

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.

**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 **27th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, on Thursday, January 23, 2025, at 1:00 p.m., to consider the items in the agenda below.

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

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

**Webinar/Meeting ID: 864 5523 3711
Passcode: 974046**

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 one above for instructions.

- I. Chair: Approval of the Minutes from the December 12, 2024, Special Meeting (5 min.)**
- II. Steve Walker: Employee Recognition (10 mins)**
- III. Chair: Conduct a Public Hearing on the following:**
 - A. Westside School, OID # 24-143A**
Bianca Pyko/Jason Hennigan: The proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to refund existing Commission obligations issued to finance and refinance the rehabilitation, conversion and expansion of nonprofit educational facilities, to finance the acquisition, rehabilitation, improvement and expansion and equipping of existing nonprofit facilities located at 10404 34th Avenue SW & 3210 SW 106th Street, Seattle, WA 98146, owned and to be owned and operated by The Westside 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 \$9,000,000. (5 min.)
 - B. Evergreen School, OID # 24-144A**
Dan Schilling: The proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to (i) finance costs of demolition of existing structures and the acquisition, construction and equipping of a new approximately 24,000 square foot Early Childhood Center on The Evergreen School’s South Campus, (ii) finance the costs of construction, rehabilitation, renovation, remodeling and equipping of approximately 7,500 square feet of existing educational facilities space on The

Evergreen School's North Campus, (iii) fund a debt service reserve fund for the Bonds, (iv) finance capitalized interest on the bonds, and (v) pay all or a portion of the costs of issuing the bonds. The project is located at 14817-15201 Meridian Avenue N., 2019 N. 150th Street and 14900-14912 Burke Avenue N., Shoreline, WA 98133, owned and to be owned and operated by The Evergreen School, a Washington nonprofit corporation and an organization described under section 501(c)(3). The total estimated bond amount is not expected to exceed \$39,000,000. (5 min.)

C. Rucker Avenue, OID # 21-53A

Dan Schilling: The proposed issuance of one or more series of tax-exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 214-unit multifamily housing facility located at 3102-3132 Rucker Avenue & 1310 Pacific Avenue, Everett, WA 98201. 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 \$60,000,000. (5 min.)

IV. Consider and Act on the Following Action Items:

A. Resolution No. 25-19 - for Housing Counseling

Lisa DeBrock/Emily Northrup: A resolution memorializing the Commission's provision of housing counseling services with the US Department of Housing and Urban Development (HUD) - (10 mins.)

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

VI. Executive Director's Report (10 min.)

VII. Commissioners' Report (10 min.)

VIII. 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 December 31, 2024

E. Quarterly Program Status Reports as of December 31, 2024

1. Homeownership Division

2. Multifamily and Community Facilities Division

3. Asset Management & Compliance

4. Administration & Human Resources

5. IT Division

6. Finance Division

- IX. Chair: Miscellaneous Correspondence and Articles of Interest (5 min.)**
 - A. Miscellaneous Correspondence and Articles of Interest**
 - B. HFC Events Calendar**
- X. Chair: Public Comment**
- XI. Executive Session (if necessary)**
- XII. Adjourn**

Nicole Bascomb-Green, Chair

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

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 acquisition and rehabilitation of existing nonprofit facilities owned and to be owned and operated by The Westside 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 in one or more series 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, January 23, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: (888) 788-0099 or (877) 853-5247. Participants wishing to attend in person may attend in the 27th 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.

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

**Webinar/Meeting ID: 864 5523 3711
Passcode: 974046**

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:	Westside School
Project Address:	10404 34th Avenue SW & 3210 SW 106 th Street Seattle, WA 98146
Total Estimated Project Cost:	\$8,400,000
Estimated Maximum Bond Amount:	\$9,000,000

Proceeds of the Bonds may be used to refund existing Commission obligations issued to finance and refinance the rehabilitation, conversion and expansion of nonprofit educational facilities, to finance the acquisition, rehabilitation, improvement and expansion and equipping of existing nonprofit facilities, 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 Bianca Pyko, 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, January 22, 2025. 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.

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 the acquisition, construction, expansion, rehabilitation, improvement, renovation, remodeling, installation and/or and equipping of nonprofit facilities owned and to be owned and operated by The Evergreen 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, January 23, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: (888) 788-0099 or (877) 853-5247. Participants wishing to attend in person may attend in the 27th Floor Board Room of the Commission's offices located at 1000 Second Avenue, Seattle, Washington 98104-3601.

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

Project:	Evergreen School
Project Address:	14817-15201 Meridian Avenue N. 2019 N. 150th Street 14900-14912 Burke Avenue N. Shoreline, WA 98133
Total Estimated Project Cost:	\$40,000,000
Estimated Maximum Bond Amount:	\$39,000,000

Proceeds of the Bonds may be used to (i) finance costs of demolition of existing structures and the acquisition, construction and equipping of a new approximately 24,000 square foot Early Childhood Center on The Evergreen School’s South Campus, (ii) finance the costs of construction, rehabilitation, renovation, remodeling and equipping of approximately 7,500 square feet of existing educational facilities space on The Evergreen School’s North Campus, (iii) fund a debt service reserve fund for the Bonds, (iv) finance capitalized interest on the Bonds, and (v) 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 Dan Schilling, 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, January 22, 2025. 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.

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the "Notes") to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in Everett, Washington, to be owned by Pacific Rucker, LLC, a Washington limited liability company. The Notes 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, January 23, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: (888) 788-0099 or (877) 853-5247. Participants wishing to attend in person may attend in the 27th Floor Board Room of the Commission's offices located at 1000 Second Avenue, Seattle, Washington 98104-3601.

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Webinar/Meeting ID: 864 5523 3711

Passcode: 974046

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

Project:	Rucker Avenue
Project Address:	3102-3132 Rucker Avenue & 1310 Pacific Avenue, Everett, WA 98201
Total Estimated Project Cost:	\$107,489,830
Estimated Maximum Note Amount:	\$60,000,000

Proceeds of the Notes will be used to provide a portion of the financing for the acquisition, construction and equipping of a 214-unit multifamily housing facility in Everett, WA, and to pay all or a portion of the costs of issuing the Notes. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice 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 Notes may be mailed or faxed to the attention of Dan Schilling, 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, January 22, 2025. 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.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

December 12, 2024

The Commission meeting was called to order by Chair Nicole Bascomb-Green at 1:01 p.m. in the Level A Federal Reserve Vault Conference Room, located at 1015 Second Avenue, Seattle, Washington 98104 and via Zoom. Those Commissioners present via Zoom were: Chair Bascomb-Green, Jason Richter, Ken Larsen, Lowel Krueger, Michone Preston, and Tedd Kelleher (joined the meeting at 1:05 p.m.). Commissioner Bill Rumpf was present in-person in the Level A Federal Reserve Vault Conference Room.

Approval of the Minutes

The November 21, 2024 Commission meeting minutes were approved as distributed.

**Action Item:
Resolution No. 24-129, Spring District/120th ETOD, OID #24-56A**

Ms. Lisa Vatske, Director, Multifamily Housing & Community Facilities (MHCF) Division, stated that this is a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue notes to provide a portion of the financing for the acquisition, construction and equipping of a 234-unit multifamily housing facility located at vacant parcels at approximately 1865 120th Avenue E., adjacent to the Sound Transit Operation & Maintenance Facility East, Bellevue, WA 98005, to be owned by NE 120th ETOD LLLP, a Washington limited liability limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$75,000,000. The public hearing was held September 19, 2024.

Ms. Vatske concluded that Chase Bank has issued a note commitment letter for an amount not to exceed \$70,000,000. She added that this was one of the projects

that is part of the WSHFC/Sound Transit MOU for transit-oriented developments of affordable housing.

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

**Action Item:
Resolution No. 24-
136, Viridian
Grove, OID #23-
40A**

Ms. Vatske stated that this is a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue notes to provide a portion of the financing for the acquisition, construction and equipping of a 98-unit multifamily housing facility located at 5228 South Mason Avenue, Tacoma, WA 98409, to be owned by VBT Viridian Grove LLC, a Washington limited liability company. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$35,000,000. The public hearing was held October 24, 2024.

Ms. Vatske stated that a note purchase commitment letter was issued by Anthem Insurance Companies for an amount not to exceed \$26,000,000.

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

**Action Item:
Resolution No. 24-
119, Westgate
Terrace &
Parkland Terrace,
OID #24-49A-B**

Ms. Vatske stated that this is a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue notes to provide a portion of the financing for the acquisition and rehabilitation of (i) a 101-unit multifamily housing facility known as Westgate Terrace and (ii) a 52-unit multifamily housing facility known as Parkland Terrace, each in Longview, WA 98632, to be owned by Reliant - Longview, LLC, a Delaware 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 project addresses and estimated maximum note amounts are noted below:

Project:	Westgate Terrace Apartments
Project Address	2024 Tibbetts Drive Longview, WA 98632 101 Units
Total Estimated Project Cost	\$28,350,463
Estimated Maximum Note Amount for this Project	\$17,000,000

Project:	Parkland Terrace Apartments
Project Address	3133 Maryland Street Longview, WA 98632 52 Units
Total Estimated Project Cost	\$14,757,889
Estimated Maximum Note Amount for this Project	\$8,850,000
Total Aggregate Maximum Note Amount for the Projects	\$25,850,000 (a portion of which may be taxable)

Ms. Vatske stated that two note purchase commitment letters were issued - the first from Citibank for an amount not to exceed \$18,500,000; and the second, a Series B subordinate loan from The Reliant Group, for an amount not to exceed \$4,500,000.

Ms. Vatske noted that the interest rates issued by Citibank were rather high, initially at 12%, but expected to lock on January 1, 2025 at around 6 to 7%. Also, the Series B subordinate cash flow loan interest rate was high as well, but that was solely interest, and it is treated like a developer loan.

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

**Action Item:
Resolution No. 24-
134, Carryover of
Private Activity
Bond Cap**

Ms. Vatske stated that this was an annual resolution to approve the carryforward of Private Activity Volume Bond Cap.

Ms. Vatske stated further that every year, at the end of the calendar year, the Commission receives any unused bond cap from the other categories of state bond issuers, for the Commission to utilize within three years. She anticipates the Commission to receive an allocation of carryforward volume cap, but the exact amount will be known towards the end of December. Once known, the Executive Director, will negotiate with the Department of Commerce the final amounts for the Single-Family and Multifamily categories. She concluded that this resolution authorizes the Executive Director to make these negotiations with Commerce.

Mr. Krueger asked if there was an initial estimate as to how much the Commission will receive in carryforward for 2025. Ms. Vatske replied that she didn't know the exact amount at this time, but that there are still \$450 million to allocate from carryforward from the previous one to two years that must be utilized first.

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

**Action Item:
Resolution No. 24-
133,
Reauthorization of
Funding for
Beginning
Farmer/Rancher
Program**

Ms. Vatske stated that this was an annual resolution for the Commission issuing bonds for the Beginning Farmer/Rancher (BFR) Program. She added that typically the request is for up to \$2 million each year. This past year, only one BFR transaction was done. Typically, there are 2 to 4 BFR transactions done a year, with a maximum yearly allocation limit of \$2 million. She concluded that this was a request for Commissioners to approve \$2 million in bonds to fund the BFR program for 2025.

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

**Action Item:
Approval of Single-
Family Programs
Investment
Banking &
Underwriting
Services
Recommendations**

Ms. Lisa DeBrock, Director, Homeownership Division, stated that this was a request for approval by Commissioners for selection through a Request for Proposals (RFP) process, for Single-Family Programs Investment Banking and Underwriting Services firms for the next two years.

Ms. DeBrock stated further that Single-Family Investment Bankers are active members of the Commission's Finance team and provide services related to the issuance of the Commission's Single-Family programs bonds. Investment banking services include participation on the single-family finance team to develop and structure each bond issue. The underwriting firms are responsible for purchasing the Commission's bonds, providing wide distribution of the bonds, and maintaining a secondary market in the Commission's bonds.

Ms. DeBrock then mentioned that the RFP was released on October 11, 2024, with a pre-bid conference held on November 1, 2024, and proposals due on November 12, 2024. Eighteen responses were received, and the list of firms that submitted proposals was included in the board memo located in the board meeting packet.

Ms. DeBrock commented that members of the Homeownership and Finance Divisions, reviewed the proposals as a panel, and, due to the Commission anticipating doing a relatively small amount of bond sales over the next two years along with consulting with legal counsel, the Finance Division, and the Executive Director, oral interviews were not conducted.

She added that the criteria for the proposals the panel reviewed were the following: Cost and fee expenses, the cost effectiveness to the Commission, the proposers, capital adequacy, and the ability to underwrite bonds. Also, the panel looked at the firm's reputation for service, and the proposer's demonstrated commitment to diversity, equity, and inclusion. The panel also looked at the qualifications of the individuals to be assigned to serve the Commission and the accessibility of the underwriter's personnel to the Commission and its staff. The experience and record of the proposer in selling bonds nationally or regionally to

institutional and/or retail investors were examined as well, along with successful prior participation.

Ms. DeBrock noted that this fiscal year, same as previous years, there is limited bond cap available, and that \$200 million has been issued last year to assist 469 homebuyers under the House Key program, and that the same amount or slightly less will be issued for this current fiscal year.

She added that the House Key program mainly serves homebuyers at or below 80% of area median income (AMI). And as the prices continue to rise in Washington, the House Key program helps the Commission reach those underserved communities that are below market interest rates, and really does keep homeownership in reach for many of the participating homebuyers.

Ms. DeBrock concluded by stating that the Commission was very happy with the current team and recommends keeping RBC Capital Markets as Senior Manager, and the Co-Managing firms of both Wells Fargo Securities and Morgan Stanley.

Mr. Larsen moved to approve the recommended RFP selections as noted above by Ms. DeBrock. Mr. Krueger seconded the motion. The motion was unanimously approved.

**Action Item:
Approval of
Proposed 2025
WSHFC Legislative
Agenda**

Mr. Steve Walker, Executive Director, stated that this is an annual request for approval by Commissioners to approve the Commission's Legislative Agenda for 2025.

Mr. Walker stated that there would be no agency lead support legislation by the Commission in 2025. He noted that the state is operating at a deficit of around \$10 billion, which will be a challenge this legislative session.

Mr. Walker then mentioned items in the Support Agenda (also listed in the memo provided in the board meeting packet):

Increase Rental Housing Supply:

- Fund the state Housing Trust Fund at a historically high level in the biennial capital budget
- Seeking a permanent source of funding for the Housing Trust Fund
- Support transit-oriented development (TOD) to increase affordable housing supply in Washington state
- Support condominium reform to encourage more construction of condominiums, through reforms to statutory warranty, construction defect litigation, inspection requirements, and other regulations.
- Support efforts to accelerate housing production and reduce the cost of building housing.
- Support a Housing Accountability Act to limit the ability of cities or counties to block affordable housing development.
- Support funding to establish a new Housing Research Center, to provide timely analysis and data driven, state-specific research to formulate bold strategies and policies in partnership with the Puget Sound Regional Council and the University of Washington

Fund Other Housing Programs and Supportive Services:

- Support legislation to authorize an expanded Real Estate Excise Tax (REET) for affordable housing
- Support investments in affordable homeownership to create new homes for buyers that include those eligible for the Covenant Homeownership Account (CHA) Program, among other programs
- Support of modifications of the Foreclosure Fairness Act (FFA) suggested through the FFA Working Group

- Support investments in the Foreclosure Prevention Network (this includes the hotline, counseling, Commerce, and civil legal aid)
- Support efforts to ensure that any proposed cuts to the budget do not negatively impact affordable housing programs and related services.

Close Racial Gaps in Homeownership:

- Support new programs that expand homeownership opportunities for BIPOC households
- Support the Washington Future Fund legislation initiated by the State Treasurer's Office creating a pathway to home ownership for low-income Washingtonians
- Support legislation to amend lending and real-estate systems built on structural racism Tenant Protection
- Seek increased funding for statewide Right to Counsel program to meet statutory requirements
- Support efforts to establish well-calibrated rent stabilization, among other tenant protections, to increase resident stability while ensuring housing providers can sustainably operate affordable housing and create new housing.

Mr. Walker added that an internal team is getting ready to meet every Friday morning to track the legislative session and to look for those strategic opportunities to realize on the Commission's Mission. He added further that the Commission supports language regarding housing stabilization and preservation.

Mr. Rumpf asked if there was a report provided to the Commission regarding rent stabilization. Mr. Walker replied that there will be an update, but not a final report. Ms. Vatske added that there would be no further formal recommendations regarding rent stabilization. Mr. Rumpf suggested that this could be a topic for a presentation/discussion at the next Commission Work Session in February, 2025.

Mr. Rumpf moved to approve the proposed Legislative Agenda for 2025. Mr. Larsen seconded. The motion was unanimously approved.

**Informational
Report on
Department of
Commerce
Activities**

Mr. Kelleher mentioned the following from the monthly informational Department of Commerce activities report that was included in the board packet:

Homeownership Unit, Housing Division:

The Homeownership Unit has concluded its review of submitted applications, and a proposed award list is being submitted to management for review and approval. Awards are expected to be announced mid-to late December but may be pushed back if needed. Notification will be sent if the announcements are pushed past December.

Local Government Division:

Commerce recently announced \$3 million in grants for 16 cities and four counties across Washington to streamline local building permit review processes. The funding will help create digital permitting processes and consolidate permit reviews, reducing the time needed to process and approve residential building permits, moves that strengthen the state's pipeline of new housing production.

**Executive
Director's Report**

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

Multifamily & Community Facilities (MHCF):

7 deals closed in 7 business days- special appreciation and shout out to the Pacifica Law Group team, especially to Jill Wagner, Lanna Do, and Rachel Giles-Klein. They are clearly the unsung heroes ensuring all the details and paperwork is in place. In addition, appreciation and shout out to the MHCF

Bonds team, Jason Hennigan, Dan Schilling, Bianca Pyko closing her first project, Shukri Rodol, Yasna Osses, and Kate Held for all their efforts to facilitate and document the projects on the Commission's end. MHCF is gearing up for at least another 4 -6 more bond closings in the next few weeks, and going into the new year.

Ongoing meetings and discussions regarding addressing the current portfolio stability issues and increasing requests and discussions around legislation.

Homeownership:

Covenant Homeownership Act (CHA): As of December 9, 2024, the Commission has 198 loans with CHA reservations in 20 counties with 142 confirmed loan closings. A formal report is also being developed by the Commission regarding CHA.

In November, for the Commission's other homeownership programs, there were \$153 million in new reservations, assisting a total of 401 households.

Asset Management & Compliance (AMC):

As of December 2024, AMC has successfully completed 100% of Bond reviews and on-site physical inspections. However, unlike in previous years, AMC will not achieve 100% completion of all tax credit annual report reviews by this date. This shortfall is due to several factors: a staffing shortage, considerable time dedicated to the implementation of HOMTA, increased time spent reviewing onsite inspection reports, and substantially more time spent issuing noncompliance notices because of inspection deficiencies. The latter is due to changes introduced by NSPIRE and the new policy requiring reviewing and reporting all inspection findings regardless of severity. The Commission is now operating under a modified goal to complete 100% of all federal compliance period Tax Credit reports by March 31, 2025 (which is all that is required according to federal statute), thereby meeting the business objective of reviewing

within 12 months from the report receipt dates and issuing compliance status letters. Please refer to the AMC Activity Report, November 2024 for details.

Finance:

Tony Moore and Miyuki Rapp have begun a training course for Power Query, a functionality in Excel that will help automate and streamline processes and relieve the administrative burden. It is a 23-module course after which they will be awarded a certificate proving competency.

Last week the Governor issued Directive #24-19, setting a freeze on hiring, goods & equipment purchases, service contracts, and travel. Each of these creates a process for exemptions where appropriate. Finance Division staff have been working to update policies and procedures to incorporate this new directive for the agency.

Other information from Steve:

Staff joined Steve in Olympia last week for the State Auditor's Office (SAO) Audit presentation and Commission testimony on Eventual Tenant Ownership (ETO) to the Joint Legislative Audit Review Committee.

The Commission continues to see press coverage on ETO, specifically regarding how relates to ongoing disenrollment activities with the Nooksack Indian Tribe.

Steve gave an update that 3 families that were served 14-day notices to vacate have already fully vacated their units, with 3 more families to vacate, but none have vacated their respective units yet, nor have been forcibly removed from their units. Finally, the remaining 3 families has court cases scheduled in the next couple days. In addition, the Commission is continuing to follow this closely and is working with the Governor's Office.

Steve added that in the coming year, the first ETO units in the 18 properties that participate in ETO, will have homeownership opportunities offered to those residents that have qualified.

Finally, Steve attended the NCSHA Board Meeting and Executive Director's Forum in Washington, DC. He has heard from new administration insiders about the focus of the incoming Trump administration and the 119th Congress with regards to housing.

Steve has heard that there will be a keen focus on federal homeownership policy next year. Priority issues will include the scope and role of the federal government— from FHA to Fannie Mae and Freddie Mac, to the Federal Home Loan Banks, new tools for starter home construction, and regulatory reforms that could impact all phases of the mortgage financing process.

While affordable rental housing advocates and industry participants face a complex and challenging environment going into 2025, key HUD and USDA programs face potentially serious cuts. On the other hand, the proposed tax bill may create opportunities to expand rental housing production tools, from components of Housing Credits and Housing Bonds to Opportunity Zones.

Mr. Rumpf asked if Governor-elect Ferguson has been briefed by the Commission and/or Commerce regarding their respective housing programs. Mr. Walker and Mr. Kelleher replied that reports are being made. Mr. Walker added that staff are developing a “white paper” as an introduction to the Commission and the functions/programs it offers.

Consent Agenda

The consent agenda was approved as distributed.

Public Comment Section

The Chair opened the public comment section. No members of the public commented.

Adjournment

The meeting was adjourned at 1:53 p.m.

Signature

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