

WASHINGTON STATE HOUSING FINANCE COMMISSION

WORK SESSION MINUTES

April 22, 2021

The April 22, 2021 work session was called to order at 11:00 a.m. by Bill Rumpf via Zoom and conference call. In attendance were Commissioners Diane Klontz, Mike Pellicciotti, Lowel Krueger, Wendy Lawrence, Ken Larsen, Pedro Espinoza, and Alishia Topper.

Lisa DeBrock introduced Betsy Cavanna, Managing Partner of Peak Performance Resources, who gave an overview of the Peak Performance analysis of seller servicer approval for homeownership, highlighting the pros and cons, gap analysis and risks. The presentation was followed by robust discussion.

Lisa Vatske and Bob Cook made a presentation on the Citibank Securitization, highlighting the background, the structure, benefits of the transaction and the expected timeline.

Lisa Vatske gave an update regarding the July bond round policy changes and stakeholder engagement.

The work session was adjourned at 12:00 p.m.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

April 22, 2021

The Commission meeting was called to order by Chair Bill Rumpf at 1:00 p.m. via Zoom and conference call. Those Commissioners present were Diane Klontz, Mike Pellicciotti, Lowel Krueger, Wendy Lawrence, Ken Larsen, Pedro Espinoza, and Alishia Topper.

Approval of the Minutes

The minutes of the March 25, 2021 special meeting were approved as mailed.

Employee Recognition

Five Years

Sarah Bruington

Twenty Years

Carol Johnson

Employee of the First Quarter - Mary Lightle

“This employee is a true asset to the AMC division. She came to us as a temporary admin employee to work on archiving and other duties. She quickly proved herself to be a ‘get the job done’ worker and more tasks were assigned to her, including collecting and performing the initial review of property transfer documents. When a permanent position as a Commerce Specialist became available, she became a permanent Commission employee.

She created the AMC online Jotform portal for property transfer submissions. This portal not only provides a place for owners to submit their documents electronically, but it helps walk them through the property transfer submission process, requiring different documents be submitted based on the type of transfer being requested. Once a submission comes in, she then performs an initial

review of the documents and prepares the Transfer Agreement and Escrow Instructions for review and approval. This process saves the Portfolio Analysts a lot of time. We now only have to review everything she has put together for us in one place and ask Owners for any necessary clarifications.

She applied this same innovation and willingness to take on a new task to Laserfiche our annual reporting process. It became evident last year that we were going to have to move to an electronic system to receive and review our annual report submissions. Once Laserfiche was chosen as the system, she was assigned the task of designing the collection forms and working with IT to make the system work for AMC. It was evident at the initial Laserfiche training that she was the perfect person to take on this task. She understood the concepts Connie was demonstrating and was excited about tackling what seemed like an impossible task given the short timeframe to get the work done. She not only met the task, she excelled at it, managing inputs from multiple individuals and dealing with the stress brought on by the deadline and the IT challenges that were beyond her control.

Thanks to her perseverance, we now have a very workable system with multiple Laserfiche forms; one for the initial report submissions, one for the submission of report corrections, and the soon to be published form for submitting resident certification packets connected to an on-site inspection. Next up she is talking about converting the property transfer process she built in Jotform to Laserfiche with possible connections to HomeBase.

We are so grateful that Mary is on our AMC Team! Congratulation to Mary Lightle, Employee of the First Quarter 2021.”

**Public Hearing:
Rose Street II, OID
21-43A**

The Chair opened a public hearing on OID # 21-43A, the Rose Street II, at 1:09 p.m.

Claire Petersky, Manager of the Multifamily Housing and Community Facilities Division, said this public hearing was for the proposed issuance of one or more series of tax-exempt and taxable revenue notes to finance a portion of the costs

for the acquisition, construction and equipping of a 182-unit multifamily housing facility located at 7930 Rainier Avenue S. and 8190 Rainier Avenue S., Seattle, WA 98118, to be owned by Rose 2 LLLP, a Washington limited liability limited partnership. Proceeds of the notes may also be used to pay a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$65,000,000. Ms. Petersky introduced Jacob Gelb, Senior Housing Developer at Bellwether Housing.

Mr. Gelb stated that this project will be restricted to households earning 50% of area median income (AMI). Twenty percent of the units will be set-aside for large households, and twenty percent of the units will be set-aside for persons with disabilities. Bellwether has engaged Empowering Youth and Family Outreach, a minority owned, Rainier Beach based childcare provider to operate the childcare space. To combat displacement, Bellwether partnered on this project with Muslim Housing Services (MHS), a Rainier Beach-based nonprofit. MHS clients are primarily refugees and second migration immigrant families. Both will occupy the commercial space along Rainer Avenue. This project plans to break ground in June 2021 and open May 2023.

There were no other comments from members of the public and the hearing was closed at 1:14 p.m.

**Public Hearing:
2021 Allocation of
Credit for the
Housing Tax Credit
Program**

The Chair opened a public hearing on the recommended allocation of Low-Income Housing Tax Credits at 1:14 p.m.

Twin Lakes Landing II

Bob Peterson, Manager of the Multifamily Housing and Community Facilities Division, introduced Bobby Thompson, Housing Director at Housing Hope.

Mr. Thompson stated that Twin Lakes Landing II will be a 60-unit homeless project in four buildings, each of which will be three stories in height. The majority of buildings will have five units on each of the three floors. Through Housing Hopes tailored services program, staff will assess each household and develop an individual family services plan that outlines the specific long and

short-term goals that will lead to maintaining permanent housing and self-sufficiency. To meet the Passive House primary energy consumption limits for the subject design, a small 10kW photovoltaic (PV) solar array has been provided on each building. Fifty percent of the units will be set-aside for 50% AMI and the additional 50% will be set-aside for 30% AMI.

DESC (Downtown Emergency Service Center) Greenlake

Mr. Peterson introduced Daniel Malone, Executive Director at DESC. Mr. Malone stated that this project was conceived with the new Sustainable Living Innovation (SLI) technology, is in proximity to two existing DESC sites. The location affords additional efficiencies in clinical staffing to be shared among the sites. The SLI model of construction leverages best practices from the automotive and aerospace sectors and could be the next great innovation for Permanent Supportive Housing (PSH). Having no paint, no drywall, no carpet, no elevator, no internal corridor, radiant heat and glass walls in this project, DESC proposes the most expeditious and cost-effective PSH possible in its efforts to mitigate the homelessness crisis. Fifty percent of the units will be set-aside for 50% AMI and the additional 50% will be set-aside for 30% AMI.

In response to comments from Mr. Rumpf and Mr. Espinoza, Mr. Malone stated that construction materials will be made of plastics and metals. These panelized building will be produced off site but assembled on site.

Stonewood II

Mr. Peterson introduced Beau Baker, Development Manager at Cascade Housing Affordable Consultants. Mr. Baker stated that this is the second phase of this project and it will add 42 garden-style units of much needed affordable farmworker housing. Residents will have access to the amenities of the first phase, playground, community room with computer lab, job search center etc.) as well as will be offered an option to take a free English Literacy Class through USA Learns as coordinated by Resident Services Staff and services by Trillium Housing Services. Fifty percent of the units will be set-aside for 40% AMI, forty percent of the units will be set-aside for 50% AMI and the additional 10% will be set-aside for 30% AMI.

Pasco Haven

Mr. Peterson introduced Jonathan Mallahan, Vice President of Catholic Housing Services of Eastern WA. Mr. Mallahan stated this Pasco, WA project will provide 59 units of newly constructed, permanent supportive housing for extremely low-income individuals and one onsite manager unit for a total of 60 units. The project will serve persons who are experiencing extreme poverty, instances of homelessness and those with chronic mental illnesses. Half of the units will be dedicated for individuals exiting homelessness. The project will offer the residents a place to connect with the community by providing access to services available that assist the resident with their illnesses, improve their job skills, increase job opportunities, identify and create plans that improve issues that contribute to chronic poverty. Fifty percent of the units will be set-aside for 50% AMI and the additional 50% will be set-aside for 30% AMI.

Warrior Ridge Apartments

Mr. Peterson introduced Craig Dougall, Developer, and Kara Horton-Wright, Chairman, at Port Gamble S' Klallam Housing Authority. Mr. Dougall stated that this five-building panel style building will be built off site and assembled on site, this is their second project using this style construction. Ms. Horton-Wright stated the Warrior Ridge Apartments project will consist of 1, 2 and 3-bedroom units and will set aside 15 units at 30% of AMI, 7 units at 40% of AMI and 7 units at 60% of AMI. In addition, 50% of the units will provide permanent housing for the homeless and 50% will be for general occupancy. It is anticipated that the two- and three-bedroom units will serve larger households with children.

This project will be the second development on the Warrior Ridge property. This project will be adjacent to a community center, a couple of offices, a fitness center and commercial kitchen to help the community stay healthy, active, and engaged in their community. Additional amenities in the Warrior Ridge Community include a planned playground, ballfields, and greenspace.

Mattawa II

Mr. Peterson introduced Sergio Garcia, Housing Developer and

Holly Anderson, Housing Developer at Office of Rural & Farmworker Housing (ORFH). Mr. Garcia stated that Mattawa is an agricultural town that has recently seen a shift from row crops to labor-intensive crops such as fruit trees and vineyards. The 6,000 acres of tree fruit were planted over the span of just three years. These labor-intensive crops require year-round work resulting in high demand for farm laborers. This project will be close to schools, a medical facility and grocery store. Ms. Anderson stated that over 50% of employees in the local labor market work in agriculture. The need for additional housing is evident with 33% of its current housing stock experiencing crowding and overcrowding. The need for housing in Mattawa is also expressed by the nearly 300 families on the waitlist for another multifamily development operated by Catholic Charities Housing Services (CCHS) in the same jurisdiction.

Eastgate Public Supportive Housing (PSH)

Mr. Peterson introduced Tim Parham, Director of Real Estate at Plymouth Housing, who stated that Eastgate PSH will be the first permanent supportive housing development in east King County for single adult individuals exiting homelessness. This project is 96 units and part of a future 550+ unit campus consisting of affordable family housing and Congregation for the Homeless (CFH) shelter for men. The site is well located, within a one-mile walking distance to transit as well as Factoria Village shopping center. Bellevue College is a 0.6 mile walk away. The facility will be staffed 24/7, including case management and an in-house health clinic. The project will serve residents recovering from trauma, chemical dependency, and mental illness. Project-based rental assistance will be available for all units.

There were no other comments from members of the public and the hearing was closed at 1:47 p.m.

**Public Hearing:
Policy waiver
needed for the
allocation of the
2021 9% tax credits**

The Chair opened a public hearing on a policy waiver to enable up to 25% in forward commitments for the allocation of 2021 9% tax credits, at 1:47 p.m.

Lisa Vatske, Director of the Multifamily Housing and Community Facilities Division, stated that the current policy allows up to 20% of the next year's

allocation to be forward committed. The current list of projects being proposed for 2021 would bring the total forward commitment to closer to 25%. Last year the Commissioners approved a forward commitment of 30%.

Overall, the Commission received 27 applications requesting \$39,017,320 in credit. Staff is proposing to allocate to 14 projects, totaling \$21,178,028, a 52% application success rate. The current amount we are proposing to allocate is 24.38% over our 2021 allocation. Current policy allows a forward commitment of 20%. This deeper commitment will better align us with projects funded with the Housing Trust Fund in our non-metro pool. Staff is being consistent with what we have done in previous years, moving forward with ready-to-go projects with state commitment. Staff have brought seven projects to the April Commission meeting, four from the non-metro pool, two of which are the additional projects creating the forward commit amount over the current policy.

There were no other comments from members of the public and the hearing was closed at 1:50 p.m.

**Public Hearing:
Changes to the July
Bond/4% allocation
round**

The Chair opened a public hearing on the proposed changes to the 4% Bond Policies for the 2021 round, at 1:50 p.m.

Ms. Vatske reiterated what she mentioned in the work session earlier today, priority in the July round will go to the following categories of projects, in the following order of consideration:

- State Housing Trust Fund awardee before 1/1/2021
- Sponsored by a Black/Indigenous organization or owned by a Black/Indigenous company
- Located outside King County

Projects in this round will also be subject to these changes in the program policies:

Existing policy	Amended policy
2.2 Maximum Allocation of Bond Cap	Sponsors will be allowed no more than an allocation to two projects in calendar year 2021. Sponsors allowed to apply for only one project in the July round.
2.4 Total Development Cost Limit	The Total Development Cost Limit will be updated to the chart referenced on the page attached: 6% increase for King/Seattle, Pierce/Snohomish/Clark and Metro and 3% Balance of State.
3.17 Rehabilitation requirements	No acquisition/rehab projects that have regulatory agreements for housing affordability or federal rental subsidy contracts will be accepted in this round.
4. Bond Cap and Tax Credit Allocation Criteria	Minimum score of 70 points required to submit an application
4.11 Location Efficient Projects	To qualify for points, projects must be within ½ mile walking distance to services listed. Grocery store or supermarket within ½ mile is no longer a requirement to get these points. Add “market serving an ethnic or cultural group” to the list of possible services.
4.13 Transit Oriented Development	Add language in red: An urban or rural project will be awarded 3 points if they are within a 0.5-mile walking distance of: <u>a</u> Park & Ride, Light Rail Station, Commuter Rail Station, Ferry Terminal, Transit Center, Street Car stop, or Bus Rapid Transit stop.
4.17 Donation in Support of Local Nonprofit Programs	A minimum of 50% of the total donation must be made to an organization led by People of Color (POC), defined as an organization where the CEO/ED identifies as POC and the majority of the board of directors are POC.
4.17 Donation in Support of Local Nonprofit Programs	Up to 25% of the total donation may be made to an advocacy organization.
4.23 Community Facilities	“Pre-approval” changed to “Pre-submittal review”
4.23 Community Facilities	Food banks and community meal programs with kitchens, both licensed by the local health department, added to the list of community facilities that do not require pre-submittal review.
9.1.1 Application Fee	Re-submittals from the January 2021 Bond/Tax Credit Application round will be eligible for an application fee discount of 50%.

Total Development Cost

King/Seattle	\$311,900	\$361,000	\$383,600	\$432,500	\$476,100
Pierce / Snohomish / Clark	\$300,200	\$350,200	\$370,800	\$419,600	\$461,800
Metro (Thurston, Spokane & Whatcom)	\$261,500	\$303,600	\$332,200	\$385,900	\$424,200
Balance of State	\$189,700	\$213,600	\$242,100	\$318,000	\$347,600

Ms. Vatske read a letter from the City of Kirkland regarding the Grata at Totem Lake 9% project which did not make this round and is currently on the waiting list. Staff will work closely with this project to help in their next steps.

Naomi See, representing Low Income Housing Institute (LIHI), made a public comment thanking the Commission for their hardwork and effort on the updates they have made this policy round.

There were no other comments from members of the public and the hearing was closed at 1:59 p.m.

**Action Item:
Approval policy
waiver needed for
the allocation of the
2021 9% tax credits**

Ms. Vatske requested approval of the recommended policy waiver to enable up to 25% in forward commitments for the allocation of the 2021 9% tax credits.

Mr. Larsen moved to approve the request. Mr. Kreuger seconded the motion. The request was unanimously approved.

**Action Item:
Approve changes to
the July Bond/4%
allocation round**

Ms. Vatske requested approval of the proposed changes for the July bond/4% allocation round.

Mr. Kreuger moved to approve the request. Ms. Lawrence seconded the motion. The request was unanimously approved.

**Action Item:
Resolution No. 21-
61, a Resolution for
the 2021 Allocation
of Credit for the
Housing Tax Credit
Program**

Lisa Vatske, Director of the Multifamily Housing and Community Facilities Division, said this is a resolution authorizing the Executive Director to make reservations and/or allocations of 2021 Housing Tax Credits to the following projects:

TC #	Project Name	City	County	Credit Amount
21-03	Twin Lakes Landing II	Marysville	Snohomish	\$1,594,476
21-06	DESC Greenlake	Seattle	King	\$2,141,474
21-09	Stonewood II	Yakima	Yakima	\$ 820,000
21-13	Pasco Haven	Pasco	Franklin	\$1,498,274
21-17	Warrior Ridge Apartments	Kingston	Kitsap	\$ 797,200
21-19	Mattawa II	Mattawa	Grant	\$1,283,730
21-27	Eastgate PSH	Bellevue	King	\$2,141,689

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

**Action Item:
Resolution No. 21-
62, Hamlin
Robinson School,
OID # 21-49A**

This item was pulled from the agenda.

**Action Item:
Resolution No. 21-
54, Garten Haus
Apartments, OID #
21-45A**

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt revenue bonds to finance a portion of the costs for the acquisition, rehabilitation, expansion and equipping of a 40-unit multifamily housing facility located at 1300 Commercial Street, Leavenworth, WA 98826, to be owned by Garten Haus Apartments LLLP, a Washington limited liability limited partnership. Proceeds of the bonds may also be used to pay a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$8,000,000. The public hearing was held February 25, 2021.

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

**Action Item:
Resolution No. 21-
55, Mirabeau Place
LLC, OID # 19-
138A**

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt and taxable revenue notes to finance a portion of the costs for the acquisition, new construction and equipping of a 300-unit multifamily housing facility located at the Southern Terminus of N. Robie Court, Spokane Valley, WA 99206, to be owned by Mirabeau Place LLC, Washington limited liability company. Proceeds of the notes may also be used to pay a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$46,500,000. The public hearing was held February 25, 2021.

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

**Action Item: Citi
Securitization
Transaction**

Ms. Vatske said this is a resolution authorizing the issuance of municipal certificates to provide funds for the Commission's purchase of a portfolio of existing Citibank-financed Washington State affordable housing tax-exempt notes in a stated notional amount of not to exceed \$600 million.

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

Action Item: Act on request to allow for adjustment of interest rates on DPA programs

Lisa DeBrock, Homeownership Director introduced Dietrich Schmitz, Down Payment Assistance Program Administrator.

Mr. Schmitz stated that the Homeownership Division offers various down payment assistance loans with our Home Advantage and House Key first mortgages. The interest rates range from 0% to 4%. All second mortgages are simple-interest, payment deferred loans. The interest rates were determined upon approval of the Commission with the Program-Related Investment application submitted for the program at program inception. Fannie Mae Community Second guidelines require the second mortgage rate to be no higher than 75% of the first mortgage rate when structured as simple interest and payment deferred. For example, with our current House Key first mortgage rate at 2.75%, the second mortgage rate needs to be set no higher than 2.0% to meet Fannie Mae guidelines. Due to the continued current lower rate environment, borrowers have been unable to use Fannie Mae financing, which is often more advantageous for the borrower, with some of our down-payment assistance (DPA) programs, especially our partnership programs. In some cases that means the Commission is unable to provide the borrower with any assistance in buying a home.

Mr. Schmitz is requesting permission to allow the Homeownership Division in coordination with the Finance Division, the flexibility to adjust the down-payment assistance rates to reflect the interest rate environment in order to meet Fannie Mae guidelines. Rates in no event would fall below 1%, or exceed the rate originally approved with the program application. Having flexibility allows us the ability to continue to offer Fannie Mae financing for homebuyers with no disruption in service.

Ms. Topper moved to approve the request. Ms. Lawrence seconded the motion. The request was unanimously approved.

Action Item: approve changes to House Key Opportunity DPA Program.

Ms. DeBrock stated that the House Key Opportunity program provides lower income, first-time homebuyers a path to homeownership using our bond issuance to offer a below-market first mortgage rate. It has a successful history in assisting households up to 80% of Area Median Income (AMI) to own their first

home. Staff imposed this AMI limit, significantly below that required by the IRS for a bond-funded single-family homebuyer program, to ensure this scarce resource was reserved for lower-income homebuyers. With this program, the Commission provides up to \$10,000 in a House Key Opportunity down payment assistance loan funded by Program-Related Investment (PRI) funds. The Commission last approved a PRI application for the program in June 2015.

Since we created these limits, the market has changed and reservations under the program have slowed considerably. Home prices have been driven up and there is reduced available inventory, especially for underserved communities and communities of color. A higher income is now required to qualify for many starter homes. Also, the \$10,000 is DPA loan amount is increasingly insufficient.

Because of the current conditions and the need for the residents of our state, staff recommend changing the income limit for the House Key Opportunity program to that required by the IRS. Our initial goal would be to restrict loans to those for 100% AMI and below, but this will give us the latitude to manage the pipeline of loans in the program by increasing that goal up to the IRS allowable income limit.

In conjunction with this change, staff recommend raising the maximum down payment assistance loan amount for loans in this program to \$15,000.

Mr. Krueger moved to approve the request to:

- Increase the income limit for the House Key Opportunity program to that allowable under IRS guidelines, and
- Increase the maximum down payment assistance loan amount for this program to \$15,000.

Ms. Lawrence seconded the motion. The request was unanimously approved.

Ms. Klontz from the Department of Commerce (“Commerce”) gave a report as follows:

Legislative Reports

The following legislative reports are being reviewed and finalized for submission:

- Assessment of the Housing Needs of American Indians, Alaska Natives, and Native Hawaiians in Washington State
- Washington Farmworker Housing Needs Assessment
- Manufactured Home Communities Rapid Acquisition Pilot Project Report

Housing Finance Unit

- Housing Trust Fund received a record number of pre-applications (fka Stage 1): \$394 million in requests lined up for the 2021 and 2022 funding cycles.
- Housing Finance Unit's (HFU) budget will be determined this weekend which is likely to be a new record-setting investment. A new provision for Rapid Capital Acquisition will be the most significant new program HFU will likely be administering.
- HFU will procure technical assistance and predevelopment consultation for rural communities for the upcoming biennium.

Housing Assistance Unit

- As of March 2020, the Housing Assistance Unit (HAU) has provided over \$90 million in rent relief and \$30 million in COVID-19 response funds to Tribal governments. Other COVID-19 relief efforts include funding for shelter expansion and ensuring that individuals experiencing homelessness are safe during the pandemic.
- The HAU data team has been working overtime to keep up with new grantees by getting them set up in the federal data reporting system. The data team also launched a new online learning management system to offer training to remote workers across Washington.
- HAU is preparing for an expected increase in funding and new programs from the Legislature to respond to the economic challenges created by the COVID-19 pandemic, including the end of the eviction moratorium.

Bond Cap Allocation Program

A Bond Cap allocation of \$465.46 million was made to the Washington State Housing Finance Commission on March 18, 2021, for their Multi-Family Housing Program.

Homeowner Assistance Fund

Our Community Services and Housing Division team has been in conversations with the Commission's homeownership program experts in preparation for deploying a new federal assistance program. The Homebuyer Assistance Fund (HAF), funded by ARPA, is intended to mitigate pandemic-related hardship for homeowners. HAF will provide funding for mortgage payments, utilities, insurance costs, and other assistance to prevent homeowners from losing their homes. In particular, staff are beginning to draft the HAF Plan which is due to U.S. Treasury on June 30.

Diversity-Equity-Inclusion-Respect (DEIR) Work Underway

Housing Finance Unit

The Housing Finance Unit is preparing to facilitate equity conversations with stakeholders and the public capital funders to explore ways to evaluate and improve our practices for addressing racial equity.

Housing Assistance Unit

The Housing Assistance Unit (HAU) is working hard to center racial equity and social justice:

- The HAU Racial Equity Committee provides recommendations and training opportunities to the unit.
- HAU is engaging people with lived experience into our decision-making processes:
 - The Office of Homeless Youth is currently working with several groups of youth and young adults with lived experience of homelessness, including BIPOC, to inform program design and program guidelines.
 - The HAU Performance Team recently launched an Equity Collaborative designed to provide recommendations for improving equity and closing service gaps in the homeless crisis response system.
- HAU committed to equitable service delivery across all populations in Washington:

- Ensuring prioritization policies are equitable.
- Adding several scoring criteria to measure applicant commitment to equity in funding applications and federal award rankings.

Executive Director's Report

Mr. Walker stated he wanted to highlight some bright spots in the Executive Director's Report that was included the Commissioners board meeting packets this month.

Homeownership:

- In partnership with NAMMBA (National Association of Minority Mortgage Bankers), the Commission along with Washington Mortgage Bankers hosted a virtual event on April 8th to gauge interest in forming a Washington chapter.
- In partnership with NAREB (National Association of Real Estate Brokers), we participated in Realtist Week where Dietrich Schmitz spoke virtually about our programs on April 15th to discuss downpayment assistance.
- In March, we had \$271 million in new reservations assisting 794 families. These numbers are on par with our overall number of families assisted and dollar volume from 2019 which represents more of a typical year.

Multifamily & Community Facilities:

- Exciting news: Both the House and Senate introduced the current version of the Affordable Housing Credit Improvement Act (AHCIA) both bills are being sponsored by our state delegation! Rep Susan DelBene on the House side and Senator Maria Cantwell on the Senate side. In addition to the many existing provisions that have been in the bill, we worked hard and were successful in adding the provisions of lowering the 50% test to 25%, which will basically double our bond cap allocation.

- In addition, NCSHA and Novogradac released an updated report analyzing the impacts of lowering the 50% test citing WA data that our staff provided. Kudos to both Dan's on our team, Dan Schilling, and Dan Rothman and Sojung for all their assistance on the data analysis!

Finance:

Fiscal Year 2022

- Budget - Staff have compiled the first iteration of the proposed budget for fiscal year 2022 which begins July 1. It is under review and staff expect further updates before the second iteration that we expect to present to you at next month's planning session.
- Finance is pleased to announce that Rachel Hamlet has been promoted to the position of Program-Related Investments & Grants Management Analyst. Rachel has been with the Commission for over 6 years, starting as our Finance Administrative Assistant before transitioning to Bond Analyst. Her knowledge of the Commission's programs coupled with a keen eye for data management makes her well suited to take on this new role. We are reviewing and updating the job description for the position left vacant and then will begin the recruitment process for it.
- State Audit – Finance staff are in the process of beginning the State Auditor for the fiscal year ended June 30, 2020. The process will begin with a risk assessment meeting on Wednesday, April 21.

Asset Management & Compliance:

- The team conducted another online tax credit compliance workshop in March and again received great feedback from attendees.
- Melissa Donahue testified at a Congressional hearing on the IRS' proposed rule concerning the new Income Averaging federal election.
- Portfolio Analysts finished closing out all 2019 annual report reviews and continue to review 2020 annual reports on all projects.

- Staff prepared for the presentation of classes at the state-wide Affordable Housing Management Association conference in April.

Administrative Division:

- Paul Edwards and Steve Walker meet with our internal Racial Justice and Equity Team (RJET) to review and discuss their first draft of the RJET charter statement. Once signed, this will always be considered a fluid document, finalized the team will begin work on an initial work plan. They have been working the last several weeks with an outside consultant.
- US Treasury Department released guidance regarding the Homeowner Assistance Fund (HAF). In coordination with Commerce, we plan to apply to claim our state’s allocation under the HAF, which was established under Section 3206 of the American Rescue Plan Act of 2021.
- As part of our virtual legislative conference activities WSHFC staff provided housing briefings on our legislative priorities to legislative staff from six different offices. We also held member meetings with Senator Cantwell and Representative Strickland and Representative Schrier’s staff.

Commissioners’ Reports

Ms. Topper reported that the Audit Committee met this morning. They reviewed the committee charter, swap policy, investment policy and the 2022 meeting schedule.

Consent Agenda

The Consent Agenda was approved as mailed.

Public Comment

Emily Thompson from GMD Development and David Ratliff from DevCo spoke on behalf of an affordable stakeholder group representing Inland Group, Vintage Housing, GMD Development and DevCo.

Mr. Ratliff stated that this group of developers have been working with the Commission for 20 years, account for about 45% of the tax-exempt bonds allocated and have produced over 23,000 units in 9 counties statewide.

Ms. Thompson stated, regarding the updated bond/tax credit program changes, that the group wants to make sure the Commission hears some key messages: keep an open competitive program by not restricting competition and be mindful of changes that may make it harder to develop affordable housing in the State.

Adjournment

The meeting was adjourned at 2:56 p.m.

Signature
