paper into an expanded virtual platform that provides public information on the types of rent assistance available with details about eligibility, various funding sources and access.

Affordable Housing Advisory Board Recommendation – Study on Aging Homeless Population: \$250,000

Based on a recommendation from the Affordable Housing Advisory Board 5-Year Advisory Plan, released in 2024, this request is for \$250,000 for a consultant report on the needs and gaps in service for the aging homeless population in Washington state, including recommendations for improvements to current systems of care to address this growing vulnerable population.

- \$250,000 for a consultant report

Agency Request Legislation

Housing and homelessness-related RCW Clarifying and Streamlining

This proposal seeks to make seven (7) statutory changes to streamline and clarify WA State laws related to housing and homelessness programs operated by Commerce.

○ **PSH definition change**

In the 2024 legislative session, several bills that did not pass ([HB 2397](#), [HB2263](#)) tested the definition of Permanent Supportive Housing. In addition, the Growth Management Act (GMA) team at the Dept. of Commerce is actively producing model ordinance guidance for communities on emergency shelters, transitional housing, emergency housing and permanent supportive housing (STEP). As the GMA team has developed the information for the STEP model ordinance, clarification on the definition of PSH is needed to help communities differentiate licensed facilities from PSH.

This change clarifies and aligns the GMA efforts with the Apple Health and Homes and supports the messaging for eligible projects authorized under the Housing Trust Fund program. This proposed definition was developed through a monthly multi-state agency workgroup that meets to discuss the ongoing challenges with PSH.

○ **Align Point-In-Time Count with federal requirements**

Aligns the point-in-time count requirements with the federal Department of Housing and Urban Development (HUD) requirements: annual count for people experiencing sheltered homelessness (in emergency shelters and transitional housing programs) and every other year for people experiencing unsheltered homelessness (as opposed to the current annual unsheltered count requirement). Commerce already produces a more accurate accounting of homelessness twice a year using identify-matched administrative data from Commerce's programs, the Department of Social and Health Services, and the Health Care Authority. This proposal removes outdated and confusing language about the requirements and addresses administrative efficiencies requested in the Homeless Service Provider Workforce and Trauma studies (ESSB 5693).

○ **Make direct cash assistance allowable in HEN Statute and Home Security Funded grant programs**

Updates existing language that will explicitly allow home security funded grant programs (Fund 10B) to make direct cash assistance payments to households at risk of or currently experiencing homelessness. The direct cash assistance could be used to meet a variety of household needs related to obtaining or maintaining housing, such as paying rent and transportation. Direct cash assistance is an increasingly used best practice that can help meet existing gaps in services and support the autonomy of the households we serve and is a high priority of stakeholders in the 2024-2029 WA State Homeless Housing Strategic Plan.

○ **Extend HEN eligibility to people moving to federal disability benefits**

Expands the current "bridge pilot" ([SB 6168](#), 2020) to all counties (now limited to five counties). The "HEN bridge payment" is for rent assistance to people receiving federal disability enrolled in HEN, or previously enrolled in HEN, who are facing homelessness because their federal payment is less than their HEN rent payment. This also addresses more effective program outcomes requested in the Homeless Service Provider Workforce and Trauma studies (ESSB 5693).

- **Align administration rate for HEN Grantees with Home Security Funded (Fund 10B) programs**

Aligns the administration rate for HEN Grantees with other similar Home Security Funded programs. Currently, homeless housing service providers have to calculate, budget, expend, and monitor different administrative rates in the consolidated homeless grant. Aligning the administration rate set by Commerce would streamline budgeting, address the need for increasing costs to manage the funds and make the contracting process more efficient. This also addresses wage increases and administrative efficiencies requested in the Homeless Service Provider Workforce and Trauma studies (ESSB 5693).

- **Expand the list of member agencies on the Interagency Council on Homelessness**

The Interagency Council on homelessness (ICH) was created by the Legislature to help coordinate the state's response to homelessness among state agencies. This proposal supports greater collaboration across state agencies to improve the state response to homelessness. All but one of the additional agencies proposed below are already consistent attendees of the meetings.

This change amends RCW 43.185C.010(16) to expand the list of member agencies on the Interagency Council on Homelessness (ICH), beyond the current membership of the Department of Commerce; the Department of Corrections; the Department of Children, Youth, and Families; the Department of Veterans Affairs; and the Department of Health. Additional membership would include: the Department of Social and Health Services - Economic Services Administration and the Behavioral Health Administration; the Department of Ecology; the Department of Employment Security; the Office of the Superintendent of Public Instruction; the Department of Transportation; the Department of Licensing, and the State Board for Community and Technical Colleges. Final ARL language will depend on which agencies provide letters of support to be included in this RCW change.

- **Align RCW definitions of shelter**

There are various different definitions of "shelter" in RCWs. This change would create a single definition and adjust other references in statute to the single definition.

Direct Cash Transfers for Homeless Youth Pilot Program

This agency request legislation is a companion to the financial DP described above. The proposal establishes the Direct Cash Transfers for Youth Pilot Program in statute and provides funding (in the companion budget request) to implement the pilot during 2025-27 biennium. The proposal also designates that persons receiving funds through the pilot program are still eligible for certain assistance programs, and contains provisions to minimize the impact of receipt of direct cash on income calculation for other assistance programs and determination of child support obligations. (See companion Decision Package – Operating Budget request above.)



Opening doors to a better life

MEMO

DATE: August 20, 2024
TO: Board Commissioners
FROM: Steve Walker
RE: Executive Directors Report

This memo is a summary of activities for each division as well as highlights of some of my activities from July 24 – August 19, 2024. Please contact Tera to set up a call with me or a division director should you have any questions.

Multifamily & Community Facilities:

- **IRA Update- Solar for All funding**
We are in discussions with the Dept of Commerce – Energy office solar staff, regarding being a sub-recipient and administering a revolving loan fund for solar on multifamily buildings. The proposed approximate amount is \$10 million. We are piloting a structure with our SET (Sustainable Energy Trust) funds that provides a bridge loan for WSU incentives, that we would build upon with these funds. We are currently reviewing draft terms and conditions and would be bringing more information and a board action to enter into an interagency agreement by first quarter of the calendar year, so in early 2025.
- Staff did a tour of the Wesley Senior Living Facility at Tehaleh and spent the day working on change management principles as well as tools for prioritizing workload.
- As part of our regular check-in meetings with the King County public funders staff are scheduling a meeting to specifically focus on the current operating issues that the affordable portfolio is experiencing. We hope to share and learn what we each have regarding data and analysis and understanding of the significant issues facing the portfolio.
- Bond polices and procedures are being updated for 2025. There is an interested party meeting being held Wednesday, August 21st and the list of proposed changes can be found here [2025BTCPoliciesProposedAmendments.pdf \(wshfc.org\)](https://www.wshfc.org/2025BTCPoliciesProposedAmendments.pdf) and will be presented at the work session

Homeownership:

Covenant Homeownership-

- Dietrich Schmitz continues to offer virtual training for loan originators, real estate professionals and nonprofit partners.

- On August 9th, staff were joined by Representative Taylor, Nicole Bascomb, and partners, to celebrate the closing of our first CHA homebuyer. We presented Jessica Talton from Movement Mortgage with a Proud Partner Award.
- As of August 12th, we have 34 loans with CHA reservations representing King, Pierce, Kitsap, Grant, Mason, Spokane, and Yakima counties with 6 confirmed loan closings.
- We are following up with many connections in communities and have been invited to do presentations at meetings and host tables at events all over the state. New fillable flyers in English and Spanish as well as marketing guidance have been posted to our website. Lisa DeBrock was interviewed by KUOW radio.
- We are interviewing for our new Covenant Outreach position and look forward to this additional capacity.

Homeownership Assistance Fund-

- As of August 14, 2024, over 4,500 grants have been funded totaling approximately \$93 million dollars in grant assistance. The program is on schedule to expend all the funding by June 30, 2025.
- The Homeownership HAF Team is currently working with the Finance Division and the State's Auditor's Office regarding its Single Audit for Fiscal Year 2024 and that is expected to be concluded in the next couple of months.

Other-

- In July, we had \$204 million in new reservations assisting 520 households.
- Lisa DeBrock presented our programs in conjunction with Freddie Mac at the LGBTQ+ Real Estate Alliance on August 8th.

Asset Management & Compliance:

Compliance Monitoring-

- Tax Credit Reviews: All Owner's Annual Certifications have been submitted to WBARS, and staff have commenced their reviews. 35% of the reports are reviewed.
- Physical Inspections: Inspections are proceeding under HUD's NSPIRE standards, with LIHTC properties inspected at least once every three years. U.S. Housing Consultants are inspecting over 300 properties between March and October.
- As of June 30th, 48% of the total scheduled inspections have been completed. Portfolio Analysts are currently reviewing inspection reports.

- AMC is developing a process change proposal aimed at easing the administrative burden and enhancing the effective monitoring of assets. The goal is to implement this proposal in 2025.

Community Engagement and Education-

- LIHTC Fundamentals and Advance Trainings for owners and Operators: Staff will be back in Spokane in August to train at the Oxford Suites Spokane Valley, August 20th and 21st with our training team Lanakay Lipp, Erik Giesen and Chrystal White.
- Fair Housing Training program: AMC have launched this project to fulfil one of the RESP goals and WSHFC ongoing commitment to promoting fair housing practices. Renee is spearheading efforts and preparations have commenced to update and fortify the Fair Housing training offered and promoted by our agency.

Targeting both internal and external interested parties. We aim to build partnerships with state Fair Housing enforcers and develop a comprehensive training program and resources for all interested parties. The goal is to strengthen its Fair Housing training program, ensuring it meets the evolving needs of our community and upholds the highest standards of equity and accessibility.

- Language Access Project update: Renee is also leading this project with a vendor. RFPS were out and Renee has reported that they received all bids in, and the review committee will meet 8/21/2024 to discuss the Score sheet and will have a decision shortly. Along with the awarded contractor Renee will assess the challenges residents and property managers face when using Commission forms. The project is slated to kick off in September and conclude in June 2025.

Renters' engagement and Resources-

- Website Updates – In an effort to increase access to housing resources to LIHTC developed properties, Renee Dillard is collaborating with our MarCom team to develop a dedicated webpage for residents. This will include updating existing resources to ensure they are accessible and relevant to our community.

Resident and Community Engagement Process-

- To enhance accessibility and refine how we document, and address grievances reported to our Portfolio Analysts (PAs), Renee is also looking into ways to streamline the process for residents, housing advocates, and the broader community to effectively contact the Commission. The goal is to ensure that all concerns are captured comprehensively and addressed in a timely and equitable manner.

Business Process improvement-

- Intellectyx, IX, will continue to administer WSHFC WBARS. With Melissa's leadership we are preparing our WBARS Roadmap to plan major work on the system over the next 1-2 years. To inform this process IX is conducting focus group meetings with external partners.

Staffing-

- We recently announced the opening of 2 new Portfolio Analyst positions and will start interviewing for those positions soon, as we recently had Duane Bakke retire and Michelle Gonzales has moved on.
- We will also be saying goodbye to Mizan Irwin and would like to acknowledge their contributions to our division and congratulate them on beginning their new journey with our Finance division! Thank you Mizan for all you do!

Finance:

- Single audit for Home Assistance Fund (HAF) is still on going with a lot of sampling requests for eligibility and compliance tests from SOA.
- The finance team starts working on 2024-year end closing to close book and prepare for the CPA firm audit.
- Interview was conducted to fill in fiscal assistant position.

DEI Update:

- A cross-functional staff team has been assembled to lead a project to reimagine and redesign the Racial Equity Strategic Plan accountability tracker and supporting reports. Currently this group is developing a project charter, and communications plan to ensure staff and commissioners receive transparent and timely information throughout the life of the project.
- Nashika is working with Human Resources to develop an Inclusive Hiring Toolkit and is also working with Communications to design a shared organizational approach to community engagement.
- Pro-Equity Anti-Racism (PEAR) integration: Executive Order 22-04 outlines that state agencies are responsible and accountable for achieving agency PEAR outcomes such as developing a strategic action plan and performance measures. We already have the Racial Equity strategic Plan and will be developing a plan to integrate these two plans with support from the Office of Equity.

Steve Walker:**Legislative budget proviso-**

Staff have now issued three requests for proposals for distinct activities.

RFP #1: Housing Counseling, Support, and Outreach for Covenant Homeownership Program, proposals were due on August 16th and our staff is now reviewing.

RFP #2: Predevelopment Grant Administrator for starter home production, proposals due by August 30th.

RFP #3: Comprehensive and Scalable Starter Home Production Plan, proposals are due by September 10th.

Other Events and Meetings:

I took part in the following events and meetings for June:

WCRA Board Meeting; Housing Development Consortium of Seattle and King County Annual meeting; Cascadia Housing Roadmap Steering Committee.

Washington State Housing Finance Commission
 Homeownership Programs
 Fiscal Year Loan Production
 July 1, 2024 - July 31, 2024

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

Percentage of Goal reached YTD - 8.9%

HOME ADVANTAGE			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	12	\$ 4,789,717	50.0%
Conventional FHLMC	68	\$ 26,893,793	16.2%
Government	328	\$ 132,123,197	34.8%
Energy Spark	0	\$ -	0.0%
Total	408	\$ 163,806,707	32.1%

HOUSE KEY OPPORTUNITY			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	16	\$ 5,022,440	25.0%
Conventional FHLMC	3	\$ 652,650	66.7%
Government	19	\$ 5,416,376	36.8%
Total	38	\$ 11,091,466	34.2%

DOWNPAYMENT ASSISTANCE			
	Loans	\$ Volume	% Households of Color
Home Adv 0%	387	\$ 6,186,258	32.8%
Home Adv Needs Based 1%	0	\$ -	0.0%
Opportunity	35	\$ 497,851	34.3%
HomeChoice	1	\$ 15,000	0.0%
Bellingham	0	\$ -	0.0%
East King County	0	\$ -	0.0%
Pierce County	0	\$ -	0.0%
Seattle	0	\$ -	0.0%
Tacoma	0	\$ -	0.0%
University of WA	0	\$ -	0.0%
Veterans	2	\$ 20,000	50.0%
Clark County DPA	0	\$ -	0.0%
Social Justice DPA	1	\$ 10,000	100.0%
Total	426	\$ 6,729,109	33.1%

Washington State Housing Finance Commission/Homeownership Division
 Counseling & Grants:
 Default Counseling, Pre-Purchase and Other Homeowner Assistance
Report for July 2024

Grant Name/ Description/Service Area	Granting Entity	Subgrantees/ Partners	Grant Amount/ Date	Amount Disbursed to Date	Balance Remaining	Grant Expiration
HUD SuperNOFA 2022 Default and Pre-Purchase Counseling. Service Area: Statewide	Department of Housing and Urban Development	AFS; CVH; KCLT; OIC; OPAL; Parkview; RRCA; SNAP	\$200,000 2023/2024	\$142,734	\$47,266	9/30/2024
HUD SuperNOFA 2023 Default and Pre-Purchase Counseling. Service Area: Statewide	Department of Housing and Urban Development	AFS; CVH; KCLT; OIC; OPAL; Parkview; RRCA; SNAP	\$271,690	0.00	\$271,690	3/31/2025
HAF Counseling Pay-Per- Service Grant FY 2024 Default Housing Counseling. Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS;	\$3,000,000 Jul 2023	\$1,995,075	\$1,004,925	12/31/2025
Foreclosure Fairness Act Default Housing Counseling and Mediation. Service Area: Statewide	Department of Commerce	WHRC; AFS; NJP; Parkview; RRCA; SNAP; ULMS;	\$1,000,000 FY 24	\$565,250	\$434,750	6/30/2025
HAF/STATE Civil Legal Aid Legal Representation for Low- Income Clients Service Area: Statewide	U.S. Department Treasury and State	NJP	\$5,635,311 Jan 2022	\$5,635,311	\$0.00	6/30/2024
HAF Application Assistance Post-HAF Application Assistance Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS;	\$3,000,000 Oct 2022	\$1,699,285	\$1,300,715	12/31/2025

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

HOMEOWNERSHIP PROGRAMS

HOMEBUYER EDUCATION PRODUCTION and HOME LOAN TRAINING

July 1, 2024 - June 30, 2025

HOMEBUYER CLASS

Fiscal year goal - 800 classes, 8,000 participants by June 30, 2025

Percentage of goal reached YTD: 12%

	Classes	Participants
Virtual:	35	178
In-Person:	23	140
Online Classes:	633	633
Total:	691	951

Classes not yet reporting participation: 80

Data lags 3 months due to data collection process

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

Classes:	44,285
Participants	245,575

PROGRAM TRAINING ATTENDEES

Fiscal year goal - 10 Instructor classes by June 30, 2025

Percentage of goal reached YTD: 10%

Month	Classes	Attendees
July	1	35
August		
September		
October		
November		
December		
January		
February		
March		
April		
May		
June		
Total:	1	35



Washington State Housing Finance Commission
2024 Bond/Tax Credit Balance of State Allocation List

Development Name	Developer	Community-Based Organization	City	Tax-Exempt Bond Request	Taxable Bond Request	Geographic Target	Units	Points Awarded
Geographic Target: Publicly-Funded Balance of State								
Vancouver Waterfront Gateway Affordable Housing	Colas Development	Native American Youth and Family Center	Vancouver	\$23,000,000	\$ -	Publicly Funded - Balance of State	95	40
Mercy Aviva Crossing - 4%	Mercy Housing Northwest	Metropolitan Development Council	Tacoma	\$19,887,309	\$ -	Publicly Funded - Balance of State	79	38
			Subtotal	\$42,887,309	\$ -		174	
Geographic Target: Balance of State								
Crestview Terrace Apartments	Community Preservation Partners	Hopesource	Ellensburg	\$27,500,000	\$5,500,000	Balance of State	168	65
Westgate Terrace & Parkland Terrace	Reliant Group	Longview Senior Center	Longview	\$19,126,750	\$3,873,250	Balance of State	153	49
			Subtotal	\$46,626,750	\$9,373,250		321	
Geographic Target: Snohomish								
Rucker Avenue	Devco	Rise Up Academy	Everett	\$55,000,000	\$ -	Snohomish	214	41
Village at Lake Stevens	Vintage Housing Development	Veteran's Village	Lake Stevens	\$36,570,000	\$ -	Snohomish	191	46
			Subtotal	\$91,570,000	\$ -		405	
Waitlist								
Cedar Flats	MacDonald Ladd Development	Metropolitan Development Council	Puyallup	\$22,062,322	\$653,433	Balance of State	120	32
Cedar Crossing	MacDonald Ladd Development	Metropolitan Development Council	Puyallup	\$27,343,362	\$866,882	Balance of State	144	32
			Subtotal	\$49,405,684	\$1,520,315		264	
			TOTAL	\$230,489,743	\$10,893,565		1164	

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: July 2024

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

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

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

Within the 12-month period, staff will:

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

Tax Credit Reports *

Calendar Year 2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	1	31	21	28	94	201	30						406	1,075	38%

Calendar Year 2023	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	2	2	16	84	207	143	44	68	73	92	122	205	1,058	1,055	100%

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

Bond Reports **

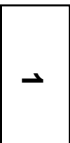
Calendar Year 2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	6	19	14	20	7	4	0						70	70	100%

Calendar Year 2023	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	11	21	44	2	0	0	0	1	0	0	0	0	79	75	105%

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

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

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



ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: July 2024

BUSINESS OBJECTIVE: *Complete on-site review of 33^{1/3}% of all projects by December 31, 2024.*

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

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

Project Inspections

Calendar Year 2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	1	2	30	45	57	47	61						243	380	64%

Calendar Year 2023	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	4	2	45	54	52	56	52	54	55	1	0	0	375	375	100%

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

COMPLIANCE TRAININGS: The next Tax Credit Compliance Workshops are scheduled for:
October 22 and 23, 2024, Vancouver
In-Person Tax Credit Fundamentals and Advanced Workshops

The next Bond Compliance Workshop is scheduled for:
Tuesday and Wednesday, October 8-9, 2024 ONLINE



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

August 21, 2024

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 July 31, 2024, 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: Sharon Hu
Sharon Hu
Senior Controller

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

July 31, 2024

CONTENTS

(See Accountant's Compilation Report)

Financial Statements:

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

Accompanying Information to Financial Statements:

Detailed Statement of Activities	5
----------------------------------	---

Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
July 31, 2024
(See Accountant's Compilation Report)

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>		
			<u>Amount</u>	<u>%</u>	
ASSETS					
Cash and Cash Equivalents:					
Demand Deposits	\$ 8,107,635	\$ 8,581,605	\$ (473,970)	(1)	-6%
Money Market Accounts	107,851,657	147,344,824	(39,493,167)	(1)	-27%
Investment Securities	1,454,709	14,909,848	(13,455,139)	(1)	-90%
Interest Receivable	1,029,125	1,026,339	2,786		0%
Fees Receivables	18,145,819	15,566,398	2,579,421	(2)	17%
Prepaid Expenses & Other Receivable	3,571,208	1,310,471	2,260,737	(3)	173%
Furniture and Fixtures (net of depreciation)	413,373	336,871	76,502	(4)	23%
Intangible Lease Asset (net of amortization)*	763,411	763,411	-		0%
Net Pension Asset*	1,767,016	1,767,016	-		0%
<i>Total Assets</i>	<u>143,103,953</u>	<u>191,606,783</u>	<u>(48,502,830)</u>		<u>-25%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	<u>5,479,906</u>	<u>5,479,906</u>	<u>-</u>		<u>0%</u>
<i>Total Assets and Deferred Outflows</i>	<u>\$ 148,583,859</u>	<u>\$ 197,086,689</u>	<u>\$ (48,502,830)</u>		<u>-25%</u>
LIABILITIES					
Accounts Payable and Other Liabilities	\$ 4,300,935	\$ 5,707,645	\$ (1,406,710)	(5)	-25%
Unearned Fee Income	99,144,558	149,112,089	(49,967,531)	(6)	-34%
Accrued Payroll Payable	1,995,220	1,734,222	260,998	(7)	15%
Lease Liability*	719,844	719,844	-		0%
Net Pension Liability *	3,584,711	3,584,711	-		0%
<i>Total Liabilities</i>	<u>109,745,268</u>	<u>160,858,511</u>	<u>(51,113,243)</u>		<u>-32%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	<u>6,907,214</u>	<u>6,907,214</u>	<u>-</u>		<u>0%</u>
NET POSITION					
Invested in Capital Assets	413,372	336,871	76,501	(4)	23%
Committed - Housing Washington *	228,258	350,886	(122,628)		-35%
Unrestricted	31,289,747	28,633,207	2,656,540		9%
<i>Total Net Position</i>	<u>31,931,377</u>	<u>29,320,964</u>	<u>2,610,413</u>		<u>9%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 148,583,859</u>	<u>\$ 197,086,689</u>	<u>\$ (48,502,830)</u>		<u>-25%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The decrease is primarily due to the drawdown of funds for the Homeowner Assistance Fund (HAF) program.
- (2) The overall increase in fees receivable is primarily due to slower receipt of Commission fees on outstanding bonds, greater receivables related to the Citibank Securitization program and DPA loans in the Homeownership program, and higher receivables for 2nd half tax credit fees for Commission issued 4% bonds.
- (3) 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.
- (4) The increase in net capital assets reflects the deposit made on the purchase of new office furniture and fixtures, offset by continued depreciation and amortization of capital assets.
- (5) The overall decrease in accounts payable and other liabilities is primarily due to the return of a large portion of interest earned on HAF program funds in June 2024.
- (6) The decrease in unearned fee income is primarily due to the drawdown of funds from the HAF program, established in Section 3206 of the American Rescue Plan Act of 2021.
- (7) The increase in accrued payroll payable is primarily due to higher vacation and sick leave balances, plus effects of the 3% COLA and general increases at the beginning of the fiscal year.
- * 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: July 31, 2024
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance		
				Amount	%	
<i>Revenues:</i>						
Fee Income	\$ 4,176,708	\$ 4,176,708	\$ 2,146,110	\$ 2,030,598	(1)	95%
Interest Earned & Realized Gain	1,466,134	1,466,134	1,071,420	394,714	(2)	37%
Other	17,992	17,992	18,117	(125)		-1%
<i>Total Unadjusted Revenues</i>	<u>5,660,834</u>	<u>5,660,834</u>	<u>3,235,648</u>	<u>2,425,186</u>		<u>75%</u>
<i>Expenses:</i>						
Salaries, Wages, and Employee Benefits	1,051,920	1,051,920	1,079,881	(27,961)		-3%
Travel & Conferences	13,779	13,779	8,936	4,843	(3)	54%
Professional Fees	175,717	175,717	198,801	(23,084)	(4)	-12%
Office Expense	202,994	202,994	192,564	10,430		5%
<i>Total Expenses</i>	<u>1,444,410</u>	<u>1,444,410</u>	<u>1,480,183</u>	<u>(35,773)</u>		<u>-2%</u>
<i>Adjustments</i>						
<i>Revenues:</i>						
Unrealized Gain/(Loss) on Investments	838,239	838,239	118,366	719,873		608%
Grant Revenue	5,335,995	5,335,995	4,101,791	1,234,204		30%
<i>Expenses:</i>						
Grant Pass-Through	5,335,995	5,335,995	4,101,791	1,234,204		30%
<i>Total Adjustments</i>	<u>838,239</u>	<u>838,239</u>	<u>118,366</u>	<u>719,873</u>		<u>608%</u>
Excess of Revenues over Expenses	5,054,663	5,054,663	1,873,831	3,180,832		170%
Less transfer to Commission Fund *	-	-	-	-		NA
Excess of Revenues over Expenses (Net of Transfers)	<u>5,054,663</u>	<u>5,054,663</u>	<u>1,873,831</u>	<u>3,180,832</u>		<u>170%</u>
<i>Net Position</i>						
Total net position, beginning of period	26,876,714	26,876,714	27,447,133	(570,419)		-2%
Current Increase (Decrease) - to Net position	5,054,663	5,054,663	1,873,831	3,180,832		170%
Total net position, end of year	<u>\$ 31,931,377</u>	<u>\$ 31,931,377</u>	<u>\$ 29,320,964</u>	<u>\$ 2,610,413</u>		<u>9%</u>

(1) Increase in fee income is primarily due to increased revenue from the Homeownership division's Home Advantage program.

(2) The increase in interest income is primarily due to the increase in rates. For example, the LGIP rate has increased from 5.24% in the prior year period to a rate of 5.41% in the current year period.

(3) Conference and travel expenses increased slightly due to an increase of in-state travel related to training classes offered by Homeownership and AMC staff.

(4) Professional fees decrease is primarily due to a decrease in legal fee expense in the current year.

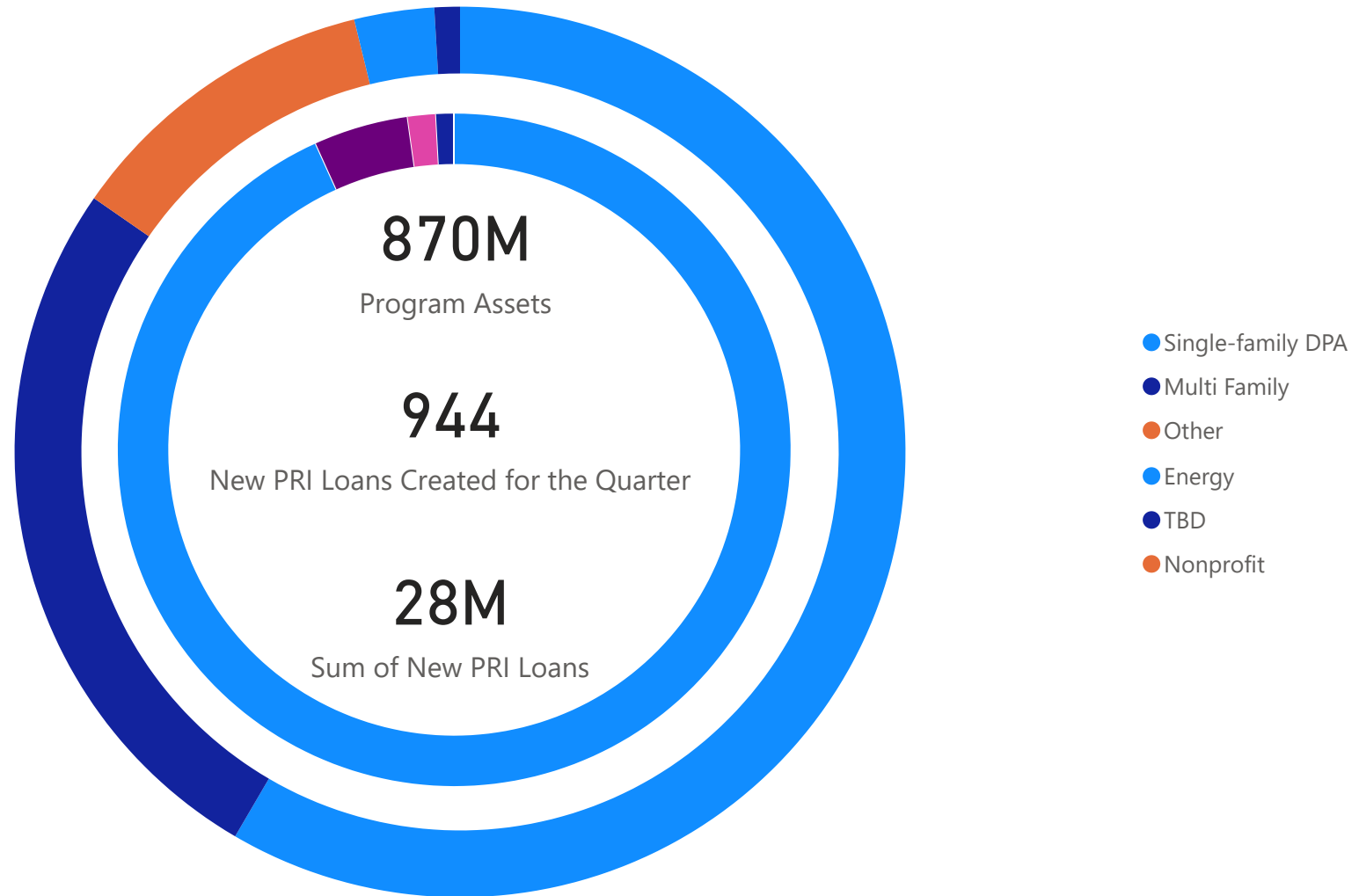
* Effective 1/1/2013, 25% of the Home Advantage Program revenue was transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility. Due to an ease in the revenue generated from the Home Advantage program, the 25% allocation has been suspended indefinitely, effective 7/1/23, until it is determined be beneficial to the Commission Fund to resume allocation and transfers.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: July 31, 2024
(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	-17.4%	\$ (343,305)	\$ 1,968,869	\$ 1,625,564	\$ 2,371,513	\$ (745,949)	-31.5%
Issuance, Application, and Servicing Fees	1339.4%	2,373,903	177,241	2,551,144	544,980	2,006,164	368.1%
Interest Earned & Realized Gain	36.8%	394,714	1,071,420	1,466,134	1,178,877	287,257	24.4%
Other Income	-0.7%	(125)	18,117	17,992	74,686	(56,694)	-75.9%
Total Unadjusted Revenues	75.0%	2,425,187	3,235,648	5,660,833	4,170,057	1,490,777	35.7%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	-4.1%	(34,964)	856,466	821,502	988,947	(167,445)	-16.9%
Employee Benefits - Staff	3.1%	7,003	223,415	230,418	275,199	(44,781)	-16.3%
Conference, Education & Training	24.5%	853	3,478	4,331	19,442	(15,111)	-77.7%
Travel out of state - Staff	-53.2%	(1,873)	3,519	1,646	21,188	(19,542)	-92.2%
Travel in state - Staff	302.4%	5,863	1,939	7,802	13,006	(5,204)	-40.0%
Accounting Fees	NA	3,000	-	3,000	11,840	(8,840)	-74.7%
Legal Fees	-51.2%	(24,941)	48,703	23,762	66,750	(42,988)	-64.4%
Financial Advisor Fees	0.0%	-	24,000	24,000	30,267	(6,267)	-20.7%
Investment Management Fees	-2.7%	(394)	14,658	14,264	18,167	(3,903)	-21.5%
Office Rent/Conf. Room Rentals	-13.6%	(6,259)	46,154	39,895	50,929	(11,034)	-21.7%
Furniture & Equipment Rental	-63.0%	(969)	1,539	570	2,256	(1,686)	-74.7%
Advertising	-83.9%	(9,702)	11,563	1,861	26,678	(24,817)	-93.0%
Publications/ Subscriptions/ Dues	-13.6%	(1,045)	7,681	6,636	11,005	(4,369)	-39.7%
Deliveries	-100.0%	(26)	26	-	427	(427)	-100.0%
Insurance	9.1%	474	5,189	5,663	5,513	151	2.7%
Meeting Expense	NA	-	-	-	13,479	(13,479)	-100.0%
Equipment & Building Maintenance	NA	-	-	-	8,918	(8,918)	-100.0%
Software Maint. Support & Other Info Svcs	26.2%	25,822	98,453	124,275	153,988	(29,713)	-19.3%
Non-capitalized Equipment/Supplies	-100.0%	(666)	666	-	20,341	(20,341)	-100.0%
Postage	-29.4%	(10)	34	24	432	(408)	-94.4%
Printing	NA	1,809	-	1,809	1,164	645	55.4%
State Services	53.5%	151	282	433	581	(148)	-25.5%
Supplies	-679.2%	489	(72)	417	4,008	(3,591)	-89.6%
Telephone	-24.8%	(2,356)	9,506	7,150	4,783	2,367	49.5%
Contract Services	-0.7%	(748)	111,440	110,692	143,776	(33,084)	-23.0%
Depreciation	23.5%	2,718	11,543	14,261	17,858	(3,597)	-20.1%
Total Expenses	-2.4%	(35,771)	1,480,185	1,444,411	1,910,942	(466,531)	-24.4%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	608.2%	719,873	118,366	838,239	-	838,239	NA
Grant Revenue	30.1%	1,234,204	4,101,791	5,335,995	5,079,387	256,608	5.1%
<i>Expenses:</i>							
Grant Pass-Through	30.1%	1,234,204	4,101,791	5,335,995	5,079,387	256,608	5.1%
	608.2%	719,873	118,366	838,239	-	838,239	NA
Excess of Revenues over Expenses- adjusted	169.8%	3,180,831	1,873,829	5,054,661	2,259,115	2,795,547	123.7%
Less transfer to Commission Fund	NA	-	-	-	-	-	NA
Excess of Revenues over Expenses (Net of Transfers)	169.8%	\$ 3,180,832	\$ 1,873,829	\$ 5,054,661	\$ 2,259,115	\$ 2,795,547	123.7%

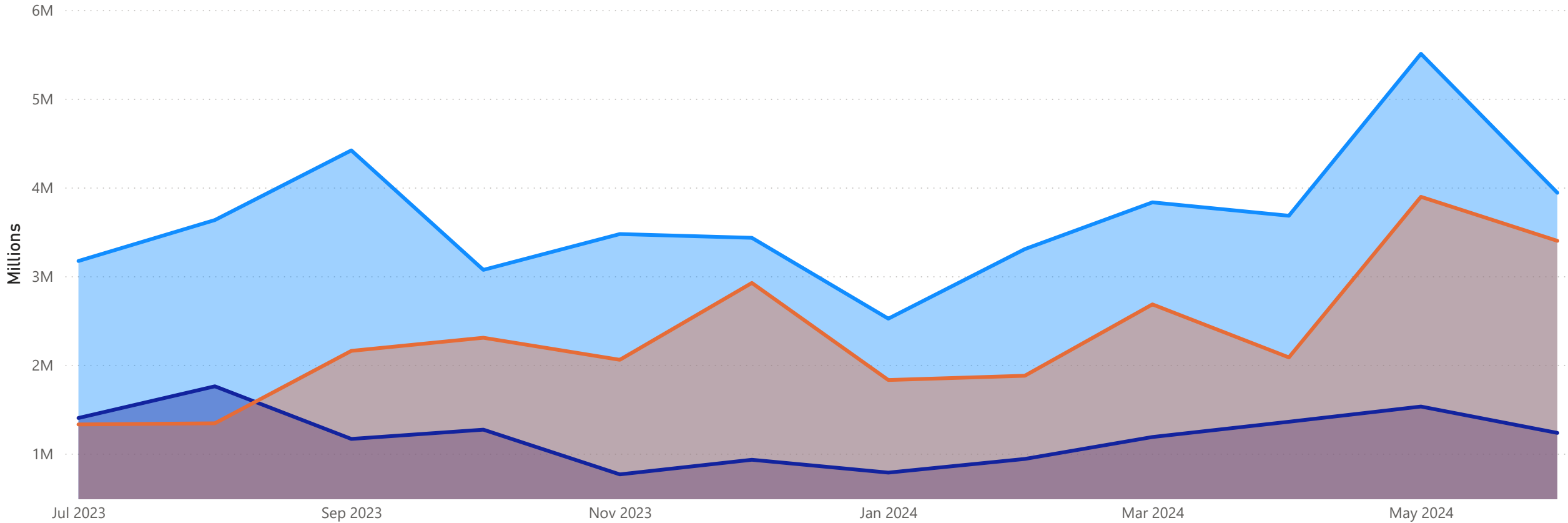


PRI Program Assets and Uses at Quarter End 3/31/2024

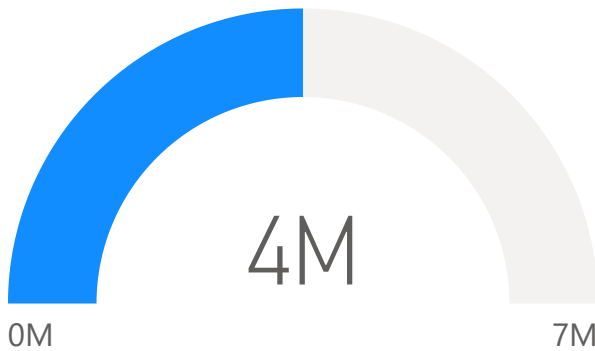


Quarterly HomeAdvantage DPA Repayments Comparison to PRI Subsidy

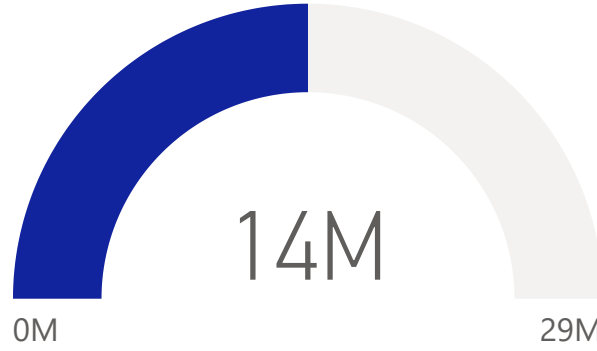
● HomeAdvantage DPA Purchases ● Home Advantage Principal Repayments ● PRI Revenue Subsidy



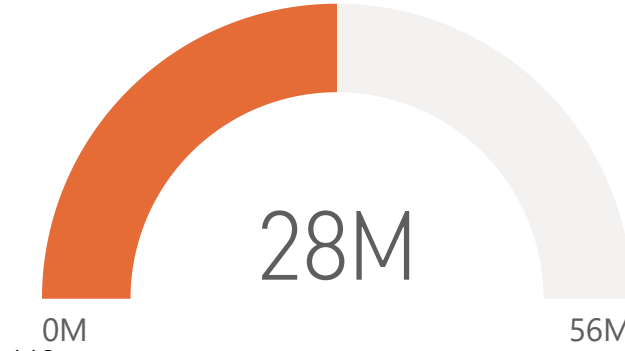
12 Month Average of HomeAdvantage DPA Purchases



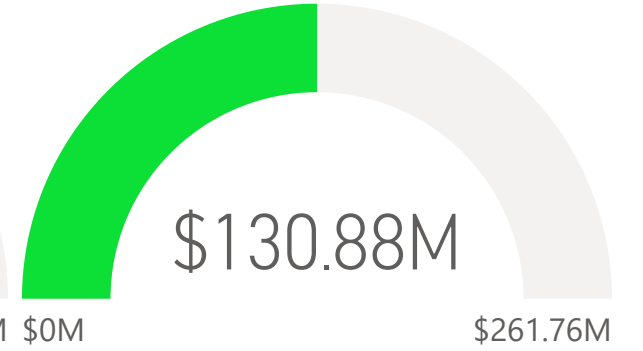
Home Advantage Principal Repayments



PRI Revenue Subsidy



Total Subsidy to Date



Quarterly Home Advantage Availability

55.77M

Home Adv Available at 03/31/24

4.25M

Quarterly Repayments Received

9.38M

Quarterly Repayments Reinvested

1.45M

Reinvested in Taxable Bond DPAs

643.96K

Reallocated to other DPA programs

64.81K

Misc Income/Expenses*

48.61M

Home Adv Available at 06/30/24

*Misc Income/Expense encompasses other items that impact availability, such as income from loan fees and bad debt.



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

July 23, 2024

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 June 30, 2024 and the related statement of Activities and Changes in Net Position for the month ended in accordance with generally accepted accounting principles.

Please be aware that these statements represent the best information available at the report date. June 30, 2024 represents the end of the fiscal year and, as such, additional efforts are taken to assure accrual of all expense and revenue into the appropriate fiscal year. Therefore, we expect additional recognition or reclassification to the statements. However, except for pension related entries required by the Government Accounting Standards Board (GASB), such changes are not expected to be material.

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: Sharon Hu
Sharon Hu
Senior Controller

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

June 30, 2024

CONTENTS

(See Accountant's Compilation Report)

Financial Statements:

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

Accompanying Information to Financial Statements:

Detailed Statement of Activities	5
----------------------------------	---

Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
June 30, 2024
(See Accountant's Compilation Report)

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>	
			<u>Amount</u>	<u>%</u>
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 6,524,047	\$ 6,914,411	\$ (390,364)	(1) -6%
Money Market Accounts	111,697,136	152,214,062	(40,516,926)	(1) -27%
Investment Securities	38,601,831	40,228,323	(1,626,492)	(1) -4%
Interest Receivable	985,602	960,813	24,789	3%
Fees Receivables	13,306,085	12,526,287	779,798	6%
Prepaid Expenses & Other Receivable	3,435,647	1,254,926	2,180,721	(2) 174%
Furniture and Fixtures (net of depreciation)	407,092	348,490	58,602	(3) 17%
Intangible Lease Asset (net of amortization)*	763,411	763,411	-	(4) 0%
Net Pension Asset*	1,767,016	1,767,016	-	0%
<i>Total Assets</i>	<u>177,487,867</u>	<u>216,977,739</u>	<u>(39,489,872)</u>	<u>-18%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	<u>5,479,906</u>	<u>5,479,906</u>	<u>-</u>	<u>0%</u>
<i>Total Assets and Deferred Outflows</i>	<u>\$ 182,967,773</u>	<u>\$ 222,457,645</u>	<u>\$ (39,489,872)</u>	<u>-18%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 5,149,995	\$ 6,105,505	\$ (955,510)	(5) -16%
Unearned Fee Income	99,970,410	149,259,888	(49,289,478)	(6) -33%
Accrued Payroll Payable	1,965,586	1,677,164	288,422	(7) 17%
Lease Liability*	719,844	719,844	-	(4) 0%
Net Pension Liability *	3,584,711	3,584,711	-	0%
<i>Total Liabilities</i>	<u>111,390,546</u>	<u>161,347,112</u>	<u>(49,956,566)</u>	<u>-31%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	<u>6,907,214</u>	<u>6,907,214</u>	<u>-</u>	<u>0%</u>
NET POSITION				
Invested in Capital Assets	407,091	348,492	58,599	(3) 17%
Committed - Housing Washington *	350,886	496,505	(145,619)	-29%
Unrestricted	63,912,036	53,358,322	10,553,714	20%
<i>Total Net Position</i>	<u>64,670,013</u>	<u>54,203,319</u>	<u>10,466,694</u>	<u>19%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 182,967,773</u>	<u>\$ 222,457,645</u>	<u>\$ (39,489,872)</u>	<u>-18%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The decrease is primarily due to the drawdown of funds for the Homeowner Assistance Fund (HAF) program.
- (2) 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.
- (3) The increase in net capital assets reflects the deposit made on the purchase of new office furniture and fixtures, offset by continued depreciation and amortization of capital assets.
- (4) 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. Adjustments are made at year-end to record the amortization of the office rent lease asset and reduction in related lease liability.
- (5) The overall decrease in accounts payable and other liabilities is primarily due to the return of a large portion of interest earned on HAF program funds, partially offset by an increase in HAF related subgrantee payables.
- (6) The decrease in unearned fee income is primarily due to the drawdown of funds from the HAF program, established in Section 3206 of the American Rescue Plan Act of 2021.
- (7) The increase in accrued payroll payable is primarily due to higher vacation and sick leave balances, plus effects of the 4% COLA and general increases at the beginning of the fiscal year.
- * 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: June 30, 2024
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 2,907,431	\$ 37,816,054	\$ 31,769,160	\$ 6,046,894	(1) 19%
Interest Earned & Realized Gain	1,382,455	15,502,830	9,654,916	5,847,914	(2) 61%
Other	514,693	736,287	743,866	(7,579)	-1%
Total Unadjusted Revenues	4,804,579	54,055,171	42,167,943	11,887,228	28%
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	1,046,871	11,746,936	9,732,548	2,014,388	(3) 21%
Travel & Conferences	789,903	1,031,456	568,342	463,114	(4) 81%
Professional Fees	334,910	2,675,254	1,924,818	750,436	(5) 39%
Office Expense	223,705	2,760,603	2,639,193	121,410	5%
Total Expenses	2,395,389	18,214,249	14,864,902	3,349,347	23%
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	288,674	1,381,958	218,555	1,163,403	532%
Grant Revenue	5,094,832	70,982,588	39,406,555	31,576,033	80%
<i>Expenses:</i>					
Grant Pass-Through	5,094,832	70,982,588	39,406,555	31,576,033	80%
Total Adjustments	288,674	1,381,958	218,555	1,163,403	532%
Excess of Revenues over Expenses	2,697,864	37,222,880	27,521,596	9,701,284	35%
Less transfer to Commission Fund *	-	-	(99,524)	99,524	-100%
Excess of Revenues over Expenses (Net of Transfers)	2,697,864	37,222,880	27,422,072	9,800,808	36%
Net Position					
Total net position, beginning of period	61,972,149	27,447,133	26,781,247	665,886	2%
Current Increase (Decrease) - to Net position	2,697,864	37,222,880	27,422,072	9,800,808	36%
Total net position, end of year	\$ 64,670,013	\$ 64,670,013	\$ 54,203,319	\$ 10,466,694	19%

- (1) Increase in fee income is primarily due to increased revenue from the Homeownership division's Home Advantage program, coupled with an acceleration of income related to the Citi Securitization program.
- (2) The increase in interest income is primarily due to the increase in rates. For example, the LGIP rate has increased from 5.20% in the prior period to a rate of 5.40% in the current period.
- (3) Effective July 1st, all staff received a 4% cost of living wage increase and qualified staff received retention and covid vaccination bonuses, as well as an annual increase, resulting in greater salary and benefits expenses.
- (4) While conference and travel expenses increased slightly due to an increase in attendance of the NCSHA annual conference as well as a delay in recording HOWA registration fees in the prior year, the increase primarily reflects greater Housing WA Conference activity expenses recorded to the Commission at year-end compared to the prior year.
- (5) Professional fees increase is primarily due to greater property inspection related expenses in the Asset Management & Compliance Division and electronic content management consulting expenses for all divisions.

* Effective 1/1/2013, 25% of the Home Advantage Program revenue was transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility. Due to an ease in the revenue generated from the Home Advantage program, the 25% allocation has been suspended indefinitely, effective 7/1/23, until it is determined be beneficial to the Commission Fund to resume allocation and transfers.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: June 30, 2024
(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	17.8%	\$ 3,958,105	\$ 22,255,341	\$ 26,213,446	\$ 23,806,323	\$ 2,407,123	10.1%
Issuance, Application, and Servicing Fees	22.0%	2,088,790	9,513,818	11,602,608	3,614,914	7,987,694	221.0%
Interest Earned & Realized Gain	60.6%	5,847,914	9,654,916	15,502,830	10,639,801	4,863,029	45.7%
Other Income	-1.0%	(7,579)	743,866	736,287	1,173,200	(436,913)	-37.2%
Total Unadjusted Revenues	28.2%	11,887,230	42,167,942	54,055,170	39,234,238	14,820,933	37.8%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	16.2%	1,271,984	7,866,598	9,138,582	10,509,277	(1,370,695)	-13.0%
Employee Benefits - Staff	39.8%	742,403	1,865,950	2,608,353	2,982,674	(374,321)	-12.5%
Conference, Education & Training	109.6%	431,924	394,088	826,012	117,700	708,312	601.8%
Travel out of state - Staff	-2.0%	(2,697)	132,121	129,424	243,400	(113,976)	-46.8%
Travel in state - Staff	80.4%	33,886	42,133	76,019	85,285	(9,266)	-10.9%
Accounting Fees	-23.3%	(36,656)	157,438	120,782	137,960	(17,178)	-12.5%
Legal Fees	20.5%	122,585	597,029	719,614	701,000	18,614	2.7%
Financial Advisor Fees	-25.8%	(80,006)	310,000	229,994	356,800	(126,806)	-35.5%
Investment Management Fees	-1.4%	(2,515)	175,695	173,180	230,000	(56,820)	-24.7%
Office Rent/Conf. Room Rentals	-29.5%	(231,867)	785,137	553,270	942,684	(389,414)	-41.3%
Furniture & Equipment Rental	-44.0%	(17,093)	38,876	21,783	29,520	(7,737)	-26.2%
Advertising	74.3%	42,618	57,376	99,994	327,900	(227,906)	-69.5%
Publications/ Subscriptions/ Dues	3.3%	3,131	93,647	96,778	112,369	(15,591)	-13.9%
Deliveries	-25.6%	(490)	1,914	1,424	5,270	(3,846)	-73.0%
Insurance	8.6%	5,011	58,064	63,075	60,000	3,075	5.1%
Meeting Expense	-32.8%	(16,359)	49,815	33,456	112,249	(78,793)	-70.2%
Equipment & Building Maintenance	294.0%	27,380	9,312	36,692	111,520	(74,828)	-67.1%
Software Maint. Support & Other Info Svcs	26.0%	310,870	1,195,752	1,506,622	1,609,149	(102,527)	-6.4%
Non-capitalized Equipment/Supplies	-43.3%	(58,323)	134,667	76,344	122,637	(46,293)	-37.7%
Postage	-41.2%	(588)	1,428	840	3,630	(2,790)	-76.9%
Printing	404.4%	6,418	1,587	8,005	15,590	(7,585)	-48.7%
State Services	24.8%	494	1,993	2,487	16,870	(14,383)	-85.3%
Supplies	-12.8%	(3,826)	29,890	26,064	53,100	(27,036)	-50.9%
Telephone	33.5%	19,086	57,023	76,109	70,490	5,619	8.0%
Contract Services	109.1%	747,029	684,656	1,431,685	1,526,296	(94,611)	-6.2%
Depreciation	31.0%	37,270	120,391	157,661	163,667	(6,006)	-3.7%
Total Expenses	22.5%	3,349,347	14,864,905	18,214,249	20,647,037	(2,432,788)	-11.8%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	532.3%	1,163,403	218,555	1,381,958	-	1,381,958	NA
Grant Revenue	80.1%	31,576,033	39,406,555	70,982,588	138,823,719	(67,841,131)	-48.9%
<i>Expenses:</i>							
Grant Pass-Through	80.1%	31,576,033	39,406,555	70,982,588	138,823,719	(67,841,131)	-48.9%
	532.3%	1,163,403	218,555	1,381,958	-	1,381,958	NA
Excess of Revenues over Expenses- adjusted	35.2%	9,701,286	27,521,592	37,222,879	18,587,201	18,635,679	100.3%
Less transfer to Commission Fund	-100.0%	99,524	(99,524)	-	-	-	NA
Excess of Revenues over Expenses (Net of Transfers)	35.7%	\$ 9,800,811	\$ 27,422,068	\$ 37,222,879	\$ 18,587,201	\$ 18,635,679	100.3%

[Click To RSVP](#)

Dear Friends of ORFH,

You are cordially invited to celebrate ORFH's 45th Anniversary. Check out new affordable housing in Yakima, enjoy dinner on us, and purchase a drink to support essential housing development.

Single Hill Brewing will donate 50% of the total beer sold on event day to support ORFH's mission.

Cheers!

With Gratitude,
The ORFH Team



[View the Itinerary](#)



45
YEARS

Improving the lives of people through affordable housing
Celebrate with us Thursday, August 29, 2024
2-4 pm Tour of Yakima Sites, 5-7 pm Dinner & Cerveza
Single Hill Brewing 102 S Naches Ave Yakima

Events Calendar

Date	8/22/2024	Length of Event	10:00 AM - 4:00 PM
Event	Work Session & 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	9/19/2024	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	9/24/2024	Length of Event	2:00 PM - 7:30 PM
Event	Housing Washington 2024 Conf.	Audience	Conf. Attendees
Address	Spokane Convention Ctr.	Division	Administration
City	Spokane	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	9/25/2024	Length of Event	all day
Event	Housing Washington 2024 Conf.	Audience	Conf. Attendees
Address	Spokane Convention Ctr.	Division	Administration
City	Spokane	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	9/26/2024	Length of Event	7:30 AM - 2:00 PM
Event	Housing Washington 2024 Conf.	Audience	Conf. Attendees
Address	Spokane Convention Ctr.	Division	Administration
City	Spokane	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	9/28/2024	Length of Event	all day
Event	2024 NCSHA Ann'l. Conf. & Showplace	Audience	NCSHA Members
Address	Sheraton Phoenix Downtown Hotel	Division	Administration
City	Phoenix, AZ	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	9/29/2024	Length of Event	all day
Event	2024 NCSHA Ann'l. Conf. & Showplace	Audience	NCSHA Members
Address	Sheraton Phoenix Downtown Hotel	Division	Administration
City	Phoenix, AZ	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	9/30/2024	Length of Event	all day
Event	2024 NCSHA Ann'l. Conf. & Showplace	Audience	NCSHA Members
Address	Sheraton Phoenix Downtown Hotel	Division	Administration
City	Phoenix, AZ	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/1/2024	Length of Event	a.m. only
Event	2024 NCSHA Ann'l. Conf. & Showplace	Audience	NCSHA Members
Address	Sheraton Phoenix Downtown Hotel	Division	Administration
City	Phoenix, AZ	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/24/2024	Length of Event	10:00 AM - 4:00 PM
Event	Work Session & Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	11/21/2024	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	12/12/2024	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470