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 **Work Session** in the **27th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, on Thursday, October 23, 2025, 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 Mtg. Link, go to "Join" or "Join a Meeting" and enter:

Meeting ID: 815 6869 2337
Passcode: 695244

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. **Housing Washington 2025 in Review** (Margret Graham / Anna Porkalob)

II. **Operationalizing New Business Objective Framework** (Nashika Stanbro)

III. **Promoting Community Based Organizations – Policy Experience** (Lisa Vatske / Keri Williams)

IV. **Informational Report on Department of Commerce Activities.** (If time allows)

V. **Executive Director's Report** (If time allows)

Note: There will be a break after the conclusion of the work session. The Commission meeting will reconvene at 1 pm.

WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION WORK SESSION 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, October 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 Mtg. Link, go to "Join" or "Join a Meeting" and enter:

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

I. **Chair: Call to Order**

II. **Steve Walker: Roll Call**

III. **Chair: Approval of the Minutes from the September 25, 2025 special meeting**

IV. **Steve Walker: Employee Recognition**

V. **Chair: Conduct a Public Hearing on the following:**

A. **St Jude Havens Portfolio (El Estero & CJ Court), (OID # 23-50A-B)**
Bianca Pyko: The proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance a portion of the costs for the acquisition and rehabilitation of two multifamily housing facilities in Spokane and Spokane Valley, Washington, to be owned by St Jude Havens LLC, a Washington limited liability company. Proceeds of the obligations will be used to provide a portion of the financing for the acquisition and rehabilitation of two multifamily housing facilities, El Estero Apartments, consisting of 122 units located in Spokane, Washington, and Catherine Johnson Court, consisting of 36 units located in Spokane Valley, WA, and to pay all or a portion of the costs of issuing the obligations. The estimated maximum obligation amount is not expected to exceed $20,000,000. (5 min.)

B. Copper View Apartments, (OID # 25-27A)

Bianca Pyko: The proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in West Richland, Washington, to be owned by Copper View Apartments, LLC, a Washington limited liability company. Proceeds of the obligations will be used to provide a portion of the financing for the acquisition, construction and equipping of a 264-unit multifamily housing facility located in West Richland, WA, and to pay all or a portion of the costs of issuing the obligations. The estimated maximum obligation amount is not expected to exceed $47,500,000. (5 min.)

C. Jacob Richardson: Recommend and present Projects for Allocation of Low-Income Housing Tax Credits from the 2025 funding round. (5 min.)

TC #	Project Name	City	County	Annual Tax Credit Amount
25-07	Housing Hope - EUCC (AKA Rainbow Terrace)	Everett	Snohomish	$1,824,058
25-09	Pathways Place	Ellensburg	Kittitas	$2,703,887
25-16	Skyway Mixed Use	Seattle	King	$1,529,520
25-18	Lexington & Concord	Seattle	King	$2,539,132

VI. Consider and Act on the Following Action Items:

A. Resolution No. 25-84 for the 2025 Allocation of Credit for the Housing Tax Credit Program

Lisa Vatske: A resolution authorizing the Executive Director to make reservations and/or allocations of 2025 Housing Tax Credits. (5 min.)

TC #	Project Name	City	County	Annual Tax Credit Amount
25-07	Housing Hope - EUCC (AKA Rainbow Terrace)	Everett	Snohomish	$1,824,058
25-09	Pathways Place	Ellensburg	Kittitas	$2,703,887
25-16	Skyway Mixed Use	Seattle	King	$1,529,520

25-18	Lexington & Concord	Seattle	King	$2,539,132

B. Resolution No. 25-67, 192 Shoreline Supplemental, OID # 21-33A

Lisa Vatske: A resolution approving the issuance of one or more series of tax exempt and taxable revenue obligations to finance a portion of the costs for the acquisition, construction and equipping of a 250-unit multifamily housing facility located at 19022 Aurora Avenue N., Shoreline, WA 98133, to be owned by Shoreline TWG LLLP, a Washington limited liability limited partnership. Proceeds of the obligations may also be used to pay all or a portion of the costs of issuing the obligations. The total estimated obligation amount is not expected to exceed $48,000,000. The public hearing was held September 17, 2025. (10 min.)

C. Resolution No. 25-78, Cedar Flats, OID # 24-52A

Lisa Vatske: A resolution approving issuance of one or more series of tax-exempt and/or taxable revenue obligations used to provide a portion of the financing for the acquisition, construction and equipping of a 276-unit multifamily housing facility located at 8012 170th Street East, Puyallup, WA 98375, to be owned by VBT Cedar Flats LLC, a Washington limited liability company. The estimated maximum obligation amount is not expected to exceed $62,000,000. The public hearing was held August 28, 2025. (5 min.)

D. Resolution No. 25-79, Horizon House, OID # 25-56A

Lisa Vatske: A resolution approving issuance of one or more series of tax-exempt and/or taxable revenue obligations to (i) refinance outstanding tax-exempt and/or taxable obligations, the proceeds of which financed capital improvements to the facilities of an existing continuing care retirement community, (ii) finance the demolition, replacement, construction, equipping, renovation and improvement of facilities of an existing continuing care retirement community, including the construction and equipping of a new approximately 33-story building with approximately 202 apartments and related common area facilities, and the renovation and improvement of existing residences and related facilities of the continuing care retirement community (iii) fund a debt service reserve fund and pay capitalized interest with respect to the obligations, and (iv) pay all or a portion of the costs of issuing the obligations. The project is located at 900 University Street, Seattle, WA 98101, owned and operated by Horizon House, a Washington nonprofit corporation and an organization described under section 501(c)(3). The estimated maximum obligation amount is not expected to exceed $565,000,000. The public hearing was held August 28, 2025. (5 min.)

E. **Resolution Number 25-83, 35th and Pacific Family Housing, OID # 23-104A**
Lisa Vatske: A resolution approving the issuance of one or more series of tax exempt and taxable revenue obligation to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in Tacoma, Washington, to be owned by MHNW 29 35th and Pacific LLLP, a Washington limited liability limited partnership. Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition, construction and equipping of an 80-unit multifamily housing facility in Tacoma, WA, and to pay all or a portion of the costs of issuing the Obligations. The estimated maximum obligation amount is not expected to exceed $33,000,000. (5 min.)

F. **2026 Board Meeting Dates for Board Vote/Approval**
Bob Peterson (5 mins)

G. **Program Related Investments (PRI) for Habitat for Humanity of WA State**
Lucas Loranger: Request approval for the modification of program terms and authorization for the issuance of a loan for the benefit of the Habitat of Whatcom County affiliate for $830,000. (10 min.)

VII. **Informational Report on Department of Commerce Activities. (if not accomplished during the Work Session)** (10 min.)

VIII. **Executive Director's Report (if not accomplished during the Work Session)** (10 min.)

IX. **Commissioner Reports**

X. **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 September 30, 2025**

E. **Quarterly Program Status Reports from the period ending September 30, 2025**

1. **Homeownership Division**
2. **Multifamily and Community Facilities Division**
3. **Asset Management and Compliance Division**
4. **Administration, Human Resources and IT Divisions**
5. **Finance Division**

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

A. **Miscellaneous Correspondence and Articles of Interest**

B. **HFC Events Calendar**

XII. Chair: Public Comment

XIII. Executive Session (if necessary)

XIV. 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 revenue obligations (the "Obligations") to finance a portion of the costs for the acquisition and rehabilitation of two multifamily housing facilities in Spokane and Spokane Valley, Washington, to be owned by St Jude Havens LLC, a Washington limited liability company. The Obligations may be issued as one or more series issued from time to time and may include one or more series of refunding obligations. The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, October 23, 2025. 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 27th 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 public hearing can also be viewed via Zoom or joined telephonically.

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

Webinar/Meeting ID: 815 6869 2337
Passcode: 695244

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

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

Project:	El Estero Apartments
Project Address:	2303 E. Upriver Drive; 2240, 2230, 2140, 2134, 2120, 2110 E. North Crescent Avenue Spokane, WA 99207
Total Estimated Project Cost:	$22,077,367
Estimated Maximum Obligation Amount:	$12,500,000

Project:	Catherine Johnson Court
Project Address:	6321 E. 4th Avenue Spokane Valley, WA 99212
Total Estimated Project Cost:	$12,239,916
Estimated Maximum Obligation Amount:	$7,500,000

Total Aggregate Estimated Project Cost:	$34,317,283
Estimated Aggregate Maximum Obligation Amount:	$20,000,000

Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition and rehabilitation of two multifamily housing facilities, El Estero Apartments, consisting of 122 units located in Spokane, Washington, and Catherine Johnson Court, consisting of 36 units located in Spokane Valley, WA, and to pay all or a portion of the costs of issuing the Obligations. Each apartment unit 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 are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the proposed Project and the plan of finance for the proposed Obligations may be mailed or faxed to the attention of Bianca Pyko, WSHFC, MHCF Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5 p.m. on Wednesday, October 22, 2025. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax–exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

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

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

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 "Obligations") to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in West Richland, Washington, to be owned by Copper View Apartments, LLC, a Washington limited liability company. The Obligations 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, October 23, 2025. 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 27th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

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Webinar/Meeting ID: 815 6869 2337
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The Obligations will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing a qualified residential rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code").

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

Project:	Copper View Apartments
Project Address:	A 12-acre parcel adjacent to Belmont Blvd northwest of its intersection with Kona Dr. West Richland, WA 99353
Total Estimated Project Cost:	$84,607,816
Estimated Maximum Obligation Amount:	$47,500,000

Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition, construction and equipping of a 264-unit multifamily housing facility located in West Richland, WA, and to pay all or a portion of the costs of issuing the Obligations. 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 Obligations 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, October 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.

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 projects to be considered for an allocation of Credit are:

TC #	Project Name	City	County	Annual Tax Credit Amount
25-07	Housing Hope - EUCC (AKA Rainbow Terrace)	Everett	Snohomish	$1,824,058
25-09	Pathways Place	Ellensburg	Kittitas	$2,703,887
25-16	Skyway Mixed Use	Seattle	King	$1,529,520
25-18	Lexington & Concord	Seattle	King	$2,539,132

The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, October 23, 2025. 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 or joined telephonically.

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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 October 22, 2025. 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.

WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES

September 25, 2025

The Commission meeting was called to order by Vice Chair Lowel Krueger, presiding as Chair, at 1:00 p.m. in the Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Suite 2700, Seattle, Washington 98104 and via Zoom. Those Commissioners present were Bill Rumpf, Ken Larsen, and Pedro Espinoza; and present via Zoom were Vice Chair Krueger, Albert Tripp, Alishia Topper (joined the meeting at 1:04 p.m.), Ken Larsen, Michone Preston, Mike Pellicciotti, and Tedd Kelleher (joined the meeting at 1:04 p.m.).

Approval of the Minutes

The August 28, 2025 Commission meeting minutes were approved as distributed.

Public Hearing: Tacoma/Pierce County Habitat for Humanity, OID #25-75A

The Vice Chair opened a public hearing for Tacoma/Pierce County Habitat for Humanity, OID #25-75A at 1:03 p.m.

Ms. Bianca Pyko, Senior Bond/Housing Analyst, Multifamily Housing & Community Facilities (MHCF) Division, stated that this is a public hearing for the proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance a portion of the costs for the acquisition of an existing facility located at 4820 & 4824 South Tacoma Way, Tacoma, Washington 98409 to be owned and operated by Tacoma/Pierce County Habitat for Humanity, a Washington nonprofit public benefit corporation and an organization described under section 501(c)(3) of the IRS Tax Code (the "Code"). Proceeds of the obligations will be for the acquisition of an existing facility, and to pay all or a portion of the costs of issuing the obligations. The estimated maximum obligation amount is not expected to exceed $1,700,000.

Ms. Pyko added that Tacoma/Pierce County Habitat for Humanity ("Tacoma Habitat") has created and preserved affordable homeownership for income qualified households earning roughly 30-80% of Area Median Income (AMI) since 1985. She added further that the bonds will be used to finance the purchase of the building Tacoma Habitat currently leases to allow it to continue to serve as their storefront, operations and community hub, consolidating programming, counseling, volunteer and construction support functions. Tacoma Habitat also offers amenities and services to the community through the Habitat store. Kitsap Bank will serve as lender for this project.

Ms. Pyko then introduced Ms. Sherrana Kildun, CEO, Tacoma/Pierce County Habitat for Humanity.

Ms. Kildun stated that Tacoma Habitat now has the opportunity to purchase the building they have been leasing for the past ten years which houses both their administrative offices and their retail store. She stated that Habitat Tacoma has been serving the Tacoma/Pierce County communities for over 40 years and has built and sold over 320 houses for first-time homeowners throughout Pierce County.

She added that Tacoma Habitat also is purchasing homes from the Pierce County Housing Authority and renovating and selling these homes to income-qualified buyers. She stated that Habitat Tacoma currently own 53 of those homes and has sold ten homes, with a goal of selling 80 homes in the next couple months.

Ms. Kildun mentioned that Tacoma Habitat helps provide critical home repairs to about 50 seniors throughout Pierce County every year. Also, Habitat Tacoma is also a HUD-certified housing counseling organization, serving over 135 families who are interested in stepping into homeownership, either through Habitat or in the open market, and for those that are struggling to pay their existing mortgage through foreclosure prevention and counseling. She mentioned further that Tacoma Habitat is an active hub of community outreach for affordable homeownership in Pierce County.

Ms. Kildun concluded that the retail store sells both gently used furniture and construction supplies but also collects recycled paint for the state recycling program and has a recycling area for scrap metal, for sustainability and environmental purposes.

There were no comments or written testimony from members of the public, and the public hearing was closed at 1:07 p.m.

Public Hearing: Project(s) for Allocation of Low-Income Housing Tax Credits in the 2025 funding round

The Vice Chair opened a public hearing at 1:07 pm on the recommended allocation of 9% Low-Income Housing Tax Credits ("LIHTC") for the following three projects:

TC #	Project Name	City	County	Annual Tax Credit Amount
25-15	Franz Anderson	Olympia	Thurston	$1,928,539
25-03	Lewis, Spruce, & Sixth	Yakima	Yakima	$1,378,777
25-10	Catlin & Main	Kelso	Cowlitz	$1,105,600

Mr. Jacob Richardson, Manager, MHCF Division, stated that these are the next three projects (of 11 total projects) for consideration for an allocation of 2025 9% LIHTCs. Four projects have already been considered and approved for allocation of LIHTCs with the remaining four LIHTC projects to be considered for allocation next month.

Franz Anderson

Mr. Richardson stated that Franz Anderson is to be located on 527 Franz Anderson Road SE in Olympia, Washington 98501 and is sponsored by the Low Income Housing Institute (LIHI). The project is in the Non-Metro credit pool and will have 71 total units, with a total credit request of $1,928,539. A Total Development Cost (TDC) waiver for this project was submitted and approved.

Mr. Richardson then introduced the following staff from LIHI: Ms. Sharon Lee, Executive Director and Ms. Kalyssa Eversman, Housing Developer Associate & Project Manager.

Ms. Lee stated that LIHI is proposing another permanent supportive housing project in Olympia. The City of Olympia is a key partner for this development as it has already purchased the property and conveyed it to LIHI to build this housing to end homelessness in Thurston County. She stated further that this project is the first of the two phases. A tiny home village operated by LIHI is across from the site for both phases. She also thanked the following for their support: the Housing Trust Fund & Apple Health and Homes (Dept. of Commerce), Thurston County, and the Thurston County Regional Housing Council.

Ms. Eversman stated that this project would have 10 AHAH vouchers available for residents and is permanent supportive housing for residents and those living on right of ways, with case management services offered onsite by LIHI and onsite medical services offered by Sea-Mar. She added the project site is located close to a wetland surrounded by nature. Also, a dog run park and a covered outdoor shelter will be available onsite as well, along with a communal laundry and a community room with a full-size kitchen.

Mr. Rumpf asked Ms. Eversman if there is long-term funding for this permanent supportive housing. Ms. Eversman replied that there is through the City, State, the Regional Housing Council, and the County. She also mentioned that the unit mix will serve persons making anywhere from 30 to 50% of local AMI.

Lewis, Spruce, & Sixth

Mr. Richardson stated that Lewis, Spruce, & Sixth is to be located at 316 North Lewis Street, 914 East Spruce Street, and 415 North 6th Avenue; all in Yakima, Washington 98902 and is sponsored by the Housing Authority of the City of Yakima (YHA). He added that this project will be in the Non-Metro credit pool, and will have a combined total of 50 units, with a total credit request of $1,378,777.

Mr. Richardson then introduced Ms. Isabel Garcia, Senior Developer, Office of Farmworker Housing (ORFH), representing the project sponsor, the YHA.

Ms. Garcia stated that ORFH is the leading developer for this project and that Lewis, Spruce, & Sixth is three scattered infill sites located in Yakima housing studio, one, and two-bedroom units in newly constructed buildings. The project will address the long waitlists occurring at YHA for affordable housing. She added that 13 of the 50 total units will be set aside for permanent supportive housing, to be serviced by project-based vouchers, and the remaining 37 units to serve persons making 60% or less of local AMI.

She mentioned that each site is located adjacent to existing housing operated/managed by the YHA and are located within a half mile of medical facilities, shops, and public transportation. Also, two of the three sites were already purchased by the YHA, and the third site on Lewis, was done through the Commission's Land Acquisition Program (LAP). She concluded that these three sites were consolidated in the financing for maintenance and operational efficiency.

Catlin & Main

Mr. Richardson stated that Catlin & Main is sponsored by the Lower Columbia Community Action Council (Lower Columbia CAC), located at 203 SW 3rd Avenue, in Kelso, Washington 98626, and is in the Non-Metro pool with 40 total units and a credit request amount of $1,105,600. A TDC waiver for this project was submitted and approved.

Mr. Richardson then introduced Mr. Walter Zisette, Real Estate Development Director, Community Frameworks, presenting on behalf of the Lower Columbia CAC.

Mr. Zisette stated that the unit mix breakdown would be the following for the two buildings: ten units for persons making 30% or less of local AMI, 20 units for persons making 40% or less of local AMI, and the remaining ten units for persons making 60% or less of local AMI. Also, ten out of the 40 units would be set aside for eligible households utilizing either or both the HOME and AHAH funding sources.

He mentioned that the Lower CAC has been in existence in Cowlitz County for over 60 years, and Community Frameworks for 50, and stated that this is the first collaboration between Community Frameworks and the Lower Columbia CAC for any housing project. Also, for the community, there will be a public library in the ground floor of the "A" building, and a community center in the "B" building as well.

Mr. Zisette then acknowledged the funding partners: Housing Trust Fund (Dept. of Commerce), City of Kelso, a grant from PeaceHealth, and Enterprise Community Partners. He added that an application for Department of Commerce CHIP funds was also submitted.

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

Public Hearing: Proposed Bond/Tax Credit Policy Changes for the 2026 Allocation Round

The Vice Chair opened a public hearing on the proposed Bond/Tax Credit Policy Changes for the 2026 LIHTC Allocation Round at 1:22 p.m.

Mr. Jason Hennigan, Manager, MHCF Division, along with Ms. Jackie Moynahan, MHCF Division Senior Policy Advisor, stated the proposed Bond/Tax Credit Policy changes for the 2026 Allocation Round are twofold: 1) Federal changes to the 50% Test by lowering this to be a 25% Test for bond issuances after December 31, 2025 along with transition projects that can issue 5% in 2026 to meet the lower test, and 2) clarifications to investor, energy, and major systems requirements, and the Community Based Organization (CBO).

Mr. Hennigan briefly summarized the changes that were included in more detail both as PowerPoint presentation slides and a table included in the board meeting packet.

The Federal changes are as follows: 1) Updates Sections 2.3, 3.17, and 3.30.2 of the Commission's Bond/Tax Credit Policies to reflect the new 25% threshold to qualify for LIHTCs; 2) maintains a cushion for bond requests of no more than 30% of aggregate basis but allowing flexibility up to 40% based on the Commission's evaluation of the project's permanent debt sizing under two criteria – whether the project can support permanent debt supporting the larger allocation and the project is unable to obtain recycled bonds; and 3) provides flexibility on how the Commission may use recycled bonds to be responsive to the Federal changes.

Commented [FP1]: This is a hard to understand. Please have Jason edit for clarity.

Mr. Hennigan then briefly explained how bond cap sizing works. Currently bond cap awards are hard capped at 55% of aggregate basis (50% + a 5% buffer). With the new 25% Test, bond cap awards will be calculated using a two-step process – 30% of aggregate basis plus land (25% + a 20% buffer), and a permanent debt amount of up to 40% aggregate basis. Also, some projects will need to take on taxable debt on a short-term basis for a portion of their construction financing, that would have been tax-exempt under the 50% Test.

Commented [FP2]: Check with Jason

Commented [FP3]: Numbers don't add up

He then briefly explained that recycled bonds are generated from bond prepayments, mostly from loans converting from the construction phase to the permanent phase. Recycled cap does not create any 4% LIHTC. Recycled cap is time constrained to no more than six months from the repayment date and the availability of recycled bonds is difficult to predict. To date, recycled bonds are prioritized for production. He added that staff expects the new 25% Test will result in more demand for recycled bonds for projects that can support permanent debt above the 30% level.

Mr. Hennigan then briefly summarized the remaining section changes in the Policies as follows:

Section 3.16.12 - Tax Credit Investor – Adds “syndicators” to the subsections and creates a Balance of State subsection to clarify requirements.

Section 4.5 – Projects that are By and For the Community – aligns process with prior years’ updates to clarify an interview is required and not of a supportive nature.

Commented [FP4]: ? Check with Jason – something is missing

Section 4.6 – Donation in Support of Local Nonprofit Programs – clarifies definition of organizations receiving the donations.

Energy Sections 4.8.2.1 NC Solar Option & 4.9.1 Solar Rehabilitation Option – clarifies requirement for projects with multiple buildings.

Energy Section 4.9.3 Electric Vehicle (EV) Charging Station Option – clarifies intent and requirements for residential parking spaces.

and,

Section 4.11 – Rehabilitation of Major Systems – clarifies options by replacing “other” with “Envelope” and highlights requirements that are needed.

Ms. Moynahan added that the five guidance items for the Bond/Tax Credit Program will be posted on the Commission’s website later in the afternoon after the Commission Meeting for the following:

1) 25% Test – context and support for applicants

2) Underwriting – mirrors 9% program guidance

3) Community-Based Organizations (CBO) – provides examples and clarifying process expectations

4) Energy – clarifies requirements and expectations and

5) Preservation – highlights sections of the Policies that support this activity.

Ms. Lisa Vatske, MHCF Division Director, commended MHCF staff for all their hard work on these updates to the Policies.

There were no comments or written testimony from members of the public, and the public hearing was closed at 1:34 p.m.

Action Item: Resolution No. 25-76, 2025 Allocation(s) of Credit for the Housing Tax Credit Program

Ms. Lisa Vatske, Director, MHCF Division, stated that this is a resolution authorizing the Executive Director to make reservations and/or allocations of 2025 LIHTCs for the following three projects:

TC #	Project Name	City	County	Annual Tax Credit Amount
25-15	Franz Anderson	Olympia	Thurston	$1,928,539
25-03	Lewis, Spruce, & Sixth	Yakima	Yakima	$1,378,777
25-10	Catlin & Main	Kelso	Cowlitz	$1,105,600

The public hearing for these projects was just held prior to the consideration of this resolution.

Mr. Rumpf moved to approve the resolution. Mr. Larsen seconded the motion. The resolution was approved by a vote of 8 to 0, with one abstention from Vice Chair Krueger, due to his employment as the Executive Director of the YHA.

Action Item: Resolution No. 25-67, 192 Shoreline Supplemental, OID #21-33A

This action item was pulled from the agenda.

Ms. Vatske provided some context and transparency on a very difficult and challenging situation that MHCF has been navigating through since May of this year, and to explain why this project has had its financing resolution(s) pulled from the agenda several times.

Ms. Vatske explained that this bond/tax credit project that the Commission financed in December 2021 - the 192 Shoreline project, with TWG Development, which is currently being built and to provide low-income housing for 250 households, failed to use their tax-exempt debt allocation of $48 million by the federally required deadline. She stated further that TWG used a taxable construction loan, which was extended due to project delays; so when they went to convert their construction loan to permanent, it was then realized that the tax-exempt bonds had not been drawn down within the required time frame, meaning that not only was the bond cap authority was lost, but also the ability to access the tax credit equity, what that was also a loss as well.

Ms. Vatske stated that at that point, a series of discussions and negotiations took place regarding the potential consequences and solutions as this has never happened before in Washington. She added that through thorough inquiries, only a few other times nationally that we know of.

She added that MHCF staff, alongside legal counsel from Pacifica Law Group, the borrower, the borrower's and bank's council, worked diligently and thoroughly to model several scenarios to balance and weigh protecting the tenants, first and foremost. Then, the potential additional bond cap was needed with keeping the transaction intact versus letting the whole financing unravel, which could ultimately have led to the displacement of the newly housed tenants through the financing default and potential bankruptcy of the borrower.

After assessing the various scenarios and appreciating the magnitude of this mistake and loss of resources by not being able to realize on the $30 million of tax credit equity needed to convert the construction debt and the $15 million of subordinate debt invested through the Amazon Equity Fund, the Commission entered into a supplemental bond volume cap allocation agreement that stipulates to the original bond issuance amount being lost, states the unexpected and significant use of the scarce, valuable, and highly competitive Commission resource, and the impact on the Commission's funding pipeline and its public and private partners. It also addresses the policy and process that the Commission Policy Section 3.3 has in place, which required the project sponsor to provide reasons for the request, and to take steps to minimize cost increases, identifies other sources of funding to cover gaps, documents and provides updates on the sources and uses.

Ms. Vatske stated that Commerce agrees to allocate additional bond cap in the amount of $47,414,457, with Commission approval of a new supplemental financing resolution. This also states several conditions intended to serve as a penalty and consequence for this error, basically following our debarment policy to minimize the impact of the loss of this resource on other housing developers in Washington state by not allowing this developer or borrower to apply to or utilize any of the Commission's programs for a three-year period from the date of the agreement, and providing a roadmap for the three additional projects that were in the developer's pipeline, including an ELAP loan that the Commission has made.

She added that additional oversight will be required by the developer, and all current policies, including meeting any future policies regarding good standing, will be required after the three-year period. Also, TWG waives any right to file a lawsuit against the Commission.

She emphasized the unique, unprecedented, and difficult nature of this situation, and the importance and priority of protecting the existing tenants living in the building and protecting the integrity of the financing structure in order to enable this housing to remain affordable, as originally contemplated, has been the Commission's main objective in considering the reissue of this debt and bringing this resolution forward to Commissioners for consideration/approval next month.

Ms. Vatske concluded her remarks by stating that lessons have been learned, the importance of the borrower and financing team to fully understand the underlying requirements and funding mechanisms being used, and to fully implement the tax-exempt financing piece within the federally required time frame(s), along with the importance and validation of the need to build out a clear and transparent good standing policy that the Commission is currently in the process of researching. She is hoping that this supplemental financing resolution will be brought before Commissioners next month for consideration/approval, to convert the financing and keep this financing intact.

Vice Chair Krueger thanked Ms. Vatske for the explanation and update for this project.

Action Item: Resolution No. 25-77, The Bush School, OID #25-54A

Ms. Vatske stated that this is a resolution approving issuance of one or more series of tax-exempt and/or taxable revenue obligations to (i) finance the construction, renovation, furnishing, improvement and equipping of nonprofit educational facilities (including the demolition of an existing facility), and (ii) pay all or a portion of the costs of issuing the obligations, located at 3400 E. Harrison Street, Seattle, Washington 98112. The project is owned and to be owned and operated by The Bush School, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Code. The estimated maximum obligation amount is not expected to exceed $50,000,000. The public hearing was held July 24, 2025.

Ms. Vatske concluded that a bank commitment letter was issued by Wells Fargo Bank for an amount not to exceed $46 million.

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

Action Item: Approval of Proposed Bond/Tax Credit Policy Changes for the 2026 Allocation Round

Ms. Vatske stated that this is the consideration and approval of proposed Bond/Tax Credit Policy changes for the 2026 Allocation Round. The public hearing was just held which summarized the changes to the Policies for 2026 in a presentation by Mr. Hennigan and Ms. Moynihan, and in detail in the PowerPoint presentation slides and the table that was included in the board meeting packet.

Mr. Larsen moved to approve the proposed Bond/Tax Credit Policy changes for the 2026 LIHTC Allocation Round. Mr. Espinoza seconded the motion. The motion was unanimously approved.

Informational Report on Department of Commerce Activities

Mr. Kelleher mentioned the following items from the Department of Commerce ("Commerce"):

Commerce still has several staff vacancies to fill including the Assistant Housing Director. Mr. Kelleher also mentioned that he is the current Interim Co-Assistant Director of the Housing Division at Commerce.

Mr. Kelleher mentioned that the state economic revenue forecast that came out yesterday was not unexpected, with a $900 million shortfall announced. He added that this was on top of the significant shortfalls that had to be addressed in the last legislative session through a combination of significant cuts and revenue enhancements. He added that it will be even more difficult to do a second round of reductions, so Commerce is currently undertaking that process.

Mr. Kelleher stated that Commerce has submitted a legislative decision package and agency request legislation for consideration by the Governor's Office, which is currently being reviewed and will be posted on the OFM website soon. The Governor will make the final decisions about what to accept by the end of the year.

He then mentioned that with respect to the potential federal shutdown on October 1, that a short-term Federal government shutdown will not have a significant impact and will not impact Commerce's grants and pass-through monies. Also, Commerce has the ability to move funds around, for a significant period of time before it would make an actual impact on Commerce's contract agreements and staffing levels.

Executive Director's Report

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

Multifamily & Community Facilities:

Excited to announce that Ben Brown, MHCF's former intern has joined the Commission as a Development analyst, continuing to support the energy, preservation, and multifamily financing efforts. MHCF will be hosting another HDC intern this year who will be helping to continue to support the Commission's energy and sustainability efforts.

On September 12, the Sustainable Energy Trust (SET) Loan Committee approved a loan of $1,000,000 to partially fund the Giving Grid Portfolio. This loan will provide for the development of 1.8 Megawatts of solar capacity, with energy savings from the projects being passed on to several rural school districts. The full portfolio will generate a combined $10 million in energy savings over the solar system's 30-year lifetime. School districts that will benefit from these projects include Davenport, Tekoa, Pullman, Lind-Ritzville, Freeman, Palouse, Reardan, and Sprague.

The Commission recently approved (and are close to closing) the first series of of construction loans to two non-profit borrowers through its Community Land Trust Program. The homes will be sold under a land- lease model ensuring affordability in perpetuity.

1.) Kulshan Community Land Trust: LaFreniere Court

The project features an 18-unit townhome development in Bellingham. The energy efficient homes will be conveniently located to public transportation, Bellingham Public Schools, City Sprouts Farm, and Downtown Bellingham.

2.) Olympic Housing Trust: Dundee Hill

The project features five green built, Northwest-modern townhomes. There will be two 2-bedroom units, and three 3-bedroom units situated next to the neighborhood's community garden.

Homeownership:

Covenant Homeownership:

As of September 22, 2025, there are 770 confirmed closed loans and an additional 100 loans in the pipeline with CHA reservations in 24 counties.

Homeownership Assistance Fund (HAF):

The Washington HAF Program worked its way through the more than 700 applications it received as of the April 7, 2025 application deadline and only a few applicants remain to be processed. Homeownership is finalizing the final few applications and then will turn to program closure. Homeownership is also working with the State Auditor's Office (SAO) to complete the Fiscal Year 2025 audit of the HAF program and expect that to conclude shortly.

As of September 16, 2025, the Commission has provided 6,758 HAF grants totaling over $142 million.

Other updates:

In August 2025, the Homeownership Division had $206 million in new loan reservations assisting 539 households.

Asset Management & Compliance (AMC):

Compliance Monitoring:

Eventual Tenant Ownership (ETO) Projects - Chrystal White from AMC Division staff continues to work on project plans and approvals.
New information shared this past month shows that Spokane Homes conveyed all but seven units. AMC is working to get the homes released from the regulatory agreements. Chrystal is continuing to monitor progress and plans to conduct a site tour in October for locations in Yakima and the surrounding area. This rollout aims to improve how AMC receives and tracks inquiries from residents, property staff, and stakeholders.

Business Directives:

Staffing – AMC is excited to announce that we have hired a new Asset Management Analyst! This is one of the new positions created to support the Asset Management Initiative. AMC is excited about how this role will help strengthen asset management practices and enhance overall portfolio performance. AMC is pleased to share that one of their own Portfolio Analysts, Allie Delano, has accepted the position. Congratulations, Allie!

AMC is also excited to announce that Brett Pickett has accepted the offer to fill the Portfolio Analyst position left vacant by Allie's position change. Brett is coming to the Commission from the Vermont Housing Finance Agency and will be joining the Commission in late October. Plus, AMC has hired William Phillips Nichols as the new Asset Management Intern, who will be supporting Allie and the team with ongoing projects and initiatives.

Finance:

Division Directors and Finance Division staff met with representatives from Moody's earlier in the month to discuss the Commission, its programs, and future challenges , as the next step in obtaining an issuer rating. Additional financial and programmatic data was provided to Moody's following the meeting, which they are currently analyzing. Finance expects to receive the rating sometime next month.

Diversity, Equity, & Inclusion (DEI):

Community Engagement:

The Community Engagement (CE) Team successfully completed the IAP2 (International Association for Public Participation) Fundamentals of Public Participation course, marking a milestone in their professional development journey.

Business Objectives:

Starting in October, quarterly objective reporting will transition to an automated Smartsheet system.

Phase One will establish a centralized organizational hub for business objectives and divisional reporting.

Phase Two will refine the system based on user feedback and desired reporting outcomes.

Strategic Plan:

The Accountability Tracker Team is finalizing the strategic plan tracking tool.

Executive Director's Update:

Lt. Governor Heck, Senator Bateman (Chair of the Housing Committee), and the Governor's recently hosted a housing supply roundtable. The event brought together representatives from across the housing ecosystem—including the Commission, the Department of Commerce, developers, labor lobbyists, local government officials, realtors, and members of the broader building industry. Participants were invited to share actionable ideas to help address housing supply challenges in preparation for the upcoming short legislative session.

Mr. Walker met with a delegation from Salt Lake City (SLC) that visited last week, including the Salt Lake County Mayor, and council members from both jurisdictions. Mr. Walker participated in a roundtable discussion focused on the region's approaches to housing, affordability, and strategies for addressing homelessness.

Mr. Walker then asked the State Treasurer & WSHFC Commissioner, Mr. Pellicciotti, to give a brief update and some context on the State's current budget deficit.

Mr. Pellicciotti stated that to add to Mr. Kelleher's remarks during his Department of Commerce report, that while the current biennium budget for 2025-27 was balanced to address a $16 billion budget shortfall that was approved by the Legislature and the Governor, the latest revenue forecast from the State Economic Revenue Forecast Council shows little change, but challenges lie ahead due to national tariffs and employment numbers. He concluded his remarks by saying the Council will have another revenue forecast projection towards the end of the current calendar year.

Mr. Walker then stated that he looks forward to seeing Commissioners and staff at the annual Housing Washington Conference being held in Bellevue, next week.

Mr. Rumpf commented that he hopes something tangible occurs as a result of the roundtable meeting that Mr. Walker mentioned, especially for market rate housing. Mr. Walker and Mr. Kelleher added that in the past three years, a number of land use actions have been approved by the Legislature.

Mr. Walker mentioned that Commerce was represented at this roundtable meeting, and that proposals and ideas are developing regarding permitting and preapprovals to reduce bottlenecks and delays in production of housing. Mr. Kelleher concurred and added that local governments need to actually follow through on implementing the legislation that has been approved by the Legislature.

Commissioners' Reports

Mr. Tripp mentioned that he was in attendance at the grand opening of Catholic Charities' newest project in Colville. He stated that the facility looked great and was thankful to represent the Commission at this event.

Mr. Larsen attended the Pacific Northwest Lenders Conference in Boise, Idaho, which is a tri-state conference with Washington, Oregon, and Idaho. He got to see a panel with WSHFC Homeownership Director, Ms. Lisa DeBrock, representing Washington State, and Idaho Housing. He stated that he was impressed with how Washington was portrayed at this conference, and commended Ms. DeBrock.

Consent Agenda	The consent agenda was approved as distributed.
Public Comment Section	The Vice Chair opened the public comment section. No members of the public commented.
Adjournment	The meeting was adjourned at 2:09 p.m.
Signature	________________________________