MAY 23 - 24, 2022

WASHINGTON STATE HOUSING FINANCE COMMISSION

COMMISSION MEETING & BUDGET PLANNING SESSION PACKET

WSHFC

WASHINGTON STATE HOUSING FINANCE COMMISSION

Opening doors to a better life

WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION MEETING AGENDA

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Special Meeting** in the **Baker Room**, located at **804 - 10th Street, Bellingham, WA 98225**, on **Monday, May 23, 2022 at 9:00 a.m.**, to consider the items in the agenda below.

Per the Governor's proclamation regarding the Open Public Meetings Act and Public Records Act (Proclamation 20-28) and due to extraordinary public-health circumstances related to the ongoing COVID-19 (coronavirus) outbreak, participation in this meeting will be offered both in-person and virtually.

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

Login information for Monday, May 23, 2022:

Webinar/ Meeting ID: 839 2576 7334
Passcode: 221092

Participants who wish to participate telephonically, please dial either: 1-(888) 788-0099 or 1-(877) 853-5247 U.S. toll-free

Participants wishing to provide public comments, please see public engagement opportunities on pages six & seven below for instructions.

I. Chair: Approval of the Minutes from the April 28, 2022, Special Meeting. (5 min.) **1**

II. Chair: Briefing on Evergreen Ridge Apartments, OID # 22-46A **2**

A. Lisa Vatske: The proposed issuance of tax-exempt revenue bonds to finance the acquisition and rehabilitation of an existing facility (approximately 145 units), located at 3451 Woburn Street, Bellingham, WA 98226, to be owned by Mercy Housing Northwest, a Washington nonprofit 501(c)(3) corporation. The total estimated bond amount is not expected to exceed $2,520,000. (5 min.)

III. Consider and Act on the Following Action Items:

A. ~~Resolution No. 22-30, Grand Street Commons, OID # 20-95A~~ **3**
~~**Lisa Vatske**: A resolution approving the issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 206-unit multifamily housing facility located at 2201 S. Grand Street, Seattle, WA 98144, to be owned by Grand Street Commons MBH 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 $46,000,000. The public hearing was held January 27, 2022. (5 min.)~~

B. Resolution No. 22-31, Watershed Renton, OID # 20-94A **4**
Lisa Vatske: A resolution approving the issuance of one or more series of tax-exempt and/or taxable notes to finance a portion of the costs for the acquisition, construction and equipping of a 145-unit multifamily housing facility located at 615 and 617 Williams Avenue S., Renton, WA 98055, to be owned by GMD Renton 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 $48,000,000. The public hearing was held January 27, 2022. (5 min.)

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

A. Miscellaneous Correspondence and Articles of Interest **5**

B. HFC Events Calendar **6**

V. Chair: Public Comment

VI. Adjourn

Bill Rumpf, Chair

The Budget and Planning Session will start five (5) minutes after the adjournment of the Commission Meeting, or at 9:30 a.m. (whichever comes first) in the Baker Room.

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

Washington State Housing Finance Commission
Budget Planning Session and Board Meeting Agenda
May 23 and 24, 2022
Baker Room, 804 - 10th Street, Bellingham, WA 98225

Monday, May 23, 2022:

COMMISSION BUSINESS MEETING (please see agenda above on pages 1 and 2):

9:00 a.m. Commission Business Meeting to approve necessary bond resolutions and other action items

Adjourn

BUDGET AND PLANNING SESSION (DAY 1):

9:30 a.m. Chair: Call to Order – Planning Session – Introductions

Steve Walker**:** Housekeeping items

Division Reports: Successes; Meeting Challenges in FY 2023:

9:40 a.m. Bob Peterson: Administration/IT

Wubet Biratu: Asset Management and Compliance

Lisa DeBrock: Homeownership

Lucas Loranger: Finance

10:25 a.m. Break

10:45 a.m. Lisa Vatske: Multifamily Housing & Community Facilities

11:00 a.m. Steve Walker/Bob Peterson – Moving out of the Pandemic – What we have learned and what we need to plan for
****Materials for this item included in board packet****

11:20 a.m. Lucas Loranger, Finance Division: Overview of Proposed FY 2023 Budget
****Materials for this item included in board packet****

12:00 p.m. Lunch Break

Market Updates and Discussions:

1:00 p.m. Multifamily Housing – Lisa Vatske
Mike Hemmens, Managing Director, Citi Community Capital (via Zoom)

1:30 p.m. Homeownership – Lisa DeBrock
Mina Choo, Managing Director, RBC Capital Markets and
Mike Awadis, Managing Director, Hilltop Securities Inc.

2:30 p.m. Break

3:00 - 4:00 p.m. Executive Session – Executive Director Performance Evaluation

Adjourn

The Budget and Planning Session will continue in the Baker Room tomorrow, Tuesday, May 24, 2022 at 9:30 a.m.
(see next page)

Washington State Housing Finance Commission
Budget Planning Session and Board Meeting Agenda
May 23 and 24, 2022
Baker Room, 804 - 10th Street, Bellingham, WA 98225

Per the Governor's proclamation regarding the Open Public Meetings Act and Public Records Act (Proclamation 20-28) and due to extraordinary public-health circumstances related to the ongoing COVID-19 (coronavirus) outbreak, participation in this meeting will be offered in-person and virtually.

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

Login information for Tuesday, May 24, 2022:

Webinar/Meeting ID: 895 1405 0900
Passcode: 975435

Participants who wish to participate telephonically, please dial either: 1-(888) 788-0099 or 1-(877) 853-5247 U.S. toll-free

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

Tuesday, May 24, 2022:

BUDGET AND PLANNING SESSION (CONTINUED -- DAY 2):

9:30 a.m.	Chair/Steve Walker: Call to order & Housekeeping items
9:35 a.m.	Margret Graham: Communications Activities Update and Communication assistance to programs ****Materials for this item included in board packet****
9:45 a.m.	Steve Walker/Margret Graham: Report Out and Recap of Racial Equity and Social Justice activities ****Materials for this item included in board packet****
10:00 a.m.	Dr. Carmen Phelps – Strategic Planning (via Zoom) ****Materials for this item included in board packet****
11:00 a.m. (PRI)	Steve Walker, Lucas Loranger, & Directors – Program Related Investments Considerations ****Materials for this item included in board packet****
11:30 a.m.	Chair**:** Discussion of FY 2023 Budget, External challenges, and direction to staff

Adjourn

Public Engagement at Commission Meetings

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

Different Ways to Join a Commission Meeting:

1. Click **here** to go to the meeting directly for **Monday, May 23, 2022 (day 1 of 2**).

   Click **here** to go to the meeting directly for **Tuesday, May 24, 2022 (day 2 of 2)**

2. At www.zoom.us, go to "Join a Meeting," and enter:

   For Monday, May 23, 2022 (day 1 of 2):

   - **Webinar/Meeting ID: 839 2576 7334**
   - **Passcode: 221092**

   For Tuesday, May 24, 2021 (day 2 of 2):

   - **Webinar/Meeting ID: 895 1405 0900**
   - **Passcode: 975435**

3. To participate by phone, dial toll-free either: **1-(888) 788-0099 or 1-(877) 853-5247**.

4. Members of the public can attend the meeting in-person on either or both days at Baker Room, 804 - 10th Avenue, Bellingham, WA 98225

During Meetings:

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

Public Hearings:

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

Public Comment:

- **Purpose of Public Comment**
  During this period, the Commissioners listen to public concerns and comments but do not generally engage in dialogue. Staff will follow up with commenters who request assistance or answers to questions, providing that contact information is shared. Anyone who wishes to speak during the public comment period can take this opportunity.

- **When to Comment**
  The public comment period takes place near the end of the morning Commission board meeting only (and not anytime during the Budget & Planning Session). The starting time for the public comment period depends on the length of the Commission's other business. Typically, the public comment period is reached after about 15-20 minutes (9:15-9:20 a.m.) but may be sooner or later.

- **Raising Your Hand in Zoom or Through Phone Participation**
  To give us a sense of the number of people wishing to speak and help us call on you in an orderly fashion, the meeting Chair will ask you to use the Zoom "raise hand" feature to indicate you would like to speak. People participating on the telephone can press *9 to virtually "raise a hand." Whether or not you are able to virtually raise a hand, the chair will provide time and opportunity for all to share their comments before closing the public comment period.

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

WASHINGTON STATE
HOUSING FINANCE COMMISSION

WORK SESSION MINUTES

April 28, 2022

The April 28, 2022 work session was called to order at 11:00 a.m. by Bill Rumpf via Zoom and conference call. In attendance were Commissioners Alishia Topper, Albert Tripp, Ken Larsen, Lowel Krueger, Mike Pellicciotti, Pedro Espinoza, Wendy Lawrence and Corina Grigoras (Department of Commerce Designee).

Lisa DeBrock introduced Marty Kooistra, Black Home Initiative Project Manager at Civic Commons. Mr. Kooistra gave an update on regional efforts to increase rates of Black homeownership in the Greater Seattle region with a seven-point Black Home Initiative project plan.

Lisa Vatske gave a briefing on the 4% bond round results. She highlighted the outcomes achieved with the selected projects which included BIPOC, community involvement, cost efficiency and preservation of affordable housing portfolios. She went over scoring, the “by and for community” points criteria, the trend of total development cost per unit, targets as a percentage of allocated funds and next steps for projects and the program.

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

WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES

April 28, 2022

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 Nicole Bascomb, Alishia Topper, Albert Tripp, Ken Larsen, Lowel Krueger, Mike Pellicciotti, Pedro Espinoza, Wendy Lawrence and Corina Grigoras (Department of Commerce Designee).

Approval of the Minutes

The minutes of the March 24, 2022 special meeting were approved as distributed.

Employee Recognition

Steve Walker announced the following years of service and employee recognition awards:

Two Years

Tanya Scratchley

Fifteen Years

Christian Hayes

Patricia Williams

Twenty-Five Years

Michael Soper

Yvonne Williams

Employee of the First Quarter – Kate Held

"This employee is described as conscientious and reliable and is always trusted to get numerous details correct and sorted out by their deadlines.

Project coordination is carried out by this employee in a consistently calm, patient, supportive, pleasant, positive, and organized manner such that all parties always know what the plan is for each step of the way.

This employee has a magical ability to keep things from falling through the cracks. She listens intently, distills the important points, and communicates clearly. There is a feeling of "Om" and stress melts away as soon as projects are assigned to this employee. We wish to know what her secret is – and we also wish that she never retires! Congratulations to Kate Held! Employee of the First Quarter for 2022."

Public Hearing: Redondo Heights TOD – Phase I, OID # 19-121A

The Chair opened a public hearing for the Redondo Heights TOD – Phase I, OID # 19-121A, at 1:06 p.m.

Claire Petersky, Manager of the Multifamily Housing and Community Facilities Division ("MHCF"), said this public hearing for the proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to finance a portion of the costs for the acquisition, rehabilitation, expansion and equipping of a 132-unit multifamily housing facility that is part of a combined 334-unit mixed-use development including newly constructed and rehabilitated components under separate ownership, located at 27606 Pacific Highway S., Federal Way, Washington 98003, to be owned by Silver Shadows Housing Partners, LLLP, a Washington limited liability limited partnership. 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 $22,000,000. Ms. Petersky introduced Corey Baldwin, Director of Acquisitions, and Matt Chantry, Director of Asset Management for Shelter Resources.

Mr. Baldwin stated that this a combination acquisition/rehab ("Phase I") and new construction ("Phase II") project, which will have its own public hearing. This project will be located adjacent to the Redondo Park and Ride in Federal Way, and within a half mile of the upcoming Star Lake Light Rail station. The Silver Shadow Apartments was an affordable market rate property built in 1989.

Mr. Chantry stated that Redondo Heights TOD will consist of 132 rehabilitated units and 202 new construction units serving households at 50% Area Median Income (AMI).

There were no other comments from members of the public and the hearing was closed at 1:20 p.m.

Public Hearing: Redondo Heights TOD – Phase II, OID # 19-121B

The Chair opened a public hearing for Redondo Heights TOD – Phase II, OID # 19-121B, at 1:20 p.m.

Ms. Petersky said this is a proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to finance a portion of the costs for the acquisition, construction and equipping of two projects, with 202-units that are part of a combined 334-unit mixed-use development including newly constructed and rehabilitated components under separate ownership, located at 27606 Pacific Highway S., Federal Way, 98003, to be owned by Redondo Heights TOD New Construction LLLP, a Washington limited liability limited partnership. 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 for Phase II East is not expected to exceed $34,108,911 and the total estimated bond amount for Phase II West is not expected to exceed $18,891,089. Ms. Petersky introduced Corey Baldwin, Developer, Director of Acquisitions and Matt Chantry, Director of Asset Management for Shelter Resources.

Mr. Chantry stated that the amenities include a community building with office space, a multi-service center with case management for residence and a food bank for residences.

In response to a question from Chair Rumpf, Mr. Chantry stated that they have been income qualifying new residents to lower the impact of relocation in the future and 90% of the current residents qualify.
Mr. Baldwin stated that permits should be approved by June and construction should start shortly after.

There were no other comments from members of the public and the hearing was closed at 1:29 p.m.

Public Hearing: for the 2022 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 1:29 p.m.

DESC Woodland

Jacob Richardson, Senior Development Analyst and Lisa Vatske, Director of the Multifamily Housing and Community Facilities Division, introduced Daniel Malone, Executive Director, DESC (Downtown Emergency Services Center). Mr. Malone stated that DESC Woodland is a new construction of a 6-story building with 100 studio units and a below-grade parking garage. The first floor will consist of residential services and common space for tenants.

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

Action Item: Resolution No. 22-45, a Resolution for the 2022 Allocation of Credit for the Housing Tax Credit Program

Ms. Vatske said this is a resolution authorizing the Executive Director to make reservations and/or allocations of 2022 Housing Tax Credits to the following project:

TC #	Project Name	City	County	Credit Amount
22-20	DESC Woodland	Seattle	King	$ 2,163,612

Ms. Bascomb moved to approve the resolution. Mr. Pellicciotti seconded the motion. The resolution was unanimously approved.

Action Item: Resolution No. 22-44, Wesley Homes Des Moines LLC, OID # 22-27A

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue bonds to finance a portion of the costs: (i) for the acquisition, construction, expansion, improvement and equipping of a continuing care retirement community, including the acquisition of land, (ii) for the refunding of prior tax-exempt obligations of the Commission issued to finance an earlier capital phase of the Project's acquisition, construction, expansion, improvement and equipping, (iii) to fund a debt service reserve and capitalized interest with respect to the bonds and working capital related to the Project, if required, and (iv) to pay all or a portion of the costs of issuing the bonds. The facility is located at 815 216th Street, Des Moines, WA 98178, and is owned or will be owned by Wesley Homes Des Moines, LLC, a Washington limited liability company whose sole member is Wesley Homes, a 501(c)(3) nonprofit corporation. The total estimated bond amount is not expected to exceed $128,000,000. The public hearing was held March 24, 2022.

Mr. Krueger moved to approve the resolution. Mr. Espinoza seconded the motion. The resolution was unanimously approved with one abstention from Ms. Bascomb due to a conflict of interest because her employer is the bond trustee.

Action Item: Resolution No. 22-31, Watershed Renton, OID # 20-94A

This item was pulled from the agenda.

Action Item: Approval to reinvest earnings from Home Advantage program in order to lower our rate on our programs.

Lisa DeBrock, Director of the Homeownership Division stated that when the Commission started the Home Advantage program, it anticipated having both good and some bad years. Because of our good years, it has the resources to keep the program going and offer good options to our homebuyers as we enter a higher rate environment. It has become more and more challenging to fund down payment assistance through the pricing of Home Advantage interest rates on the first mortgages. We will be having a much larger discussion about the market, the reasons for why our loans are challenging to price, and our long-term game plan at the May budget and planning session.

As a reminder, since program inception in July 2012, the Home Advantage program has been extremely successful in helping thousands of homebuyers purchase a home. With the success of our Home Advantage program, we do see repayments of our second mortgages. Over the past 12 months, we received on average $7.2 million dollars per month in Home Advantage seconds and $7.7 million per month if you include all down payment assistance programs. Also, our outstanding portfolio of Home Advantage seconds has been holding steady at approximately $270 million over the last year.

In December 2017, the Commission approved the reinvestment of 1% of earnings to help offer lower interest rates to homebuyers. We are now requesting approval to reinvest an amount not to exceed the down payment assistance loan amount.

We will be carefully monitoring and intend to bring a long-term plan to you at our May budget and planning session with parameters. The borrower's down payment assistance loan will still be repaid when the second loans are paid off at the time of sale or refinance. By reinvesting our earnings, we may be able to offer some additional rate options that we haven't been able to offer for the past month due to lack of liquidity for higher coupon loans.

Lucas Loranger, Senior Controller of the Finance Division stated because it has been over 4 years since this idea was last brought before the Commission and there are several new faces on the board, he thought it might be helpful to give a quick and simplified overview of the premium pricing model and how increasing reinvestment will allow the Commission to lower interest rates.

Historically for the DPA programs, 2nd mortgages have been funded using PRI funds that are allocated to the various programs. However, in the Home Advantage program, 1st mortgages are sold at a premium to cover the cost of the associated DPA. The typical Home Advantage DPA is 4% of the 1st mortgage amount, meaning the loan would need to be sold with a 4% premium in order to provide the Commission with enough funds to cover the DPA loan.
As Lisa mentioned, over the years we have accumulated a fairly large portfolio of DPA's, which are repaid all the time, and because we do not need PRI funds to initiate these DPA loans, those repayments are held in reserve.

In December 2017, when the Commission approved reinvesting 1% of earnings to lower interest rates, it approved reducing the required premium at the point of 1st mortgage sale from 4% to 3%. The 1% "reinvestment" is pulling funds from the previously repaid DPA loans and applying those funds to the newly issued DPAs, so that the full 4% of the 1st mortgage amount is still available to that homebuyer as a downpayment assistance loan.

This helps us reduce interest rates because, in a normal environment, an investor buying Commission loans is more willing to pay a higher price for an investment that will pay a higher return. A 5% mortgage will get a higher price than a 4%

mortgage, for example. So if we only need to realize a 3% premium instead of 4%, we are able to offer loans with lower interest rates to make that happen.

However, in today's rate environment, a 1% reinvestment is no longer enough to make a meaningful impact on our rates. As Lisa mentioned, we have had many years of incredible success which has led to substantial reserves. What we are asking for today is temporary approval – until the May budget planning session - to increase that reinvestment rate from its current 1%, up to a maximum of the full DPA amount, whether that be 3%, 4% or 5% depending on the loan product, and utilize those accumulated reserves to help us weather this current interest rate storm.

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

Informational Report on Department of Commerce Activities.

Ms. Grigoras from the Department of Commerce ("Commerce") gave a report as follows:

Organizational changes coming to Commerce

With historic funding levels coming to Commerce – about $2 billion – the Community Services and Housing Division will reorganize into two divisions beginning May 1, 2022:

1. The Housing Division, supporting homelessness and affordable housing programs.
2. The Community Services Division, supporting community development and services programs.

Housing Finance Unit

Recent affordable housing awards

- Announced funding for $32M in funding for projects that are also funded through the WSHFC 4% tax credit round
- Announced $13.5M in Federal HOME and National Housing Trust Fund awards

Upcoming funding availabilities

- Traditional funding for $73M in Multifamily Housing: June 2022
- Homeownership funding of $25M: June/July 2022

- Rapid Capital Housing Acquisition funding of $220M: June/July 2022
- Apple Health and Homes - Rapid Permanent Supportive Housing - $60M: December 2022/January 2023
- HOME ARP: December 2022/January 2023

Hiring staff and consultants

- Project Management and Resource Allocation Staff - 8 FTE
- Asset Management Team Members - 3 FTE
- Homeownership Program Management - 2 FTE
- Consultant to develop program guidelines for housing for persons with Intellectual & Developmental Disabilities
- Community Land Trust Technical Consultant (supplemental budget proviso)
- Apple Health & Homes Consultant (supplemental budget proviso)

Housing Assistance Unit

The supplemental budget awarded $45M to move people living on Washington State Department of Transportation rights of way into safer living situations. This is a priority of the Governor, and Commerce intends to link these funds with the Rapid Capital Acquisition funding and operating and services funds to offer a complete package to expeditiously fund the housing needed to successfully implement this initiative.

Growth Management Services Housing Team

On April 26, 2022, Commerce's Connecting Housing to Infrastructure Program (CHIP) awarded $17.5M in funding to affordable housing developments in 11 counties.

Homeownership Disparities Work Group

The Homeownership Disparities Work Group's final meeting is scheduled for June 7, 2022. The legislative report is due to the Governor and Legislature on August 1.

Office of Homeless Youth

In May, OHY will begin accepting applications for two separate funding opportunities:

1. $625,000 to implement the H-SYNC program in at least six counties in Washington. The H-SYNC program is a prevention model developed by the University of Washington CoLab team in collaboration with community and county partners. The program is designed to identify youth at risk of homelessness within the juvenile court system and refer them and their families to needed prevention, intervention, and housing services. Commerce will seek a lead grantee to select at least six counties to implement the H-SYNC model, serve as a coordinator of all program sites, and provide oversight, guidance, and training.
2. Commerce will seek a consultant to lead the programmatic planning for the Pacific Hospital Public Development Authority (PHPDA) Quarters Buildings located at 1147 14th Avenue S, Seattle, Washington. The PHPDA is chartered by the City of Seattle with stewardship of the landmark Pacific Tower and its surrounding campus. Per ESSB 5693, the Quarters Buildings are intended to be used for state-operated or contracted residential housing facilities and services, including recovery residences, group care, transitional housing, supportive housing or family-centered substance use disorder recovery housing.

Affordable Housing Advisory Board vacancies

The Affordable Housing Advisory Board (AHAB) is recruiting to fill five open seats, including people with experience as a:

- Homeless Shelter Operator
- For-Profit Housing Development Representative
- Home Mortgage Lending Representative
- Residential Construction Representative
- For-Profit Rental Housing Owner Representative
- Permanent Supportive Housing Representative

Executive Director's Report

Mr. Walker said that Multifamily & Community Facilities (MHFC) finalized and announced the 2022 bond allocation list. Staff responded to a request for proposals from NCSHA for a Healthy Housing, Healthy Community Partnerships opportunity funded by the Robert Wood Johnson Foundation. This opportunity is grant funding and technical assistance to support development of partnerships with hospitals, health systems and other health organizations to expand financing for affordable housing development and preservation. In addition to the funding opportunity if we are successful, we would also participate in a learning community with other HFA's and partners in our programs. Our proposal centered around the several great model projects we have funded around the state and taking lessons learned and best practices from those examples to hopefully create and develop a program framework that we could replicate with key partners. Big kudos to Claire for doing the heavy lifting on writing and Debbie Thiele from Corporation of Supportive Housing for agreeing to partner and provide insights into the response as well.

There were first round of interviews for the Energy position with a diverse group of candidates which resulted in 2 top candidates, with follow-up early next week. We will kick off the recruitment for the vacant MHFC Manager position next week.

Keri Williams and Claire Petersky have planned an outreach and marketing trip in addition to attending the Washington Nonprofits Central Washington conference to meet with banks and non-profits to help get the word out regarding the Commission's programs.

The Homeownership (HO) staff have been working with Eight Cloud on our Homebuyer Education Instructor Portal. The portal is now complete, and we are beginning the implementation of going live with our instructors. This portal allows our instructors to register classes and attendees online and eliminates the manual data entry and paper process. Corinna Obar, Dietrich Schmitz, Kathleen Komin, Margret Graham, and Vanessa Thomas participated in Realtist Week events on April 7th and 9th in partnership with National Association of Real Estate Brokers (NAREB). Lisa DeBrock participated in the Department of Commerce's Homeownership Disparities taskforce meeting on March 31st along with stakeholders from around the state to generate solutions to reduce racial disparities.

In March, HO had $126 million in new reservations assisting 359 families. Escalating interest rates, lack of affordable inventory, and rising home prices continue to negatively impact our homebuyers.

Our HAF application was submitted to Treasury on March 31st. Staff participated in a call with Treasury on April 14th and our plan received approval from Treasury on April 21st.

Asset Management & Compliance (AMC) stated that all 2021 Bond annual reports have been reviewed, and nearly all 2021 Tax Credit annual reports have been received and Portfolio Analysts are reviewing them.
AMC has successfully conducted a four-day online Tax Credit Compliance Fundamentals training. Fifty-four trainees attended the online training from across the state.

The Ownership Interest Transfer Process is now an automated Laserfiche process. The transfer chapters in our Compliance Manuals and all associated forms are revised and posted on the website. AMCs 2022 onsite inspections are being scheduled and the inspection report submission process has been converted to a Laserfiche process. The submission of Casualty Loss forms is also now an automated Laserfiche process.

The Finance Division's contract with our new auditors, Eide Bailly, is about to be finalized, at which point engagement letters will be created and preliminary work can start on our FY 2022 audit. The first iteration of the proposed budget for Fiscal year 2023 has been completed and is under review. We expect additional updates before the second iteration that is expected to be presented to you at next month's planning session.

Mr. Walker also mentioned that Dr. Carmen Phelps has been selected as our strategic planning consultant. Staff is finalizing contracting and look forward to having Ms. Phelps join us virtually for part of the May Budget and Planning Session.

On March 22, we announced that the office will reopen on Monday, May 2nd. Staff continue to come in voluntarily; however, supervisors will be asking their staff to come in when needed beginning May 2. This is the next phase and just like everything we have experienced over the last two years, we will learn and adjust as we go.

Regarding the Nooksack litigation, the Thurston County Superior Court denied Plaintiffs' request for emergency injunctive relief to stop their evictions, citing concerns over tribal sovereignty. Plaintiffs then moved the Washington Supreme Court for emergency relief and direct review. The Washington Supreme Court Commissioner denied the request for emergency relief for the same reason. No emergency relief was sought against the Commission before either Court. The case is now proceeding on parallel tracks before both courts.

Commissioners' Reports

Commissioner Tripp spoke at the Gonzaga Family Haven Project grand opening with Steve Walker.

Ms. Topper reported that the Audit Committee met this morning. They reviewed the committee charter, swap policy and the investment policy. They requested that counsel review the swap policy to make sure there are no changes since 2019. Mr. Loranger made some amendment recommendations in the investment policy that will come to the Commission for recommendation and approval.

Commissioner Espinoza and State Treasurer Mike Pellicciotti represented the Commission at the Capella at Esterra Park Grand Opening.

As President of the Western Washington Realtors, Commissioner Bascomb participated in the Washington Realtors Week. On Sunday they reached out to their faith-based partners, Monday was membership day, Tuesday was policy advocacy day, Wednesday was their day of service, Thursday was the fair housing day, Friday they had a mixer and Saturday Corinna Obar came and talked about what the Commission does and the Housing Homeowner Assistance Fund (HAF) program.

Chair Rumpf attended an event at a Kitsap Mental Health event for League of Woman Voters regarding supportive housing.

Consent Agenda The consent agenda was approved as mailed.

Adjournment The meeting was adjourned at 2:26 p.m.

Signature ______________________________

Nonprofit Housing Program
Project Summary

Project Description	Evergreen Ridge is a 145-unit building in Bellingham, Washington. The property serves small households and families up to 60% AMI, and the Extended Use Agreement will expire in 2025. MHNW intends to complete deferred maintenance, including building envelope and life/safety issues. this work is estimated at $15,000 per unit. The property has demonstrated strong historic operations and low vacancy rate and is a significant community asset in Bellingham. This activity will ensure preservation of the affordabiltiy for at least an additional 50 years.
Project Name	Evergreen Ridge Apartments
OID #	22-46A
Location	3451 Woburn Street Bellingham, WA 98118
Developer	Mercy Housing Northwest
Project Type	Acquisition and rehabilitation of an existing facility
Relation to Mission and Goals	To provide effective, low-cost financing for housing and nonprofit facilities.
Financial Information	
Estimated Bond Amount	$26,000,000 Tax-Exempt $0 Taxable **$26,000,000 Total**
Total Estimated Project Cost	$39,035,380
Bond Structure	Private Sale

Lender/ Credit Enhancer	Columbia Bank
Expected Closing	July 2022
Action	Public Hearing for OID # 22-46A

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 22-30

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of tax-exempt and taxable nonrecourse revenue notes in an aggregate principal amount of not to exceed $46,000,000, to finance the acquisition, construction, and equipping of a 206-unit mixed use multifamily housing facility in Seattle, Washington, to be owned by Grand Street Commons MBH LLLP; approving the issuance and delivery of the notes to Citibank, N.A.; approving the form of a funding loan agreement, a borrower loan agreement, a regulatory agreement and a tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or his designee, and Executive Director of the Commission to amend and execute such documents and other related documents.

APPROVED ON MAY 23, 2022

PREPARED BY:

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

Table of Contents

Page

RESOLUTION NO. 22-30

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of tax-exempt and taxable nonrecourse revenue notes in an aggregate principal amount of not to exceed $46,000,000, to finance the acquisition, construction, and equipping of a 206-unit mixed use multifamily housing facility in Seattle, Washington, to be owned by Grand Street Commons MBH LLLP; approving the issuance and delivery of the notes to Citibank, N.A.; approving the form of a funding loan agreement, a borrower loan agreement, a regulatory agreement and a tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or his designee, and Executive Director of the Commission to amend and execute such documents and other related documents.

WHEREAS, the Washington State Housing Finance Commission, a public body corporate and politic of the State of Washington (the "Commission") has been duly constituted pursuant to the authority and procedures of the Laws of 1983, Chapter 161 of the State of Washington, as amended, and codified at RCW 43.180 et seq. (the "Act"); and

WHEREAS, the Act authorizes the Commission to issue its bonds and other evidences of indebtedness for the purpose of acquiring mortgage loans used to finance multifamily housing facilities in Washington; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), grants an exemption from federal income tax for interest paid on obligations where the proceeds thereof are used to finance multifamily housing facilities meeting the requirements of the Code; and

WHEREAS, the Commission adopted a Housing Finance Plan (the "Plan") on December 12, 2019, following public notice and hearings as required by the Act; and

WHEREAS, Citibank, N.A. ("Citi") has offered to make two loans in an aggregate principal amount of not to exceed $46,000,000 to the Commission (together, the "Funding

Loan") to provide funds for the acquisition, construction and equipping of a mixed use multifamily residential rental facility with 206 housing units (the "Project") located in Seattle, Washington, to be owned by Grand Street Commons MBH LLLP, a Washington limited liability limited partnership (the "Borrower"); and

WHEREAS, the Commission will use the proceeds of the Funding Loan to acquire two loans originated by a mortgage lender to the Borrower (together, the "Borrower Loan") for the Project; and

WHEREAS, it is desirable for the Commission to provide the Borrower with tax-exempt and taxable financing of the Project through: (1) the incurrence of the Funding Loan, as evidenced by its Multifamily Revenue Note (Grand Street Commons Apartments Project), Series 2022A and its Taxable Multifamily Revenue Note (Grand Street Commons Apartments Project), Series 2022B (together, the "Notes") in the aggregate principal amount of not to exceed $46,000,000; and (2) its acquisition of the Borrower Loan with proceeds of the Notes; and

WHEREAS, the Notes are unrated and privately placed and will be issued with terms consistent with and in furtherance of the Commission's policy for unrated obligations; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 20-95A, the Commission held a public hearing on January 27, 2022, and the Governor has approved the Project and the Series 2022A Note; and

WHEREAS, the Commission has received an offer to make the Funding Loan evidenced by the Notes (the "Loan Commitment") from Citi; and

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

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Executive Director of the Commission: the Funding Loan Agreement (the "Funding Loan Agreement"), among Citi, the Commission and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"); the Borrower Loan Agreement (the "Borrower Loan Agreement"), among the Commission, the Fiscal Agent, Citi, acting as mortgage lender, and the Borrower; the Non-Arbitrage Certificate of the Commission (the "Tax Certificate"); and the Regulatory Agreement (the "Regulatory Agreement") between the Borrower and the Commission.

Section 2. Findings. The Commission hereby ratifies its prior findings that there are a substantial number of persons and families in the state of Washington (the "State") who are unable to rent apartments in various parts of the state or the rents required are substantially in excess of the available income of such persons or families. As a result, many persons and families are unable to rent safe and sanitary housing at reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and families is the interest rate on mortgage loans used to acquire, construct and rehabilitate multifamily rental projects. The provision of lower interest rate loans will encourage developers to acquire, construct and rehabilitate projects which will make additional units available to persons and households at affordable cost and will act as a significant stimulant to the economy of the State.

Section 3. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans for the financing of eligible housing facilities under the Act through the issuance of privately placed nonrecourse revenue obligations (the "Program"). The

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

Section 4. Authorization of the Notes. The Commission hereby authorizes the issuance and delivery of its Notes to be designated "Multifamily Revenue Note (Grand Street Commons Apartments Project), Series 2022A" and "Taxable Multifamily Revenue Note (Grand Street Commons Apartments Project), Series 2022B" in an aggregate principal amount of not to exceed $46,000,000 pursuant to and in accordance with the provisions of the Act, the Code and the Funding Loan Agreement.

Section 5. Approval of Documents. It is hereby found and determined that the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Tax Certificate conform to the requirements of the Act and the Code and provide appropriate security for the Notes consistent with the Act and the Code.

The Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Tax Certificate are hereby approved in substantially the forms filed with the Executive Director of the Commission. The Commission hereby authorizes the Chair, Vice-Chair, Treasurer, Executive Director and the Secretary, or his designee, to execute on its behalf such documents, the documents contemplated therein, and any other necessary documents or certificates, and to do all things necessary on its behalf to proceed with the Program and the issuance and delivery of the Notes as authorized herein. Such officers, the Executive Director and the Secretary's designee, are each authorized to approve such changes in these documents as are recommended by counsel to the Commission that are consistent with the Program and which do not materially increase the obligations of the Commission as described in the documents on file with the Commission. The designee of the Secretary may execute documents on behalf of the Secretary, and all prior acts of such designee on behalf of the Secretary are hereby ratified and confirmed.

Section 6. Issuance and Delivery of the Notes. The Commission hereby authorizes and approves the issuance and delivery of the Notes to Citi to evidence the Funding Loan, in accordance with the terms and conditions set forth in the Loan Commitment, attached hereto as Exhibit A.

Section 7. Executive Director. The Deputy Director is hereby authorized to act on behalf of the Executive Director for all purposes of this resolution if it is necessary or desirable to accomplish the purposes hereof.

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

[*Signature Page Follows*]

ADOPTED at a special meeting duly noticed and called this 23rd day of May, 2022.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By ___________________________________
Chair

ATTEST:

____
Secretary

APPROVED AS TO FORM:

____
General Counsel

EXHIBIT A

Loan Commitment

Multifamily Housing Program

Project Name	Grand Street Commons
Developer	Mount Baker Housing Association
Description	Grand Street Commons will be 6 floors of wood framing over a one level of concrete. Located within a ¼ mile of the new Judkins Park light rail station overly slated to open in 2023, parking will not be required. The street level will be a lobby, management offices and a fitness room along with back of house uses such as mechanical, electrical, transformer vault, trash room, building maintenance and bike storage. Between all 3 buildings, the retail on the ground floors of the buildings will include a grocer, a retail pharmacy, medical offices, and pedestrian retail.
Location	2201 S Grand Street Seattle, WA 98144
Project Type	New Construction

Units

Studio	43
One Bedroom	113
Two Bedroom	8
Three Bedroom	42
Total	**206**

Housing Tax Credits	Yes
Income Set-Aside	70% at 50% AMI 30% at 60% AMI
Regulatory Agreement Term	Minimum 40 years

Evaluation Plan Scoring

Commitments for Priority Populations	20
Leveraging of Public Resources	6
Property Type	6
Location Efficient Projects	3
Area Targeted by Local Jurisdiction	2
Transit Development	3
Community Revitalization Plan	3

High and Very High Opportunity Area	1
Nonprofit Sponsor	3
Donation in Support of Local Nonprofit	8
Solar Options	5
Energy Efficient Building	6
Electric Vehicle Charging Stations	1
Total Points	**67**

Estimated Tax-Exempt Note Amount (Not to exceed) $46,000,000

Note Structure Private Placement

Permanent Lender Citi Community Capital

Development Budget

Acquisition Costs	$5,559,171
Construction	$67,283,006
Soft Costs	$11,402,421
Financing Costs	$5,701,488
Capitalized Reserves	$951,843
Other Development Costs	$2,624,752
Total Development Costs	**$93,522,681**

Permanent Sources

Tax Exempt Bond	$33,000,000
Seattle OH	$14,387,806
Deferred Development Fee	$5,438,885
WA Ecology Healthy Housing Program	$4,250,000
Tax Credit Equity at $0.8800 per credit x 10 years	$36,445,992
Total Permanent Sources	**$93,522,683**

Total Development Cost Limit

Project's Total Development Cost Limit	$71,067,140
Total Development Cost (minus land and reserves)	$82,006,321
Waiver	Approved

Project Operations

Unit Size	*Market Rents*	*Proposed Rent Range*
Studio	$1,405	$982-$1,185
One Bedroom	$1,585	$1,050-$1,267
Two Bedroom	$2,270	$1,252-$1,513
Three Bedroom	$2,830	$1,424-$1,725

Action	Approval of Resolution No. 22-30
Anticipated Closing Date	May 2022

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 22-31

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a tax-exempt nonrecourse revenue note in a principal amount of not to exceed $48,000,000, to finance the acquisition, construction, and equipping of a 145-unit multifamily housing facility in Renton, Washington, to be owned by GMD Renton LLLP; approving the issuance and delivery of the note to Citibank, N.A.; approving the form of a funding loan agreement, a borrower loan agreement, a regulatory agreement and a tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or his designee, and Executive Director of the Commission to amend and execute such documents and other related documents.

APPROVED ON MAY 23, 2022

PREPARED BY:

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

Table of Contents

Page

RESOLUTION NO. 22-31

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a tax-exempt nonrecourse revenue note in a principal amount of not to exceed $48,000,000, to finance the acquisition, construction, and equipping of a 145-unit multifamily housing facility in Renton, Washington, to be owned by GMD Renton LLLP; approving the issuance and delivery of the note to Citibank, N.A.; approving the form of a funding loan agreement, a borrower loan agreement, a regulatory agreement and a tax certificate; approving a fee waiver; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or his designee, and Executive Director of the Commission to amend and execute such documents and other related documents.

WHEREAS, the Washington State Housing Finance Commission, a public body corporate and politic of the State of Washington (the "Commission") has been duly constituted pursuant to the authority and procedures of the Laws of 1983, Chapter 161 of the State of Washington, as amended, and codified at RCW 43.180 et seq. (the "Act"); and

WHEREAS, the Act authorizes the Commission to issue its bonds and other evidences of indebtedness for the purpose of acquiring mortgage loans used to finance multifamily housing facilities in Washington; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), grants an exemption from federal income tax for interest paid on obligations where the proceeds thereof are used to finance multifamily housing facilities meeting the requirements of the Code; and

WHEREAS, the Commission adopted a Housing Finance Plan (the "Plan") on December 12, 2019, following public notice and hearings as required by the Act; and

WHEREAS, Citibank, N.A. ("Citi") has offered to make a loan in a principal amount of not to exceed $48,000,000 to the Commission (the "Funding Loan") to provide funds for the acquisition, construction and equipping of a multifamily residential rental facility with 145 housing units (the "Project") located in Renton, Washington, to be owned by GMD Renton LLLP, a Washington limited liability limited partnership (the "Borrower"); and

WHEREAS, the Commission will use the proceeds of the Funding Loan to acquire a loan originated by a mortgage lender to the Borrower (the "Borrower Loan") for the Project; and

WHEREAS, it is desirable for the Commission to provide the Borrower with tax-exempt financing of the Project through: (1) the incurrence of the Funding Loan, as evidenced by its Multifamily Revenue Note (Watershed Renton Apartments Project), Series 2022 (the "Note") in the principal amount of not to exceed $48,000,000; and (2) its acquisition of the Borrower Loan with proceeds of the Note; and

WHEREAS, the Note is unrated and privately placed and will be issued with terms consistent with and in furtherance of the Commission's policy for unrated obligations; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 20-94A, the Commission held a public hearing on January 27, 2022, and the Governor has, or by the closing on the Note will have, approved the Project and the Note; and

WHEREAS, the Commission has received an offer to make the Funding Loan evidenced by the Note (the "Loan Commitment") from Citi; and

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

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Executive Director of the Commission: the Funding Loan Agreement (the "Funding Loan Agreement"), among Citi, the Commission and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"); the Borrower Loan Agreement (the "Borrower Loan Agreement"), among the Commission, the Fiscal Agent, Citi, acting as mortgage lender, and the Borrower; the Non-Arbitrage Certificate of the Commission (the "Tax Certificate"); and the Regulatory Agreement (the "Regulatory Agreement") between the Borrower and the Commission.

Section 2. Findings. The Commission hereby ratifies its prior findings that there are a substantial number of persons and families in the state of Washington (the "State") who are unable to rent apartments in various parts of the state or the rents required are substantially in excess of the available income of such persons or families. As a result, many persons and families are unable to rent safe and sanitary housing at reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and families is the interest rate on mortgage loans used to acquire, construct and rehabilitate multifamily rental projects. The provision of lower interest rate loans will encourage developers to acquire, construct and rehabilitate projects which will make additional units available to persons and households at affordable cost and will act as a significant stimulant to the economy of the State.

Section 3. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans for the financing of eligible housing facilities under the Act through the issuance of privately placed nonrecourse revenue obligations (the "Program"). The Commission hereby finds and determines that the Program and the Note are in furtherance of the Act and the Plan.

Section 4. Authorization of the Note. The Commission hereby authorizes the issuance and delivery of its Note to be designated "Multifamily Revenue Note (Watershed

Renton Apartments Project), Series 2022" in a principal amount of not to exceed $48,000,000, pursuant to and in accordance with the provisions of the Act, the Code and the Funding Loan Agreement.

Section 5. Approval of Documents. It is hereby found and determined that the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Tax Certificate conform to the requirements of the Act and the Code and provide appropriate security for the Note consistent with the Act and the Code.

The Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Tax Certificate are hereby approved in substantially the forms filed with the Executive Director of the Commission. The Commission hereby authorizes the Chair, Vice-Chair, Treasurer, Executive Director and the Secretary, or his designee, to execute on its behalf such documents, the documents contemplated therein, and any other necessary documents or certificates, and to do all things necessary on its behalf to proceed with the Program and the issuance and delivery of the Note as authorized herein. Such officers, the Executive Director and the Secretary's designee, are each authorized to approve such changes in these documents as are recommended by counsel to the Commission that are consistent with the Program and which do not materially increase the obligations of the Commission as described in the documents on file with the Commission. The designee of the Secretary may execute documents on behalf of the Secretary, and all prior acts of such designee on behalf of the Secretary are hereby ratified and confirmed.

Section 6. Issuance and Delivery of the Note. The Commission hereby authorizes and approves the issuance and delivery of the Note to Citi to evidence the Funding Loan, in accordance with the terms and conditions set forth in the Loan Commitment, attached hereto as Exhibit A.

Section 7. Fee Waiver. The Commission has determined that the use of a significant amount of recycled private activity bond volume cap for this Project justifies a temporary waiver from its fee policy. The Commission hereby approves a fee waiver for the portion of the Bonds funded with recycled private activity bond volume cap until the Funding Loan converts to a permanent phase, at which time the Commission's stated annual fee shall apply.

Section 8. Executive Director. The Deputy Director is hereby authorized to act on behalf of the Executive Director for all purposes of this resolution if it is necessary or desirable to accomplish the purposes hereof.

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

[*Signature Page Follows*]

ADOPTED at a special meeting duly noticed and called this 23rd day of May, 2022.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By ___________________________________
Chair

ATTEST:

____
Secretary

APPROVED AS TO FORM:

____
General Counsel

EXHIBIT A

Loan Commitment

Multifamily Housing Program

Project Name	Watershed Renton
Developer	GMD Development
Description	Located in Downtown Renton, units will be set-aside for households earning between 50%-60% area median income. The building will have a rooftop deck with adjacent community room, gym, bicycle storage, media room, and community room. A solar PV array will be installed as well as EV chargers.
Location	615 Williams Avenue S., 617 Williams Avenue S. Renton, WA 98055
Project Type	New Construction

Units

Studio	6
One Bedroom	77
Two Bedroom	30
Three Bedroom	32
Total	**145**

Housing Tax Credits	Yes
Income Set-Aside	50% @ 50% AMI, 50% @ 60% AMI
Regulatory Agreement Term	Minimum 40 years

Evaluation Plan Scoring

Additional Low-Income Set-Asides	6
Commitments for Priority Populations	20
Leveraging of Public Resources	4
Property Type	6
Location Efficient Projects	3
Area Targeted by Local Jurisdiction	2
Transit Oriented Development	3
Community Revitalization Plan	3
Nonprofit Sponsor	3
Donation in Support of Local Nonprofit	8
Energy Efficiency Modeling & Audits	2
Solar Options	5
Energy Efficient Building	6
Electric Vehicle Charging Stations	1
Total Points	**72**

Estimated Tax-Exempt Note Amount (Not to exceed)	$48,000,000
Note Structure	Private Placement
Permanent Lender	Citi Community Capital

Development Budget	
Acquisition Costs	$3,542,019
Construction	$45,698,047
Soft Costs	$5,715,667
Financing Costs	$5,026,286
Capitalized Reserves	$1,073,525
Other Development Costs	$2,047,669
Total Development Costs	**$63,103,213**

Permanent Sources	
Tax Exempt Bonds	$24,415,000
Evergreen Impact Fund	$10,800,000
Deferred Developer Fee	$1,960,302
Net Operating Income	$25,000
General Partner Equity	$100
Tax Credit Equity at $0.8900 per credit x 10 years	$25,902,811
Total Permanent Sources	**$63,103,213**

Total Development Cost Limit	
Project's Total Development Cost Limit	$57,467,568
Total Development Cost (minus land and reserves)	$58,829,688
Waiver	Documentation Requested

Project Operations

Unit Size	*Market Rents*	*Proposed Rent Range*
Studio	$1,511	$960 - $1,163
One Bedroom	$1,620	$1,020 - $1,237
Two Bedroom	$2,048	$1,203 - $1,463
Three Bedroom	$2,279	$1,378 – $1,679

Action	Approval of Resolution No. 22-31
Anticipated Closing Date	May 2022

Washington State Housing Finance Commission
PRI Program Summary
As of March 31, 2022

	Program Name	Program Description	Category	Program Assets	Loans/ Investments outstanding	Net Available before Reserve	Portion Reserved for bad debt
	HouseKey Plus - Commission investment only	First-time homebuyer downpayment assistance program	Single-family	$ 31,739,194	$ 20,153,833	$ 12,178,858	$ 593,497
	Home Advantage & Home Advantage Rebound Loans	DPA Loans created through Daily Pricing Program	Single-family	412,824,147	272,189,573	152,748,704	12,114,130
(1)	HouseKey Plus - Commission with partner investments	First-time homebuyer downpayment assistance program with partner investments and restrictions	Single-family	17,580,453	13,467,373	$ 4,211,225	$ 98,145
	Home Choice	Downpayment assistance program for first-time homebuyers with disabilities	Single-family	11,290,813	7,280,739	$ 4,229,323	$ 219,249
	Social Justice DPA		Single-family	2,999,740	10,000	$ 2,990,040	$ 300
(4)	Investment in Single-family program	Initial investment to fund the Single-family Open Indenture	Single-family	30,000,000	70,000,000	$ (40,000,000)	$ -
	Habitat for Humanity	Participate in loaning funds allowing the recycling of Habitat for Humanity mortgages through purchase of privately placed bonds (National Habitat) or collateralized loans (State affiliate association).	Single-family	18,154,815	13,284,018	$ 4,902,407	$ 31,610
	Other Single-family programs (WAFA, Open Door)	Other downpayment and farmworker single-family construction loan program	Single-family	598,198	-	$ 598,198	$ -
	Community Land Trust (CLT) Program		Single-family	7,000,000	-	$ 7,000,000	$ -
	Investment in Impact Capital	Investment in Impact Capital fund for predevelopment loans	Housing	5,248,614	5,250,000	$ 11,739	$ 13,125
	Construction Defect Insurance Program	Investment to assist Developers with Defect Insurance	Housing	159,448	119,586	$ 40,460	$ 598
	Farm PAI and Beginning Farmers Assistance Loans	Investment to assist in access to first time farmers	Housing	7,732,416	55,880	$ 7,676,698	$ 162
(3)	Sustainable Energy Programs	Projects for Energy Sustainability	Energy	21,277,526	6,547,518	$ 14,786,786	$ 56,778
(3)(5)	Land Acquisition Program	Assist non profit developers in acquisition of land	Housing	93,800,739	76,433,657	$ 17,453,712	$ 86,630
(2)	Rapid Response Program	Assist developers in acquisition of land, inception from Legislative Action	Housing	10,278,951	9,683,043	$ 595,908	$ -
(2)	Non profit Equity Fund & Washington Works	Assist Nonprofits in housing development (created per legislative action)	Nonprofit	10,000,246	10,000,000	$ 246	$ -
	Manufactured Housing	To encourage and enable preservation of affordable housing stock through ownership of manufactured housing	Multi Family	21,958,364	18,600,091	$ 3,392,546	$ 34,273
	Critical Community Response	To enable preservation of affordable housing stock through ownership and rehabilitation of older LIHTC properties	Multi Family	25,681,410	8,551,979	$ 17,150,278	$ 20,847
	Northwest Access Fund	Low-interest loans and matched savings accounts for assistive technology, business equipment or home modifications for persons with disabilities	Nonprofit	250,000	-	$ 250,000	$ -
	Pacific Medical Towers	Assist in the rehabilitation of a property providing services to nonprofits and low-income households.	Nonprofit	602,657	-	$ 604,150	$ 1,493
	Capital Plus (WCRA)	Partnership with WCRA to fund below-market financing to nonprofits with capital needs under $500,000	Nonprofit	11,957,491	5,176,845	$ 6,793,332	$ 12,686
	Racial and Social Equity Programs Reserve		TBD	7,000,000	-	$ 7,000,000	$ -
	Undesignated Funds			*605,058*	-	*605,058*	-
	Totals			$ 748,740,281	$ 536,804,135	$ 225,219,668	$ 13,283,523

(1) Program assets include partner investment of $13,061,840

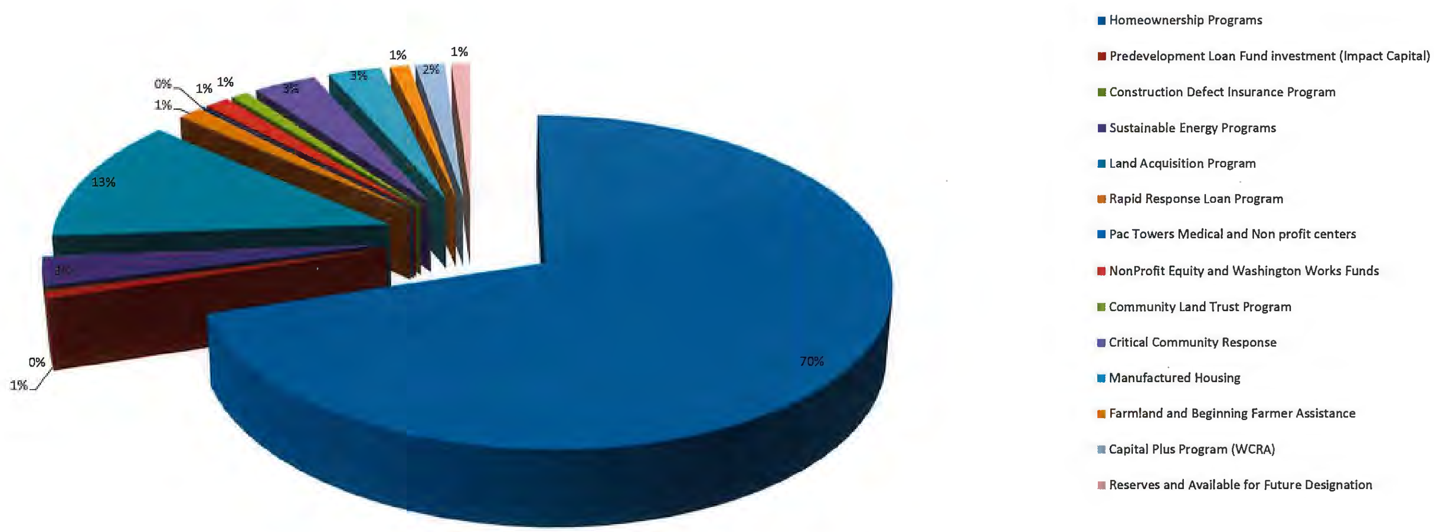
(2) Program Assets are due solely to state investment to date of $19,613,365

(3) Program Assets include state investment of $2,099,417

(4) Negative availability due to $40 million of PRI resources loaned to Commission Fund to support single-family mortgage loan purchases

(5) Program Assets include Microsoft funding of $46,726,900

PRI Program Assets at March 31, 2022 By Program



Total Program Assets, including Partner Investment $748,740,281

Events Calendar

Date	5/23/2022	**Length of Event**	8:00 AM - 4 PM
Event	Board Meeting & Budget Planning Meeting	**Audience**	General Public
Address	804 - 10th Street, Bellingham, WA 98225	**Division**	Administration
City	Bellingham	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	5/24/2022	**Length of Event**	8:00 AM - 2 PM
Event	Budget Planning Meeting	**Audience**	General Public
Address	804 - 10th Street, Bellingham, WA 98225	**Division**	Administration
City	Bellingham	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/21/2022	**Length of Event**	
Event	NCSHA 2022 Housing Connect Conf.	**Audience**	NCSHA Members
Address	Hyatt Regency Chicago Hotel	**Division**	Administration
City	Chicago, IL	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/22/2022	**Length of Event**	
Event	NCSHA 2022 Housing Connect Conf.	**Audience**	NCSHA Members
Address	Hyatt Regency Chicago Hotel	**Division**	Administration
City	Chicago, IL	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/23/2022	**Length of Event**	
Event	NCSHA 2022 Housing Connect Conf.	**Audience**	NCSHA Members
Address	Hyatt Regency Chicago Hotel	**Division**	Administration
City	Chicago, IL	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/23/2022	**Length of Event**	11:00 AM - 4:00 PM
Event	Board Meeting	**Audience**	General Public
Address	TBD	**Division**	Administration
City	TBD	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/24/2022	**Length of Event**	
Event	NCSHA 2022 Housing Connect Conf.	**Audience**	NCSHA Members
Address	Hyatt Regency Chicago Hotel	**Division**	Administration
City	Chicago, IL	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	7/28/2022	**Length of Event**	11:00 AM - 4:00 PM
Event	Board Meeting	**Audience**	General Public
Address	TBD	**Division**	Administration
City	TBD	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	8/25/2022	**Length of Event**	11:00 AM - 4:00 PM
Event	Board Meeting	**Audience**	General Public
Address	TBD	**Division**	Administration
City	TBD	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	9/22/2022	**Length of Event**	11:00 AM - 4:00 PM
Event	Board Meeting	**Audience**	General Public
Address	TBD	**Division**	Administration
City	TBD	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/2/2022	**Length of Event**	7:00 AM - 6:00 PM
Event	Housing Washington 2022 Conf.	**Audience**	Conf. Attendees
Address	Spokane Convention Center	**Division**	Administration
City	Spokane	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/3/2022	**Length of Event**	7:00 AM - 2:00 PM
Event	Housing Washington 2022 Conf.	**Audience**	Conf. Attendees
Address	Spokane Convention Center	**Division**	Administration
City	Spokane	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/22/2022	**Length of Event**	
Event	NCSHA 2022 Annual Conf. & Tradeshow	**Audience**	NCSHA Members
Address	Marriott Marquis Houston Hotel	**Division**	Administration
City	Houston, TX	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/23/2022	**Length of Event**	
Event	NCSHA 2022 Annual Conf. & Tradeshow	**Audience**	NCSHA Members
Address	Marriott Marquis Houston Hotel	**Division**	Administration
City	Houston, TX	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/24/2022	**Length of Event**	
Event	NCSHA 2022 Annual Conf. & Tradeshow	**Audience**	NCSHA Members
Address	Marriott Marquis Houston Hotel	**Division**	Administration
City	Houston, TX	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/25/2022	**Length of Event**	
Event	NCSHA 2022 Annual Conf. & Tradeshow	**Audience**	NCSHA Members
Address	Marriott Marquis Houston Hotel	**Division**	Administration
City	Houston, TX	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/27/2022	**Length of Event**	11:00 AM - 4:00 PM
Event	Board Meeting	**Audience**	General Public
Address	TBD	**Division**	Administration
City	TBD	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

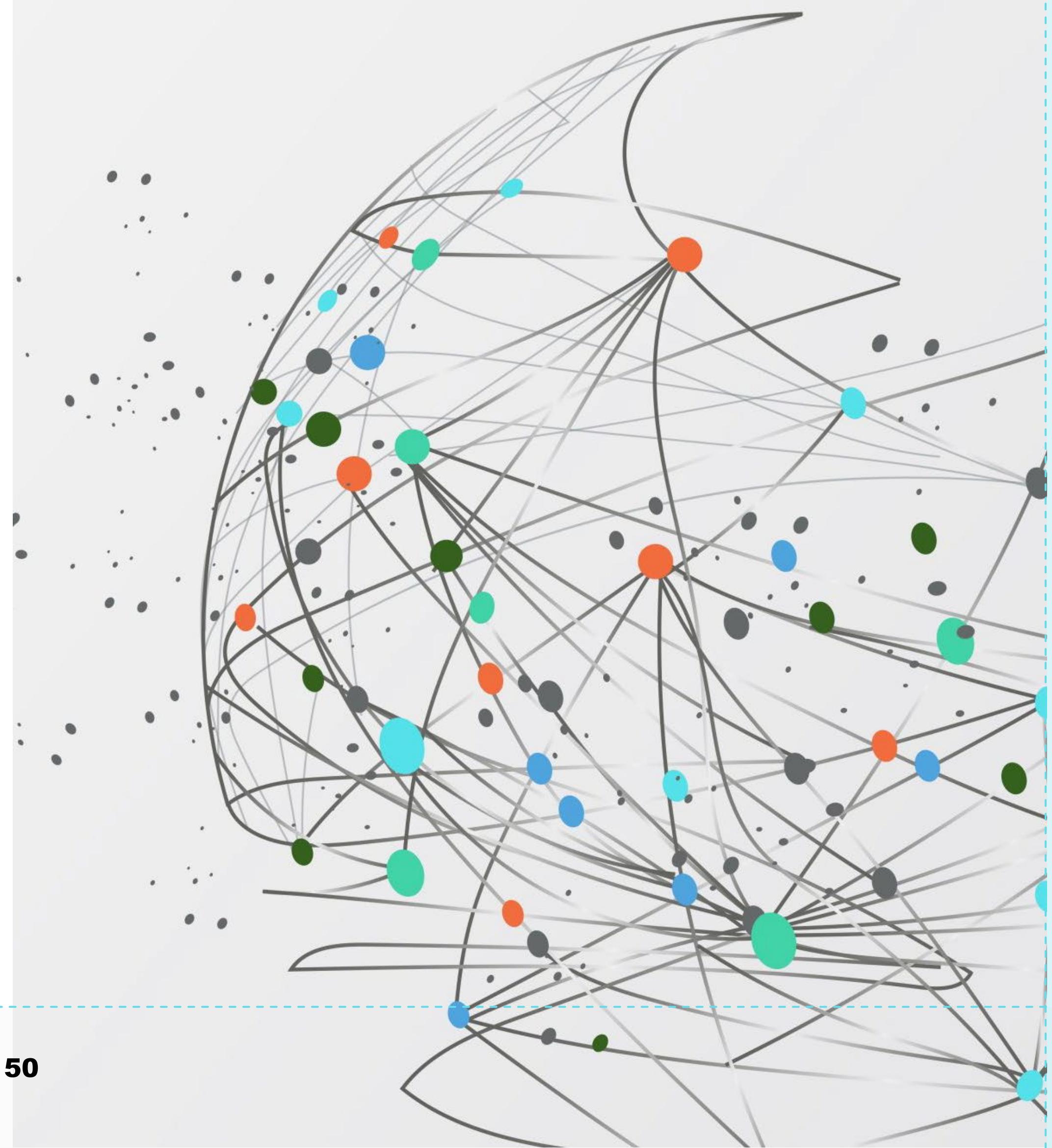
Date	11/17/2022	**Length of Event**	11:00 AM - 4:00 PM
Event	Board Meeting	**Audience**	General Public
Address	TBD	**Division**	Administration
City	TBD	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	12/8/2022	**Length of Event**	11:00 AM - 4:00 PM
Event	Board Meeting	**Audience**	General Public
Address	TBD	**Division**	Administration
City	TBD	**Contact**	Tera Ahlborn
		Phone # of Contact	206-287-4470

Moving Out of the Pandemic

What we have learned and what we need to plan for

- Future space needs and workspace layouts.
- Technology & security requirements needed for an efficient hybrid work environment.
- Managing in a telework environment.
- Board meetings going forward.



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McKinsey Global Institute

The future of work after COVID-19

February 18, 2021 | Report

The pandemic accelerated existing trends in remote work, e-commerce, and automation, with up to 25 percent more workers than previously estimated potentially needing to switch occupations.

By Susan Lund, Anu Madgavkar, James Manyika, Sven Smit, Kweilin Ellingrud, and Olivia Robinson

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Special Report

The future of work after COVID-19 Report

Full Report (PDF-5MB)

Executive Summary (30 pages)

The COVID-19 pandemic disrupted labor markets globally during 2020. The short-term consequences were sudden and often severe: Millions of people were furloughed or lost jobs, and others rapidly adjusted to working from home as offices closed. Many other workers were deemed essential and continued to work in hospitals and grocery stores, on garbage trucks and in warehouses, yet under new protocols to reduce the spread of the novel coronavirus.

This report on the future of work after COVID-19 is the first of three MGI reports that examine aspects of the postpandemic economy. The others look at the pandemic's long-term influence on consumption and the potential for a broad recovery led by enhanced productivity and innovation. Here, we assess the lasting impact of the pandemic on labor demand, the mix of occupations, and the workforce skills required in eight countries with diverse economic and labor market models: China, France, Germany, India, Japan, Spain, the United Kingdom, and the United States. Together, these eight countries account for almost half the global population and 62 percent of GDP.

Jobs with the highest physical proximity are likely to be most disrupted

Before COVID-19, the largest disruptions to work involved new technologies and growing trade links. COVID-19 has, for the first time, elevated the importance of the physical dimension of work. In this research, we develop a novel way to quantify the proximity required in more than 800 occupations by grouping them into ten work arenas according to their proximity to coworkers and customers, the number of interpersonal interactions involved, and their on-site and indoor nature.

This offers a different view of work than traditional sector definitions. For instance, our medical care arena includes only caregiving roles requiring close interaction with patients, such as doctors and nurses. Hospital and medical office administrative staff fall into the computer-based office work arena, where more work can be done remotely. Lab technicians and pharmacists work in the indoor production work arena because those jobs require use of specialized equipment on-site but have little exposure to other people (Exhibit 1).

Exhibit 1

Work arenas vary in overall physical proximity.

Overall-physical-proximity score by work arena (based on human interaction and work-environment metrics), score out of 100

Medical care	87	Hospitals, clinics
Personal care	83	Hair salons, gyms
On-site customer interaction	76	Retail stores, banks
Leisure and travel	75	Restaurants, hotels
Home support	70	Residential homes
Indoor production and warehousing	70	Factories, kitchens, warehouses
Computer-based office work	68	Offices, corporate headquarters
Classroom and training	68	Schools, conference centers
Transportation of goods	58	Trucks, rail yards
Outdoor production and maintenance	54	Construction sites, farms

Note: Occupations were assigned to work arenas using O*NET data.
Source: O*NET OnLine, Employment and Training Administration (ETA), US Department of Labor; US Bureau of Labor Statistics; McKinsey Global Institute analysis

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We find that jobs in work arenas with higher levels of physical proximity are likely to see greater transformation after the pandemic, triggering knock-on effects in other work arenas as business models shift in response.

The short- and potential long-term disruptions to these arenas from COVID-19 vary. During the pandemic, the virus most severely disturbed arenas with the highest overall physical proximity scores: medical care, personal care, on-site customer service, and leisure and travel. In the longer term, work arenas with higher physical proximity scores are also likely to be more unsettled, although proximity is not the only explanation. For example:

- The on-site customer interaction arena includes frontline workers who interact with customers in retail stores, banks, and post offices, among other places. Work in this arena is defined by frequent interaction with strangers and requires on-site presence. Some work in this arena migrated to e-commerce and other digital transactions, a behavioral change that is likely to stick.
- The leisure and travel arena is home to customer-facing workers in hotels, restaurants, airports, and entertainment venues. Workers in this arena interact daily with crowds of new people. COVID-19 forced most leisure venues to close in 2020 and airports and airlines to operate on a severely limited basis. In the longer term, the shift to remote work and related reduction in business travel, as well as automation of some occupations, such as food service roles, may curtail labor demand in this arena.
- The computer-based office work arena includes offices of all sizes and administrative workspaces in hospitals, courts, and factories. Work in this arena requires only moderate physical proximity to others and a moderate number of human interactions. This is the largest arena in advanced economies, accounting for roughly one-third of employment. Nearly all potential remote work is within this arena.
- The outdoor production and maintenance arena includes construction sites, farms, residential and commercial grounds, and other outdoor spaces. COVID-19 had little impact here as work in this arena requires low proximity and few interactions with others and takes place fully outdoors. This is the largest arena in China and India, accounting for 35 to 55 percent of their workforces.

COVID-19 has accelerated three broad trends that may reshape work after the pandemic recedes

The pandemic pushed companies and consumers to rapidly adopt new behaviors that are likely to stick, changing the trajectory of three groups of trends. We consequently see sharp discontinuity between their impact on labor markets before and after the pandemic.

Remote work and virtual meetings are likely to continue, albeit less intensely than at the pandemic's peak

Perhaps the most obvious impact of COVID-19 on the labor force is the dramatic increase in employees working remotely. To determine how extensively remote work might persist after the pandemic, we analyzed its potential across more than 2,000 tasks used in some 800 occupations in the eight focus countries. Considering only remote work that can be done without a loss of productivity, we find that about 20 to 25 percent of the workforces in advanced economies could work from home between three and five days a week. This represents four to five times more remote work than before the pandemic and could prompt a large change in the geography of work, as individuals and companies shift out of large cities into suburbs and small cities. We found that some work that technically can be done remotely is best done in person. Negotiations, critical business decisions, brainstorming sessions, providing sensitive feedback, and onboarding new employees are examples of activities that may lose some effectiveness when done remotely.

Some companies are already planning to shift to flexible workspaces after positive experiences with remote work during the pandemic, a move that will reduce the overall space they need and bring fewer workers into offices each day. A survey of 278 executives by McKinsey in August 2020 found that on average, they planned to reduce office space by 30 percent. Demand for restaurants and retail in downtown areas and for public transportation may decline as a result.

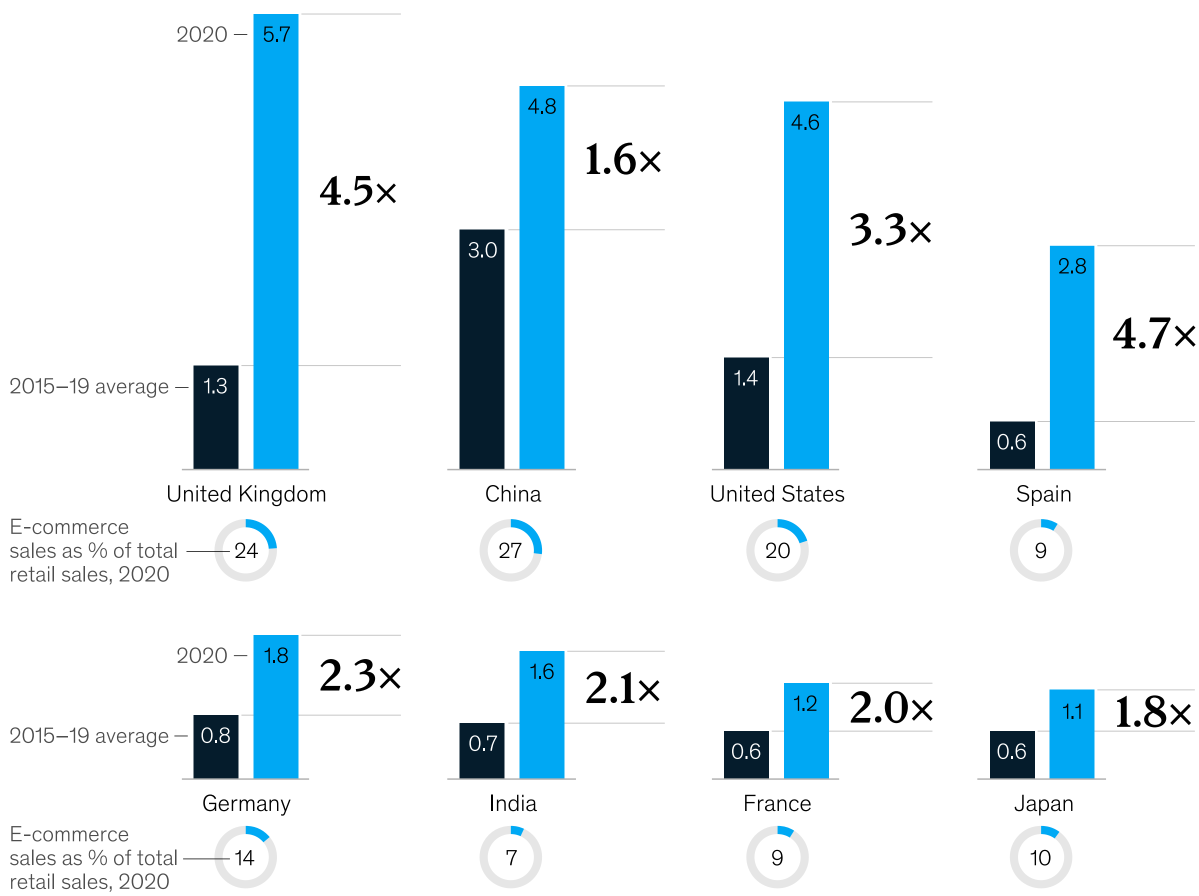
Remote work may also put a dent in business travel as its extensive use of videoconferencing during the pandemic has ushered in a new acceptance of virtual meetings and other aspects of work. While leisure travel and tourism are likely to rebound after the crisis, McKinsey's travel practice estimates that about 20 percent of business travel, the most lucrative segment for airlines, may not return. This would have significant knock-on effects on employment in commercial aerospace, airports, hospitality, and food service. E-commerce and other virtual transactions are booming.

Many consumers discovered the convenience of e-commerce and other online activities during the pandemic. In 2020, the share of e-commerce grew at two to five times the rate before COVID-19 (Exhibit 2). Roughly three-quarters of people using digital channels for the first time during the pandemic say they will continue using them when things return to "normal," according to McKinsey Consumer Pulse surveys conducted around the world.

Exhibit 2

E-commerce has grown two to five times faster than before the pandemic.

Year-over-year growth of e-commerce as share of total retail sales, percentage points



Source: Retailing by Euromonitor International, 2021; McKinsey Global Institute analysis

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Other kinds of virtual transactions such as telemedicine, online banking, and streaming entertainment have also taken off. Online doctor consultations through Practo, a telehealth company in India, grew more than tenfold between April and November 2020. These virtual practices may decline somewhat as economies reopen but are likely to continue well above levels seen before the pandemic.

This shift to digital transactions has propelled growth in delivery, transportation, and warehouse jobs. In China, e-commerce, delivery, and social media jobs grew by more than 5.1 million during the first half of 2020.

COVID-19 may propel faster adoption of automation and AI, especially in work arenas with high physical proximity

Two ways businesses historically have controlled cost and mitigated uncertainty during recessions are by adopting automation and redesigning work processes, which reduce the share of jobs involving mainly routine tasks. In our global survey of 800 senior executives in July 2020, two-thirds said they were stepping up investment in automation and AI either somewhat or significantly. Production figures for robotics in China exceeded prepandemic levels by June 2020.

Many companies deployed automation and AI in warehouses, grocery stores, call centers, and manufacturing plants to reduce workplace density and cope with surges in demand. The common feature of these automation use cases is their correlation with high scores on physical proximity, and our research finds the work arenas with high levels of human interaction are likely to see the greatest acceleration in adoption of automation and AI.

The mix of occupations may shift, with little job growth in low-wage occupations

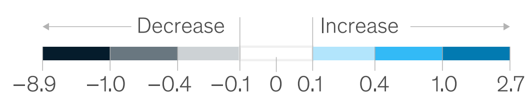
The trends accelerated by COVID-19 may spur greater changes in the mix of jobs within economies than we estimated before the pandemic.

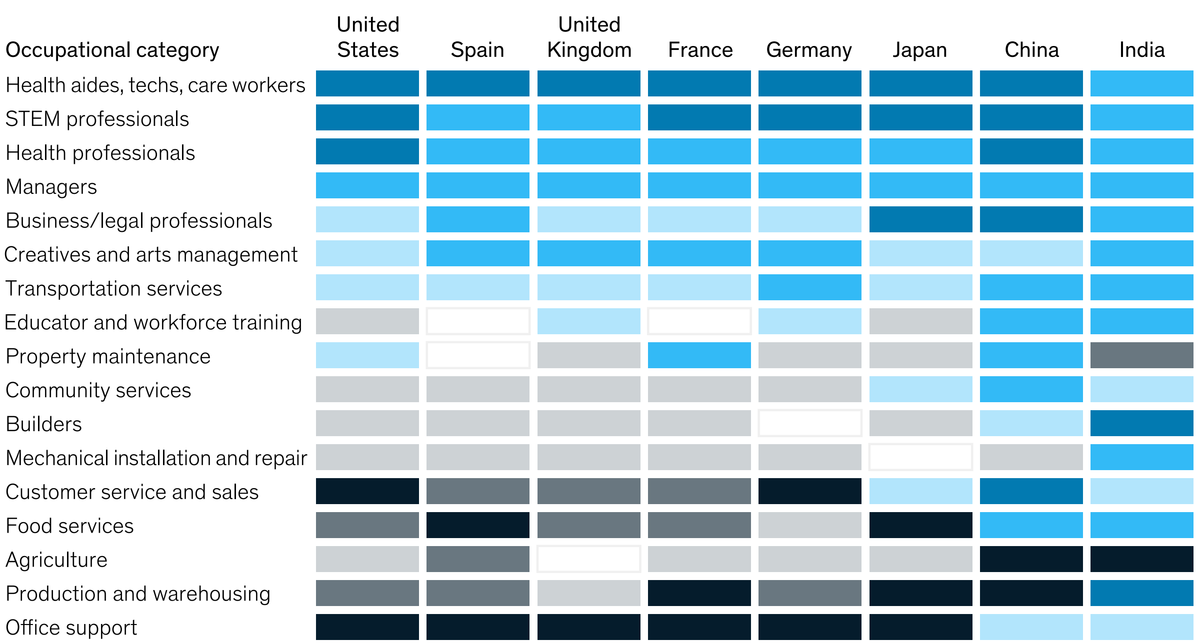
We find that a markedly different mix of occupations may emerge after the pandemic across the eight economies. Compared to our pre-COVID-19 estimates, we expect the largest negative impact of the pandemic to fall on workers in food service and customer sales and service roles, as well as less-skilled office support roles. Jobs in warehousing and transportation may increase as a result of the growth in e-commerce and the delivery economy, but those increases are unlikely to offset the disruption of many low-wage jobs. In the United States, for instance, customer service and food service jobs could fall by 4.3 million, while transportation jobs could grow by nearly 800,000. Demand for workers in the healthcare and STEM occupations may grow more than before the pandemic, reflecting increased attention to health as populations age and incomes rise as well as the growing need for people who can create, deploy, and maintain new technologies (Exhibit 3).

Exhibit 3

The mix of occupations may shift by 2030 in the post-COVID-19 scenario.

Estimated change in share of total employment, post-COVID-19 scenario, 2018 to 2030,[1]
percentage points





[1]The pre-COVID-19 scenario includes the effects of eight trends: automation, rising incomes, aging populations, increased technology use, climate change, infrastructure investment, rising education levels, and marketization of unpaid work. The post-COVID-19 scenario includes all pre-COVID-19 trends as well as accelerated automation, accelerated e-commerce, increased remote work, and reduced business travel.
Source: McKinsey Global Institute analysis

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Before the pandemic, net job losses were concentrated in middle-wage occupations in manufacturing and some office work, reflecting automation, and low- and high-wage jobs continued to grow. Nearly all low-wage workers who lost jobs could move into other low-wage occupations—for instance, a data entry worker could move into retail or home healthcare. Because of the pandemic's impact on low-wage jobs, we now estimate that almost all growth in labor demand will occur in high-wage jobs. Going forward, more than half of displaced low-wage workers may need to shift to occupations in higher wage brackets and requiring different skills to remain employed.

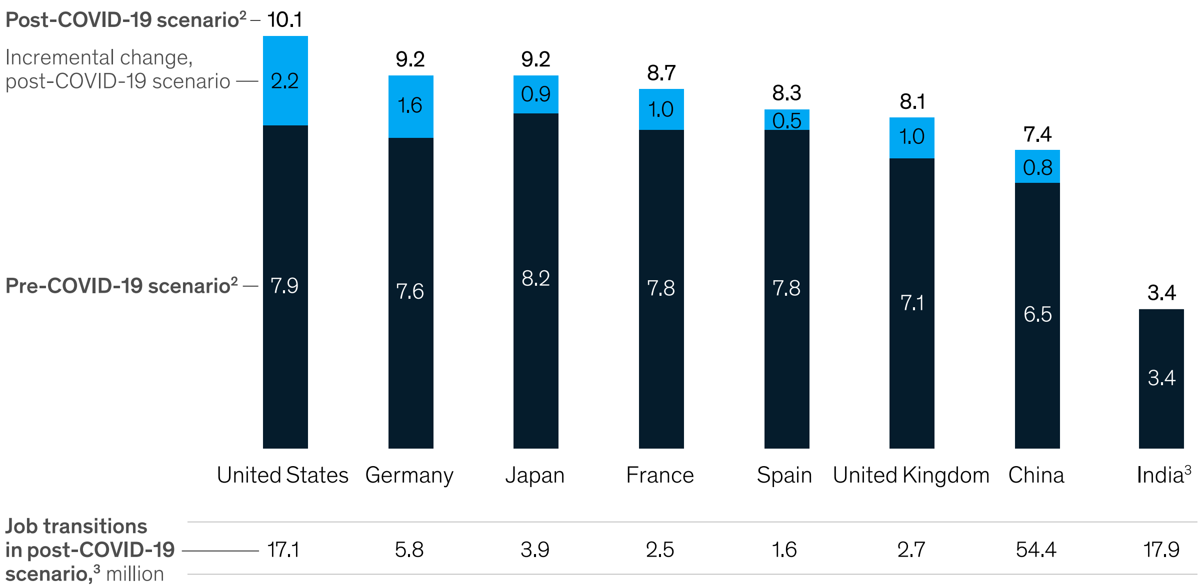
As many as 25 percent more workers may need to switch occupations than before the pandemic

Given the expected concentration of job growth in high-wage occupations and declines in low-wage occupations, the scale and nature of workforce transitions required in the years ahead will be challenging, according to our research. Across the eight focus countries, more than 100 million workers, or 1 in 16, will need to find a different occupation by 2030 in our post-COVID-19 scenario, as shown in Exhibit 4. This is 12 percent more than we estimated before the pandemic, and up to 25 percent more in advanced economies (Exhibit 4).

Exhibit 4

More people may need to transition to new jobs in the post-COVID-19 scenario.

Share of workforce that may need to transition to jobs in new occupations by 2030,[1] %



Note: Figures may not sum to total, because of rounding.
[1]An occupation transition is defined as a job that has been displaced and does not come back with growth in labor demand overall.
[2]The pre-COVID-19 scenario includes the effects of eight trends: automation, rising incomes, aging populations, increased technology use, climate change, infrastructure investment, rising education levels, and marketization of unpaid work. The post-COVID-19 scenario includes all prepandemic trends as well as accelerated automation, accelerated e-commerce, increased remote work, and reduced business travel.
[3]Job transitions in India remain flat in both scenarios because of fewer service jobs (due to accelerated automation) for low-skill construction workers to transition into. Excludes farm transitions; if farm jobs were included, transitions would fall before the pandemic compared to after because there would be fewer transitions to secondary and tertiary sectors.
Source: McKinsey Global Institute analysis

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Before the pandemic, we estimated that just 6 percent of workers would need to find jobs in higher wage occupations. In our post-COVID-19 research, we find not only that a larger share of workers will likely need to transition out of the bottom two wage brackets but also that roughly half of them overall will need new, more advanced skills to move to occupations one or even two wage brackets higher.

The skill mix required among workers who need to shift occupations has changed. The share of time German workers spend using basic cognitive skills, for example, may shrink by 3.4 percentage points, while time spend using social and emotional skills will increase by 3.2

percentage points. In India, the share of total work hours expended using physical and manual skills will decline by 2.2 percentage points, while time devoted to technological skills will rise 3.3 percentage points. Workers in occupations in the lowest wage bracket use basic cognitive skills and physical and manual skills 68 percent of the time, while in the middle wage bracket, use of these skills occupies 48 percent of time spent. In the highest two brackets, those skills account for less than 20 percent of time spent. The most disadvantaged workers may have the biggest job transitions ahead, in part because of their disproportionate employment in the arenas most affected by COVID-19. In Europe and the United States, workers with less than a college degree, members of ethnic minority groups, and women are more likely to need to change occupations after COVID-19 than before. In the United States, people without a college degree are 1.3 times more likely to need to make transitions compared to those with a college degree, and Black and Hispanic workers are 1.1 times more likely to have to transition between occupations than white workers. In France, Germany, and Spain, the increase in job transitions required due to trends influenced by COVID-19 is 3.9 times higher for women than for men. Similarly, the need for occupational changes will hit younger workers more than older workers, and individuals not born in the European Union more than native-born workers.

Companies and policymakers can help facilitate workforce transitions

The scale of workforce transitions set off by COVID-19's influence on labor trends increases the urgency for businesses and policymakers to take steps to support additional training and education programs for workers. Companies and governments exhibited extraordinary flexibility and adaptability in responding to the pandemic with purpose and innovation that they might also harness to retool the workforce in ways that point to a brighter future of work.

Businesses can start with a granular analysis of what work can be done remotely by focusing on the tasks involved rather than whole jobs. They can also play a larger role in retraining workers, as Walmart, Amazon, and IBM have done. Others have facilitated occupational shifts by focusing on the skills they need, rather than on academic degrees. Remote work also offers companies the opportunity to enrich their diversity by tapping workers who, for family and other reasons, were unable to relocate to the superstar cities where talent, capital, and opportunities concentrated before the pandemic.

Policymakers could support businesses by expanding and enhancing the digital infrastructure. Even in advanced economies, almost 20 percent of workers in rural households lack access to the internet. Governments could also consider extending benefits and protections to independent workers and to workers working to build their skills and knowledge mid-career.

Both businesses and policymakers could collaborate to support workers migrating between occupations. Under the Pact for Skills established in the European Union during the pandemic, companies and public authorities have dedicated €7 billion to enhancing the skills of some 700,000 automotive workers, while in the United States, Merck and other large companies have put up more than $100 million to burnish the skills of Black workers without a college education and create jobs that they can fill.

The reward of such efforts would be a more resilient, more talented, and better-paid workforce—and a more robust and equitable society.

Go behind the scenes and get more insights with "Where the jobs are: An inside look at our new Future of Work research" from our New at McKinsey blog.

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By Tracy Williams, CEO and Four
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Tracy Williams, CEO and Founder, Olmstead Williams Communications

Tags: public relations

What caused "The Great Resignation" of 2021? Over 4.5 million Americans quit their jobs in November alone, according to the U.S. Bureau of Labor Statistics. Three-quarters of 1,800 U.S. workers in a September survey by The Conference Board cited stress and burnout as critical challenges, up from 55% six months earlier. Half of all employees said their mental health was at stake.

To businesses determined to survive, that's a wake-up call to perceptions of toxic workplace culture, management failure to recognize and reward work, frustrating innovation, and too frequently, clumsy response to the disruptions of Covid-19.

An organization's culture now defines it, and companies out of step lose employees and revenue. Change has come fast. Response requires immediate action.

Take a stance. Today, the American worker and customer look to business for social leadership as much as to legislatures or politicians. The latest Edelman Trust Barometer reported that nearly 1 out of 2 respondents found government and the media to be divisive forces. Sixty percent said they choose a workplace based on their personal beliefs and values, not just salary and benefits. Tha
public relations and weigh in on issues
customers. Assume that assumptions a
strategic messaging. And walk the talk.

Listen up. The crucial element in every
management must have its ears open. It only takes one disgruntled employee and a negative Glassdoor or Facebook review to dent a company's retention efforts. Executives must listen to their teams regarding what works and what doesn't and make course corrections quickly. Social media has a pivotal role in retention and recruitment. Glassdoor reports that 79% of job seekers scour a company's social media when searching for a new job. They're looking for the validation of success not just in the marketplace, but in employee satisfaction.

Spotlight culture. Being a "best place to work" takes a conscious effort. Self-nominate for awards in the category. Great Place to Work®, Comparably, and Inc. look for the employers and companies of the future – businesses that prioritize employee well-being and prove themselves aware of the world around them with its issues of workplace flexibility, gender and even climate change. Awareness alone – the acknowledgement of the world we live in – boosts employee morale.

Today's business leaders are agents of change. They know their most valuable assets are their employees and they value their scrutiny. They aim for workers who feel seen, heard and valued. They know that their people are the voice of the company's story and can tell a tale of success – or of stagnation.

In 2022, corporate culture takes center stage in building employee resilience.

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***Tracy Williams*, President and CEO, *Olmstead Williams Communications*.**

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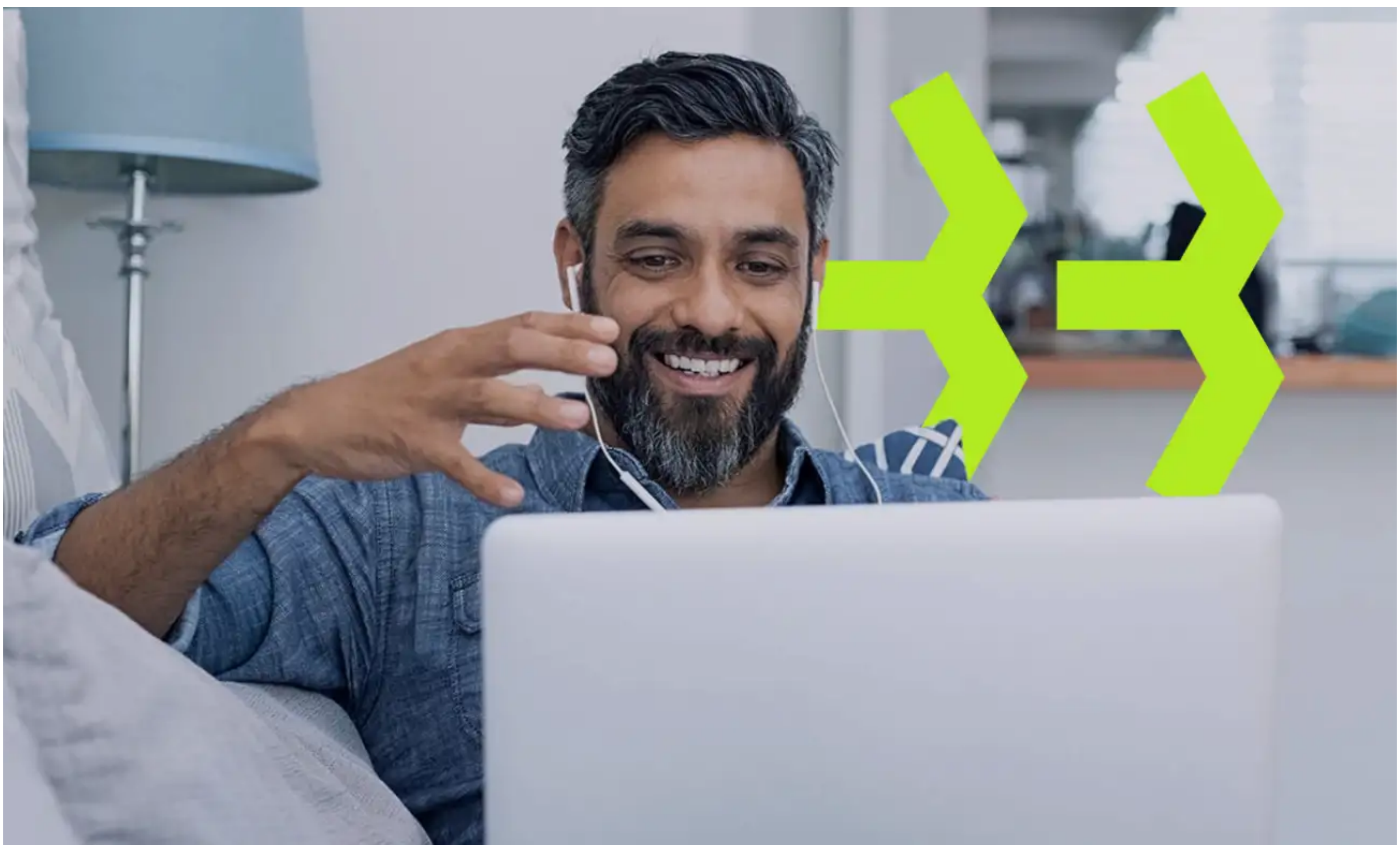
Remote Work

Hybrid work security: challenges & best practices

By NordLayer, 18 Jan 2022

8 min read

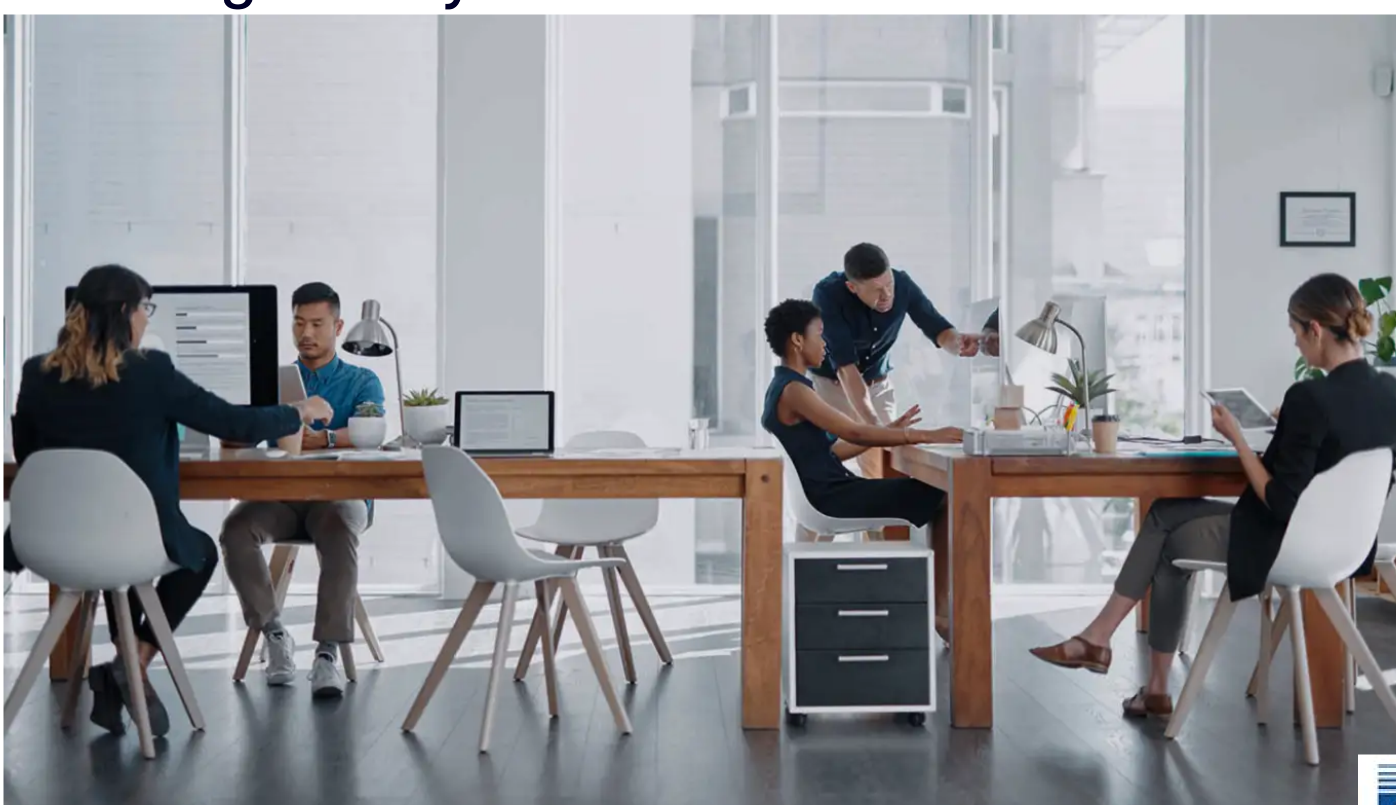


The **remote workforce** was a mostly **pandemic-induced necessity**, which didn't last long to prove its convenience. First started as a demand to secure business continuity by all possible tasks transferring to remote employees' homes, today remote work evolved not just as a precaution from time to time still 'couch-surfing' on just another wave of the pandemic. The hybrid working model has brought dynamics to a desk-pinned office giving hybrid work environments more flexibility to manage a company workforce and expand possibilities of human resources and skilled talents from all over the world.

Remote work pioneered the establishment of hybrid work policies from **small businesses to large enterprises**, allowing employees to work from anywhere, enabling employers to downgrade the number of static workplaces in the office, saving all parties a significant part of the time and financial resources.

Even though remote work is gaining a positive meaning and is a modern approach for a virtual office, it still carries the weight of challenges related to security, privacy, and business protection issues. According to Microsoft Digital Defense Report, cybercriminals perform a significant number of ransomware, malware, or phishing attacks. The latter covers up to **70% of enterprise-related security breaches**, which showcases only a small part of the infrastructure vulnerability.

Challenges of hybrid work environment



Before a hybrid work model became a new custom in the majority of the corporate routines, companies used to operate solely within their own established on-site infrastructure. It resembles a dome-like environment where company resources, data, and employees function strictly under predefined policies and security requirements supervised by an organization. However, remote work expanded the definition of company perimeter and security measures naturally fractured due to **higher exposure to internal and external threats**.

As much as in-office employees, remote workers help secure day-to-day business operations and are indispensable company assets, yet adaptation of home-office environments comes with limitations. Organizations cannot independently ensure network and endpoint security with a hybrid workforce in action. A company is also much more reliable in trusting endpoints trying to gain access to company resources as identities or devices can be compromised.

Moreover, most company perimeters are based on outdated IT infrastructure incapable of keeping up with increasing security needs and supporting ad-hoc requirements of **evolving businesses**. Lack of preparation opens doors for hostile actors that often result in data leaks or even financial and reputational losses rising every year.

Loss of sensitive data

Data breach problem is one of the most concerning **security threats despite the size and market** of an organization as it may affect business, employees, and most importantly — users and customers of the company.

Impressive numbers collected by Acronis, a data security vendor, confirm that attackers are always looking for a gap to sneak in. As stated in the report, almost ⅓ of respondents confirmed at least one attack on their organization every month, while around **20% of companies were attacked on a weekly and daily basis.**

Security threats get triggered by a simple human error or malicious attempt to access and leak sensitive data. For instance, not working in a dedicated place during working hours but switching workspaces between an office, a coffee shop, and home can lead to undesired events:

- Even the most trusted employee can forget to switch to a secure network when in public or back to a home office, creating a possibility for others to access company resources.

- Discussing business-sensitive information or leaving work-related devices unattended in public even for a moment can lead to stolen credentials or potentially sensitive information.

- Moving with a company laptop/smartphone can end up losing it or getting stolen. Physical attempts to access sensitive data are as realistic as any other cyber threats.

According to a Verizon Data Breach Investigation Report (2021), **85% of breaches relate to a 'human element'**. Companies are responsible for implementing practical solutions how to strengthen the organizational cybersecurity landscape to overcome this.

Remote access for hybrid workforce

The hybrid work model brings another challenge to organizations — how will all remote workers access an enterprise network to perform their daily tasks without putting company data security at risk?

Day-to-day operations require employees to access data and share files, connect to on-site IoT devices, and access another user device in case of need of technical support. However, without efficient upgrades, **legacy infrastructure performance and capacity cannot guarantee sufficient business operation continuity**. It also puts more workload on admins responsible for ensuring that users within a company network can be trusted to avoid any potential threats, so security measures must increase, too.

An explicit trust in endpoints accessing a company network with a once-granted entry is among the most significant security vulnerabilities. Remote means there is no confidence in how and who someone operates within the network. Manual monitoring of user activities is time-consuming, especially when it takes many users, leading to another human error.

Device security risks

Little knowledge of who sits behind a screen is an issue, yet not a final one. Mobile device management is another security threat category for remote and hybrid work.

There is extended use of applications on laptops, smartphones, and tablets that are highly convenient for employees to access a company network. It also lowers company spending, allowing employees to use their own devices for work needs—however, employees might use work-dedicated devices for personal needs. Extensive device usage increases the exposure level to malware websites, beforehand corrupted devices, or low-security settings on them.

Unfiltered website browsing, potential downloads of viruses, and lack of end-to-end encryption put company data at risk when it's not managed by IT admins. Disabled user authentication, infrequent updates, and unbacked data are additional factors for data breaches and malicious activities. According to CIRA Cybersecurity Report 2020, ⅔ of company employees use company-issued devices, but **50% of hybrid workforce claim occasional usage of personal devices for work purposes** — this highlights the scale of unsupervised and unmanaged access to a company network.

Hybrid work security best practices

Data breach events escalate quickly, so a company must implement the most crucial security measures to protect valuable information. Unprotected devices with unconfirmed users signal the importance of identity management. Insufficient security policies and limitations of on-site legacy perimeter infrastructure cannot ensure the performance quality of a business hybrid workforce, creating a counterproductive environment for IT administrators.

Improving security within corporate networks requires upgrades and solutions dedicated to mitigating security threats, improving efficiency over the whole company infrastructure, and establishing a mindful approach to protecting critical data. To secure hybrid workplaces, we prepared a list of best practices to achieve it.

Secure network with VPN

Hybrid work is about leaving a dedicated company network and accessing resources via public and home-based networks that carry critical security threats. Establishing connectivity via business VPN helps create a **secure and hidden network** for every employee.

Adopt a Zero Trust network access

Not having people in the office needs alternative approaches to verifying their identity and authenticating access to a company network. **'Trust none, verify all'** is a mindset based on the zero trust model, implemented via identity authentication to access work devices and resources, segmenting the network, and managing access controls.

Transition to cloud-based solutions

Physical infrastructure is limited by expensive hardware and on-site maintenance — a complete opposite of agile, easy to deploy, and upgrade setup. Therefore, the transition to cloud environments is a go-to solution for efficiency and sustainability. Modern cyber security Secure Access Service Edge (SASE) architecture levels everything to a virtual level that is **easier to manage and scale on demand.**

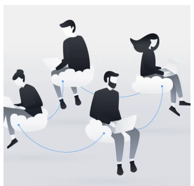
Automate monitoring

Hybrid work environments result in many requests, endpoints, and incidents that eventually become hard to manage and require more time and work resources from IT admins. Increasing pressure leaves more space for human error, so automatization is one of the key considerations to simplifying monitoring operations and **detecting deviations in real-time.**

Educate employees

Growing awareness of security importance in employees is as required as any tool or software that helps create a hard to penetrate security grid over a company. Employees may **not be aware of potential security threats** that lurk behind office walls. Therefore, training and building knowledge of personal responsibility and the relevance of applied security measures are crucial for every business.

Related articles



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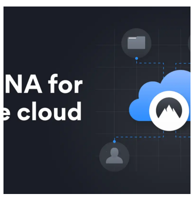

Zero Trust

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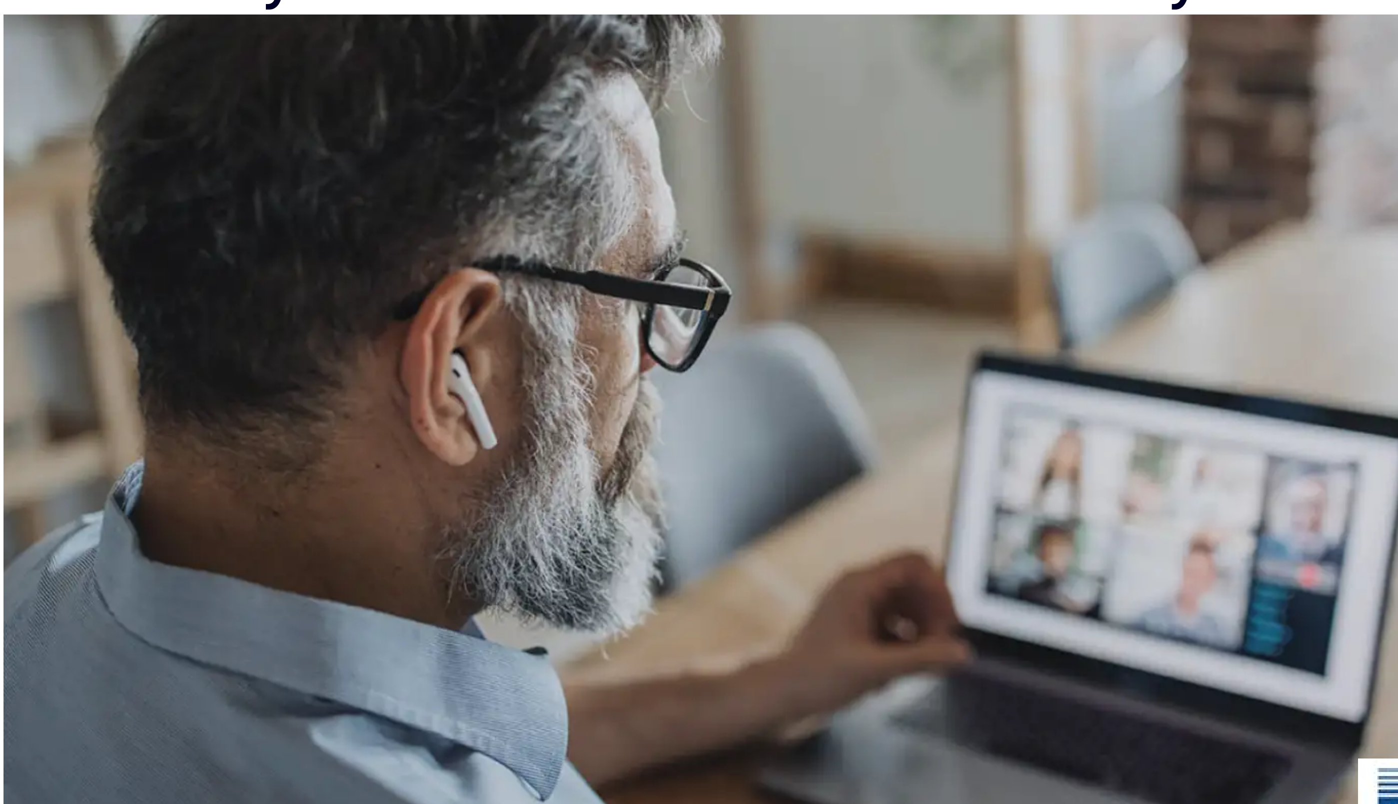
Protect hybrid environments with NordLayer



Ensuring security and company data well-being in hybrid environments is the responsibility of both the company and employees. Desired results are much easier to achieve if the right network management tools and solutions are available. We at NordLayer have faced the same challenges as any other modern business affected by rapid change in how we live and operate, and hybrid work policy was no exception. This situation enabled NordLayer to offer only relevant and **problem-targeted collaboration tools** — this is how a secure network access solution was designed and developed.

NordLayer offers cloud services that establish **layered security** architecture based on the SASE and Zero Trust models that are the definitive future of the cybersecurity landscape. We have overviewed both SASE and Zero Trust models on our earlier blog posts — how they compare and guidelines on implementing them into your company.

Features for cybersecurity professionals

Business VPN, encrypted data traffic, identity authentication, and verification with a combination of Multi-Factor Authentication (MFA), biometrics, and Single Sign-On (SSO) supported by major providers enables easy implementation of zero-trust security measures within the devices and network.

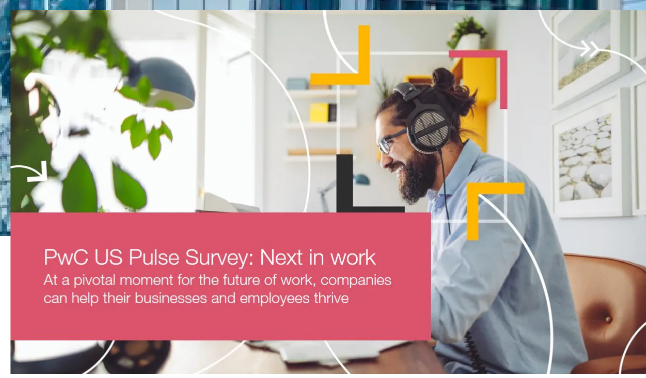
NordLayer's Smart Remote Access solution covers data access challenges by creating a virtual office with a secured site-to-site, file sharing, and device control features.

A centralized Control Panel allows security teams to manage their workload and detect rooted devices or compliance breaches on time in one place to limit space for accidents. We promise an easy-to-start, combine and scale remote network security solution that supports companies with a hybrid work policy to achieve a **flexible work environment**.

Contents

Future of work: what boards should be thinking about

Navigating the COVID-19 pandemic and its aftermath is one of the biggest business challenges of our time. To keep operations going, most companies adopted new ways of working that left their offices, factories, and stores empty.



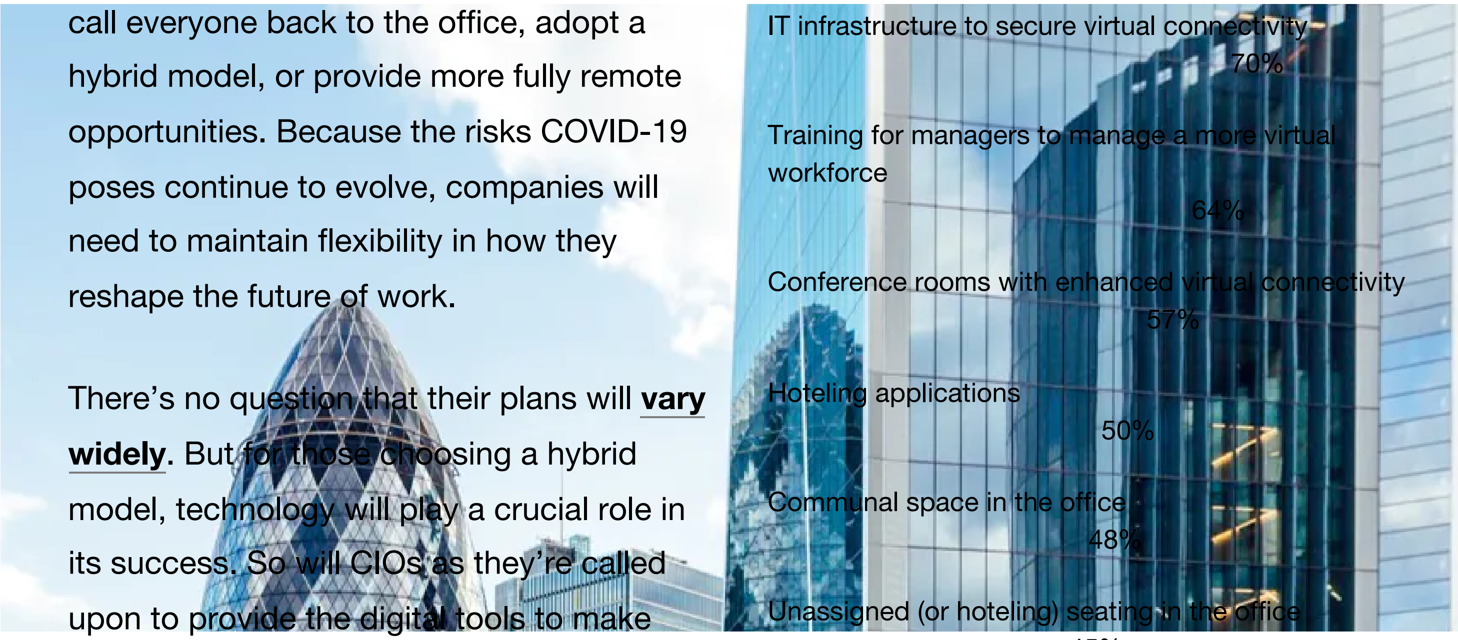
More than a year later, the world looks much different. As business comes surging back, management teams are responsible for leading their companies through these fast-moving changes. Boards of directors also play a role. They need to help management think critically about the development and execution of their return-to-work plans. This starts with understanding the workforce challenges executives face in a post-pandemic world so they can ask the right questions and act as a sounding board.

Learn more about the future of work

Reimagining how and where work will get done

US executives planning new investment to support hybrid working

As companies look ahead to life after the pandemic, they are choosing among three basic options for returning to the workplace: call everyone back to the office, adopt a hybrid model, or provide more fully remote opportunities. Because the risks COVID-19 poses continue to evolve, companies will need to maintain flexibility in how they reshape the future of work.



There's no question that their plans will **vary widely**. But for those choosing a hybrid model, technology will play a crucial role in its success. So will CIOs as they're called upon to provide the digital tools to make employee interactions with one another and with customers seamless across all types of environments.

Going forward, nearly half of CEOs say they plan to increase their long-term investment in digital transformation by 10% or more. That includes **technology solutions** to support higher levels of remote working, such as productivity analytics and collaboration suites that bridge the gap between people who regularly work in the office and those who work remotely.

Attracting and retaining talent

One of the main reasons companies are rethinking how and where to work is because so many people want to keep the flexibility they gained during the pandemic.

% planning increased investment

Tools for virtual collaboration
72%

IT infrastructure to secure virtual connectivity
70%

Training for managers to manage a more virtual workforce
64%

Conference rooms with enhanced virtual connectivity
57%

Hoteling applications
50%

Communal space in the office
48%

Unassigned (or hoteling) seating in the office
45%

Q: How do you plan to change investment levels, if at all, in the following areas?
Source: PwC US Remote Work Survey
January 12, 2021. Base: 127 US executives

Employee preferences for hybrid work are all over the map

All remote
%
Almost entirely remote (4 days remote)
%

Nearly half (44%) of employees say they **want to work remotely** three days a week or more post-pandemic. And there are plenty of stories about people willing **to leave their jobs** to maintain this flexibility rather than return to the office.

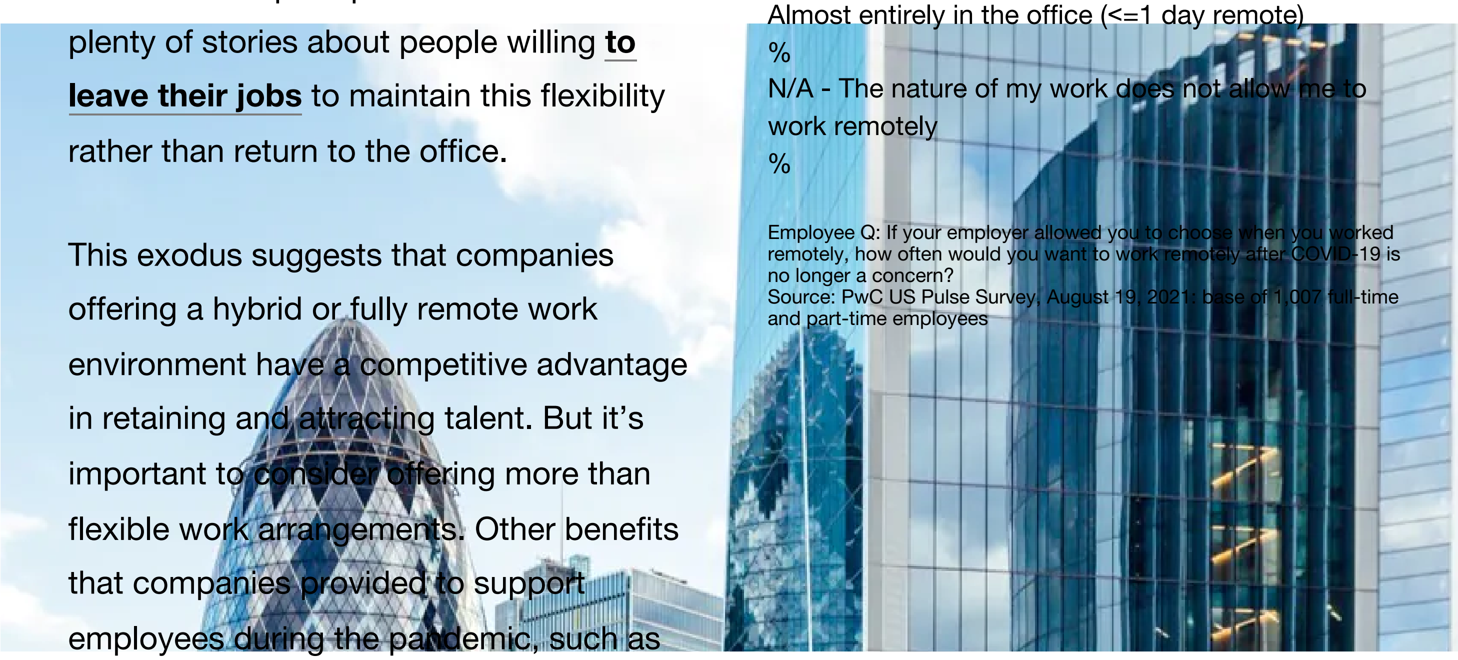
This exodus suggests that companies offering a hybrid or fully remote work environment have a competitive advantage in retaining and attracting talent. But it's important to consider offering more than flexible work arrangements. Other benefits that companies provided to support employees during the pandemic, such as access to mental health resources and childcare coverage, can also serve as attractive perks.

These days, the ability to attract, develop, and retain the best talent has become a critical business differentiator. And the pandemic has only underscored that fact. So, although corporate directors have traditionally focused their oversight of talent management on the C-suite, they need to broaden their efforts.

Our guide, *The board's oversight of talent management*, explains how directors can help executives navigate the new talent landscape. And, our

Forecast 2021: The crunch for talent
podcast offers insights to help you

Mostly remote (3 days remote)
%
Mostly in office (2 days remote)
%
Almost entirely in the office (<=1 day remote)
%
N/A - The nature of my work does not allow me to work remotely
%



Employee Q: If your employer allowed you to choose when you worked remotely, how often would you want to work remotely after COVID-19 is no longer a concern?
Source: PwC US Pulse Survey, August 19, 2021: base of 1,007 full-time and part-time employees

better understand and manage some of the opportunities and challenges your company might face.

Maintaining company culture and trust

How and when companies bring employees back will have long-lasting implications for corporate culture and employee trust. If businesses insist that people return to the office, they risk losing talent. If they let employees stay at home, they may have to grapple with maintaining a culture that was established onsite. Either way, companies need to deal with the pandemic's toll on employees. That encompasses everything from general burnout to the exit of 3 million women from the US workforce.

Many executives appear to be aware of the stakes. At the beginning of this year, 83% of business leaders in our **PwC Pulse Survey** expected their revenues to increase in 2021 as the economy continues to recover. More than half of those leaders said taking action on people issues, such as securing talent with technical skills (59%) and stepping up support for burned-out employees (55%), would be critical for capitalizing on that growth.

As people adapt to new ways of working, it'll be essential for companies to pay careful attention to change management. Bringing everyone through the journey successfully

Workforce considerations dominate return to growth strategies

Availability of talent with technical skills (e.g., IT, engineering)
%
Supporting burned-out, at-risk employees
%
Schools in our locations fully opened for in-person education
%
Reducing disruption to our supply chain
%
Availability of skilled trade labor
%
Women reentering the workforce
%
Business travel/in-person events resume
%
More federal relief for individuals
%
More federal relief for businesses
%

Q: How important are the following factors to your ability to prosper this year? *(Responses to 'Very important')*
Source: PwC US Pulse Survey, March 12, 2021: base of 732

will require careful consideration of how to reshape corporate culture to support new working models.

How to make hybrid work, work

Understanding the board's role

As management teams continue to develop, execute, and readjust their return-to-work strategies, directors can take the following actions to provide valuable oversight:

- Make sure you're getting the data you need to gauge management's progress and performance on this issue.

- Check-in with the board committee that oversees talent management to ensure they're passing on pertinent information to the full board.

- Give the chief human resources officer high visibility at board meetings.

- Request regular updates on how competitors are approaching their return-to-work issues.

- Monitor how management is adjusting its talent strategies on issues such as employee compensation and benefits to stay competitive.

- Keep tabs on the potential impact of changes in talent strategy on corporate culture.

Corporate board director insights

Latest findings

Contact us

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Trust solutions Consulting Tax services Newsroom Alumni

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WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

MEMO

Date: **May 13, 2022**

TO: **Commissioners**

FROM: **Steve Walker**

RE: **Staff Recommendation Regarding Future Commission Board meetings**

Looking ahead, the Commission is faced with deciding whether to conduct Commission Board meetings in-person, remote or hybrid.

This decision is in part informed by the Open Public Meetings Act (OPMA) which among other requirements, requires that all public meetings and public hearings have a physical location for the public to participate. This means that whether Commissioners are present at any given board meeting or participating remotely, the Commission needs to provide a physical site for the public to participate (assume for now that is in our boardroom). The OPMA also requires the ability to for the public to remotely participate (assume for now that is through Zoom).

While the Commission has demonstrated over the last two years our ability to conduct board meeting remotely, in person meetings have value beyond conducting business. Nearly forty years of in person meetings has taught us that in person meetings enhance board member to board member relationship building as well as board member to staff relationship development. Both are hugely valuable. Likewise, in person engagement with the public and our partners (think work session) has meaningful value.

We also know that traveling to a given board meeting is not always an option for board members. Bottom line is there remains lots to consider regarding our future board meetings and we are still learning about the technology options available for facilitation of hybrid meetings.
It is therefore the recommendation of staff that between now and the end of the calendar year we alternate between in person and hybrid to gain further experience with each and in December revisit this conversation for setting the 2023 meeting calendar.

This recommendation suggests the following calendar for our remaining 2022 monthly meetings:

May Budget and Planning	In person
June	Hybrid
July	In person
August	Hybrid
September	In person
October	Hybrid
November	In person
December	Hybrid

WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Bill Rumpf
Chair
Steve Walker
Executive Director

memorandum

To: Commissioners

From: Lucas Loranger; Shirleen Noonan

CC: Executive Management Team

Date: May 12, 2022

Re: Budget proposal for the fiscal year July 1, 2022 – June 30, 2023

BACKGROUND

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

The draft budget packet for the upcoming fiscal year July 1, 2022 through June 30, 2023 (FY23) is attached. The document outlines the various program's purpose, business objectives, projected income and expense, as well as supplemental information supporting each program. Additionally, we are researching options for modernizing the Commission's website and internal staff intranet. Those estimates will be included in the budget version we will propose for adoption next month. We will seek your feedback on the FY23 budget during the Planning Session.

Here are some highlights of program production, revenue, and expense projections for FY23:

- The Home Advantage, taxable single-family mortgage program, after years of incredible success, is projected to see a downturn in the coming fiscal year due to current market conditions. For fiscal 2023, we have budgeted loan production at 4,700 loans. This represents a lower (14.2%) volume than actual projected FY22 results and 37.3% lower volume than budgeted in FY22 due to rising rates, limited supply, and home price appreciation. Revenue is budgeted to reflect the margin currently received on loans pooled, as well as the impact of our servicing revenue model on a growing portfolio of loans serviced by Idaho where we receive less up front but are paid a portion of the servicing revenue over time. The program is budgeted to provide $13.9 million of the budgeted revenue for FY23, net of the 25% allocated to the General Indenture's Commission Fund to support future programs, a decrease of 27.3% of projected revenues.

- For the next year, the Commission expects financings by the Multifamily Housing and Community Facilities Division totaling $473.5 million. Estimated fees directly related to the Multifamily Housing and Community Facilities Division represents $7.4 million of the budgeted revenue for FY23. This includes issuance fees of 25 basis points (bps) of the bond amount earned at closing, the annual fees currently ranging from 10 to 25 bps of the outstanding bond amount, and tax credit application and reservation fees.

- Revenues (excluding pass through grants) for FY23 are budgeted 16.5% less than the prior year's budget. The decrease is primarily due to decreased production and lower margins on Home Advantage loans, partially offset with a growing portfolio of loans with Idaho providing ongoing servicing revenue.

- Expenses (excluding pass through grants) for FY23 are budgeted 12.5% greater than the prior year's budget. The increase is primarily due to the addition of 5.0 FTEs, coupled with the impact of the state's 3.25% cost of living increase effective July 1, 2022, and continued investment in our IT infrastructure and systems.

- The decrease in revenue, coupled with the increase in expenses results in a budgeted $17.1 million net income, a 34% decrease from FY22 budgeted net income.

PROPOSED ACTION

Consider and provide feedback to staff on the proposed fiscal year 2022 - 2023 budget.

WASHINGTON STATE HOUSING FINANCE COMMISSION

Budget for Fiscal Year Ending June 30, 2023

	HOMEOWNERSHIP			MULTIFAMILY HSG & COMMUNITY FACILITIES*				ASSET MANAGEMENT AND COMPLIANCE	FINANCE			EXECUTIVE OFFICE				
	Home-ownership	Homebuyer Education	TOTAL	Multifamily Housing	Nonprofit Housing	Nonprofit Facilities	TOTAL		Bond Portfolio Management	General Operations	TOTAL	Admin	IT Services	Comm.	TOTAL	TOTAL BUDGET
REVENUE																
Fee Revenue	13,957,080	-	13,957,080	6,441,748	695,585	334,533	7,471,866	7,563,596	4,181,450	-	4,181,450	-	-	-	-	33,173,992
Interest Revenue	-	-	-	-	-	-	-	-	-	1,236,057	1,236,057	-	-	-	-	1,236,057
Misc. Revenue	-	508,500	508,500	-	-	-	-	130,000	-	4,000	4,000	30,300	-	-	30,300	672,800
Pass through Grants	-	48,884,523	48,884,523	-	-	-	-	-	-	-	-	-	-	-	-	48,884,523
TOTAL REVENUE	**13,957,080**	**49,393,023**	**63,350,103**	**6,441,748**	**695,585**	**334,533**	**7,471,866**	**7,693,596**	**4,181,450**	**1,240,057**	**5,421,507**	**30,300**	**-**	**-**	**30,300**	83,967,372
EXPENSES																
Salaries & Wages	2,469,320	441,608	2,910,928	2,352,982	102,691	126,204	2,581,877	1,995,818	674,017	1,054,226	1,728,243	2,087,355	642,791	21,463	2,751,609	11,968,475
Travel	49,120	8,581	57,701	46,857	4,112	4,999	55,968	39,101	11,522	20,430	31,952	56,466	15,637	65,210	137,313	322,035
Professional Fees	341,600	20,000	361,600	170,000	7,000	5,000	182,000	250,000	199,200	226,000	425,200	90,000	-	-	90,000	1,308,800
Office Exp. & Other	697,062	77,164	774,226	435,671	23,089	20,134	478,894	812,308	142,035	146,245	288,280	1,450,338	592,217	25,976	2,068,531	4,422,239
Pass through Grants	-	48,884,523	48,884,523	-	-	-	-	-	-	-	-	-	-	-	-	48,884,523
TOTAL EXPENSES	**3,557,102**	**49,431,876**	**52,988,978**	**3,005,510**	**136,892**	**156,337**	**3,298,739**	**3,097,227**	**1,026,774**	**1,446,901**	**2,473,675**	**3,684,159**	**1,250,645**	**112,649**	**5,047,453**	66,906,072
EXCESS OF REVENUES OVER EXPENSES	10,399,978	(38,853)	10,361,125	3,436,238	558,693	178,196	4,173,127	4,596,369	3,154,676	(206,844)	2,947,832	(3,653,859)	(1,250,645)	(112,649)	(5,017,153)	17,061,300
Overhead Allocations	(1,612,038)	(248,054)	(1,860,092)	(1,362,064)	(62,038)	(70,850)	(1,494,952)	(1,403,629)	(465,323)	206,844	(258,479)	3,653,859	1,250,645	112,649	5,017,153	-
Program Allocations	161,361	26,894	188,255	1,828,760	430,296	242,042	2,501,098	-	(2,689,353)	-	(2,689,353)	-	-	-	-	-
NET INCOME	**8,949,301**	**(260,013)**	**8,689,288**	**3,902,934**	**926,951**	**349,388**	**5,179,273**	**3,192,740**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	17,061,300

CAPITAL EXPENDITURES	107,000

FYE 2022 Budgeted Revenue & Expenses for Comparative Purposes

	Home-ownership	Homebuyer Education	TOTAL	Multifamily Housing	Nonprofit Housing	Nonprofit Facilities	TOTAL	Asset Management and Compliance	Bond Portfolio Management	General Operations	TOTAL	Admin	IT Services	Comm.	TOTAL	TOTAL BUDGET
REVENUE																
Fee Revenue	21,582,346	-	21,582,346	7,454,310	581,434	332,932	8,368,676	7,097,868	4,001,771	-	4,001,771	-	-	-	-	41,050,661
Interest Revenue	-	-	-	-	-	-	-	-	-	491,672	491,672	-	-	-	-	491,672
Misc. Revenue	-	295,132	295,132	-	-	-	-	144,000	-	4,000	4,000	25,680	-	-	25,680	468,812
Pass through Grants	-	7,108,759	7,108,759	-	-	-	-	-	-	-	-	-	-	-	-	7,108,759
TOTAL REVENUE	**21,582,346**	**7,403,891**	**28,986,237**	**7,454,310**	**581,434**	**332,932**	**8,368,676**	**7,241,868**	**4,001,771**	**495,672**	**4,497,443**	**25,680**	**-**	**-**	**25,680**	**49,119,904**
EXPENSES																
Salaries & Wages	2,291,293	278,289	2,569,582	1,969,783	87,809	163,324	2,220,916	1,981,498	643,663	899,938	1,543,601	1,881,595	473,997	20,211	2,375,803	10,691,400
Travel	27,390	3,118	30,508	31,581	1,850	7,385	40,816	38,510	6,946	10,666	17,612	42,507	8,675	62,363	113,545	240,991
Professional Fees	451,600	10,000	461,600	165,000	7,000	5,000	177,000	150,000	211,200	196,000	407,200	90,000	-	-	90,000	1,285,800
Office Exp. & Other	540,873	49,688	590,561	258,643	20,110	28,757	307,510	717,277	139,242	119,871	259,113	1,407,623	487,102	26,042	1,920,767	3,795,228
Pass through Grants	-	7,108,759	7,108,759	-	-	-	-	-	-	-	-	-	-	-	-	7,108,759
TOTAL EXPENSES	**3,311,156**	**7,449,854**	**10,761,010**	**2,425,007**	**116,769**	**204,466**	**2,746,242**	**2,887,285**	**1,001,051**	**1,226,475**	**2,227,526**	**3,421,725**	**969,774**	**108,616**	**4,500,115**	**23,122,178**
EXCESS OF REVENUES OVER EXPENSES	18,271,190	(45,963)	18,225,227	5,029,303	464,665	128,466	5,622,434	4,354,583	3,000,720	(730,803)	2,269,917	(3,396,045)	(969,774)	(108,616)	(4,474,435)	25,997,726
Overhead Allocations	(1,675,478)	(172,597)	(1,848,075)	(1,227,078)	(59,086)	(103,462)	(1,389,626)	(1,460,995)	(506,542)	730,803	224,261	3,396,045	969,774	108,616	4,474,435	-
Program Allocations	162,122	24,942	187,064	1,715,994	361,656	229,464	2,307,114	-	(2,494,178)	-	(2,494,178)	-	-	-	-	-
NET INCOME	**16,757,834**	**(193,618)**	**16,564,216**	**5,518,219**	**767,235**	**254,468**	**6,539,922**	**2,893,588**	**-**	**-**	**-**	**-**		**-**	**-**	**25,997,726**

CAPITAL EXPENDITURES	135,000

(0)

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

WSHFC

FYE 2023 -- BUDGET Roll-up by Division

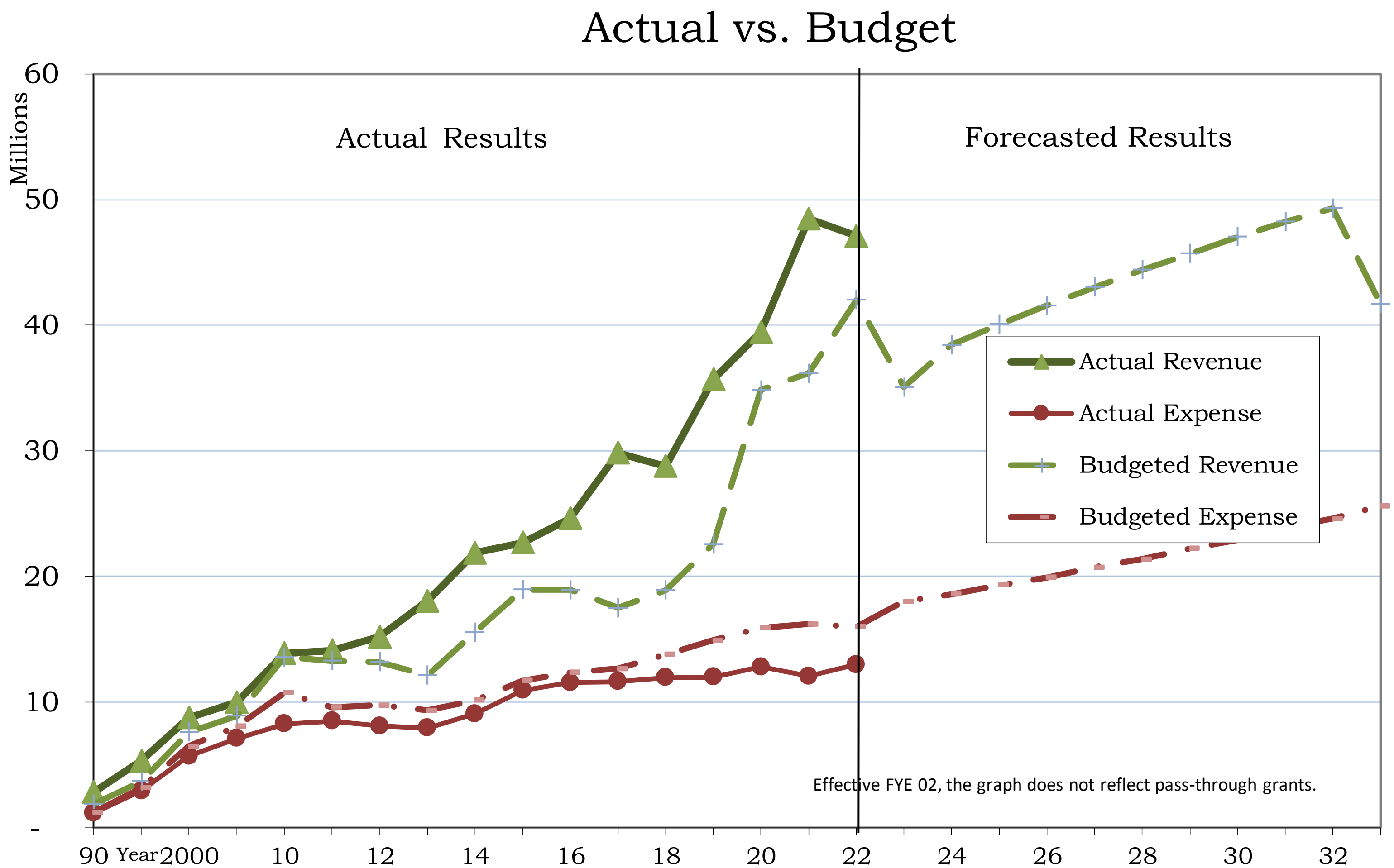
	HOMEOWNERSHIP				MULTIFAMILY HOUSING & COMMUNITY FACILITIES				ASSET MANAGEMENT & COMPLIANCE			
	Budget FYE 2023	Budget FYE 2022	Projected Act FYE 2022	Actual FYE 2021	Budget FYE 2023	Budget FYE 2022	Projected Act FYE 2022	Actual FYE 2021	Budget FYE 2023	Budget FYE 2022	Projected Act FYE 2022	Actual FYE 2021
Revenues:												
Commission Fees	-		-	-	3,797,029	3,633,216	3,708,311	3,482,147	3,437,566	3,734,108	3,465,569	3,238,935
Compliance Fees	-		-	-	-		-	-	4,126,030	3,363,760	3,650,387	3,533,872
All other Program Fees	5,163,905	3,026,076	3,744,408	2,411,358	-		312,615	14,321	-		222,300	177,290
Issuance & Application Fees	8,793,175	18,556,270	17,643,172	21,798,713	3,674,837	4,735,460	8,666,088	8,697,465	-	-	-	-
Interest Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	508,500	295,132	245,379	191,059	-	-	-	-	130,000	144,000	99,570	138,617
Grant Revenue	48,884,523	7,108,759	6,923,527	3,696,435	-	-	-	-	-	-	-	-
Total Unadjusted Revenues	**63,350,103**	**28,986,237**	**28,556,486**	**28,097,565**	**7,471,866**	**8,368,676**	**12,687,014**	**12,193,933**	**7,693,596**	**7,241,868**	**7,437,826**	**7,088,715**
Expenses:												
EMPLOYEE EXPENSES												
Salaries, Wages & Temp. staffing	2,237,553	2,002,653	1,862,777	1,657,848	1,981,868	1,726,538	1,469,357	1,439,318	1,533,533	1,548,700	1,296,482	1,299,542
Employee Benefits	657,225	556,729	550,464	559,377	584,511	477,128	439,161	477,598	451,235	421,748	392,588	436,049
Conference, Education & Training	16,150	10,200	5,449	4,812	15,498	17,250	6,249	11,873	11,050	11,050	10,963	12,611
TRAVEL EXPENSES												
Travel out of state	43,750	29,063	-	-	37,500	26,666	2,618	-	28,750	28,750	1,675	-
Travel in state	13,951	1,445	182	-	18,468	14,150	808	-	10,351	9,760	-	-
PROFESSIONAL FEES												
Accounting Fees	-	-	-	-	-	-	-	-	-	-	-	-
Legal Fees	140,000	260,000	90,156	110,812	150,000	150,000	112,937	136,056	250,000	150,000	204,317	121,639
Financial Advisor Fees	221,600	201,600	201,600	201,600	32,000	27,000	-	-	-	-	-	-
Investment Management Fees	-	-	-	-	-	-	-	-	-	-	-	-
OFFICE EXPENSE												
Office Rent/Conf. Room Rentals	125,532	127,533	120,952	102,839	141,104	141,105	139,560	116,992	168,408	166,508	167,472	137,889
Furniture & Equipment Rental	-	-	-	-	-	-	-	-	500	300	221	130
Advertising	257,700	202,700	(46,300)	62,026	12,300	15,200	2,000	4,750	1,000	-	1,854	-
Publications/ Subscriptions/ Dues	11,000	10,000	1,539	1,295	30,500	32,550	21,757	22,920	7,500	7,500	4,811	5,463
Deliveries	500	500	-	53	500	-	670	396	100	400	69	151
Insurance	1,000	2,000	-	807	-	-	-	-	-	-	-	-
Meeting Expense	6,500	7,500	508	375	13,750	2,000	60	-	1,500	1,500	-	-
Equipment & Building Maintenance	-	-	-	-	-	-	-	225	2,000	-	471	-
Software Maint. Support & Other Info	175,581	118,082	123,321	93,587	86,922	33,530	50,575	52,778	204,705	187,320	148,970	153,151
Non-capitalized Equipment/Supplies	2,896	2,746	4,667	187	2,596	2,362	-	3,273	1,995	2,049	1,621	265
Postage	3,700	3,500	2,995	2,867	250	400	222	327	500	1,450	301	625
Printing	3,000	5,250	44	-	-	150	44	66	100	250	88	33
State Services	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	2,500	5,500	1,101	328	500	900	490	508	4,000	4,000	2,351	2,471
Telephone	13,250	10,250	11,850	9,252	10,000	10,000	12,460	11,473	-	6,000	9,848	6,527
Other Office Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Contract Services	147,000	95,000	2,093	9,173	95,000	10,000	1,233	1,850	420,000	340,000	32,087	24,352
Depreciation	24,067	-	-	-	85,472	59,313	53,306	32,063	-	-	-	-
Grant Pass-Through	48,884,523	7,108,759	6,923,527	3,696,435	-	-	-	-	-	-	-	-
Total Expenses	**52,988,978**	**10,761,010**	**9,856,925**	**6,513,671**	**3,298,739**	**2,746,242**	**2,313,508**	**2,312,466**	**3,097,227**	**2,887,285**	**2,276,189**	**2,200,898**
Revenue over expense, prior to allocations	10,361,125	18,225,227	18,699,561	21,583,894	4,173,127	5,622,434	10,373,506	9,881,467	4,596,369	4,354,583	5,161,637	4,887,817
% of Total Expenses	22.8%	22.8%	22.6%	23.4%	18.3%	17.1%	17.8%	19.2%	17.2%	18.0%	17.5%	18.2%
NET INCOME	10,361,125	18,225,227	18,699,561	21,583,894	4,173,127	5,622,434	10,373,506	9,881,467	4,596,369	4,354,583	5,161,637	4,887,817
OVERHEAD ALLOCATION	(1,860,092)	(1,848,075)	(2,323,173)	(638,930)	(1,494,952)	(1,389,626)	(1,881,922)	(503,911)	(1,403,629)	(1,460,995)	(1,678,471)	(495,782)
PROGRAM ALLOCATION												
BOND PORTFOLIO MANAGEMENT	188,255	187,064	461,246	118,877	2,501,098	2,307,114	5,304,329	1,579,366	-	-	-	-
BOND COMPLIANCE												
TAX CREDIT COMPLIANCE												
NET INCOME	**8,689,288**	**16,564,216**	**16,837,634**	**21,063,840**	**5,179,273**	**6,539,922**	**13,795,913**	**10,956,923**	**3,192,740**	**2,893,588**	**3,483,166**	**4,392,035**
OVERHEAD ALLOCATION PERCENTAGE	**36%**	**35%**	**35%**	**35%**	**29%**	**28%**	**28%**	**28%**	**27%**	**25%**	**25%**	**27%**
PROGRAM ALLOCATION PERCENTAGE												
BOND PORTFOLIO MANAGEMENT (Based or	**7%**	**8%**	**8%**	**7%**	**93%**	**92%**	**92%**	**93%**	**0%**	**0%**	**0%**	**0%**

WSHFC

	FINANCE				EXECUTIVE OFFICE				FYE 2023	FYE 2022	@ 03/31/22	
	Budget FYE 2023	Budget FYE 2022	Projected Act FYE 2022	Actual FYE 2021	Budget FYE 2023	Budget FYE 2022	Projected Act FYE 2022	Actual FYE 2021	TOTAL BUDGET	TOTAL Budget	FYE 2022 Proj Actl	Actual FYE 2021
Revenues:												
Commission Fees	4,181,450	4,001,771	4,107,350	3,885,237	-	-	-	-	11,416,046	8,130,195	11,281,230	10,606,320
Compliance Fees	-	-	-	-	-	-	-	-	4,126,030	3,363,760	3,650,387	3,533,872
All other Program Fees	-		307,316	14,321	-		-	-	5,163,905	6,264,976	4,586,640	2,617,289
Issuance & Application Fees	-	-	-	-	-	-	-	-	12,468,011	23,291,730	26,309,260	30,496,179
Interest Revenue	1,236,057	491,672	898,553	861,794	-	-	-	-	1,236,057	491,672	898,553	861,794
Other Income	4,000	4,000	9,200	1,871	30,300	25,680	30,340	26,840	672,800	468,812	384,488	358,387
Grant Revenue	-	-	-	-	-	-	-	-	48,884,523	7,108,759	6,923,527	3,696,435
Total Unadjusted Revenues	**5,421,507**	**4,497,443**	**5,322,419**	**4,763,223**	**30,300**	**25,680**	**30,340**	**26,840**	**83,967,372**	**49,119,904**	**54,034,085**	**52,170,275**
Expenses:												
EMPLOYEE EXPENSES												
Salaries, Wages & Temp. staffing	1,313,118	1,196,337	924,211	1,042,394	2,045,766	1,785,057	1,598,947	1,683,409	9,111,838	8,259,285	7,151,774	7,122,512
Employee Benefits	404,975	340,664	281,849	357,958	651,343	544,746	452,715	(243,855)	2,749,289	2,341,015	2,116,775	1,587,127
Conference, Education & Training	10,150	6,600	2,527	2,821	54,500	46,000	24,259	17,556	107,348	91,100	49,447	49,673
TRAVEL EXPENSES												
Travel out of state	21,250	15,937	1,851	-	83,650	75,837	9,839	25	214,900	176,253	15,984	25
Travel in state	10,702	1,675	-	-	53,663	37,708	2,537	1,026	107,135	64,738	3,527	1,026
PROFESSIONAL FEES											-	
Accounting Fees	124,000	146,000	116,699	128,074	-	-	-	-	124,000	146,000	116,699	128,074
Legal Fees	1,000	1,000	-	-	90,000	90,000	60,030	86,098	631,000	651,000	467,439	454,605
Financial Advisor Fees	100,200	100,200	98,400	98,400	-	-	-	-	353,800	328,800	300,000	300,000
Investment Management Fees	200,000	160,000	164,205	126,783	-	-	-	-	200,000	160,000	164,205	126,783
OFFICE EXPENSE											-	
Office Rent/Conf. Room Rentals	107,439	107,438	111,648	89,549	399,700	399,700	383,763	322,374	942,183	942,284	923,395	769,643
Furniture & Equipment Rental	-	-	-	-	21,719	17,216	18,350	22,098	22,219	17,516	18,571	22,228
Advertising	1,900	900	-	-	156,500	160,000	42,434	43,843	429,400	378,800	(12)	110,619
Publications/ Subscriptions/ Dues	2,190	1,850	567	540	55,729	57,063	51,774	53,667	106,919	108,963	80,447	83,884
Deliveries	100	100	-	13	4,570	2,785	2,108	2,214	5,770	3,785	2,847	2,827
Insurance	-	-	-	-	60,000	40,812	54,619	40,810	61,000	42,812	54,619	41,617
Meeting Expense	750	750	-	-	92,000	87,000	-	-	114,500	98,750	569	375
Equipment & Building Maintenance	1,000	1,000	4,381	290	89,833	80,433	40,572	16,095	92,833	81,433	45,424	16,610
Software Maint. Support & Other Info	159,472	139,311	102,147	102,235	445,549	428,267	438,437	389,157	1,072,229	906,510	863,451	790,908
Non-capitalized Equipment/Supplies	1,889	1,754	-	390	104,643	44,616	29,382	32,726	114,019	53,527	35,670	36,841
Postage	860	860	540	541	2,160	2,160	683	819	7,470	8,370	4,741	5,177
Printing	320	300	640	-	16,046	19,396	4,271	7,164	19,466	25,346	5,088	7,263
State Services	-	-	-	-	14,970	22,818	3,427	3,684	14,970	22,818	3,427	3,684
Supplies	7,350	2,300	6,631	2,850	20,250	33,752	6,985	9,776	34,600	46,452	17,558	15,933
Telephone	4,510	1,550	2,432	2,540	51,916	34,036	24,923	26,011	79,676	61,836	61,513	55,804
Other Office Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Contract Services	500	1,000	-	-	500,000	432,132	365,700	207,752	1,162,500	878,132	401,113	243,127
Depreciation	-	-	-	-	32,946	58,581	36,269	52,616	142,485	117,894	89,575	84,678
Grant Pass-Through	-	-	-	-	-	-	-	-	48,884,523	7,108,759	6,923,527	3,696,435
Total Expenses	**2,473,675**	**2,227,526**	**1,818,727**	**1,955,378**	**5,047,453**	**4,500,115**	**3,652,023**	**2,775,064**	**66,906,072**	**23,122,178**	**19,917,372**	**15,757,477**
Revenue over expense, prior to allocations	2,947,832	2,269,917	3,503,692	2,807,844	(5,017,153)	(4,474,435)	(3,621,684)	(2,748,224)	17,061,300	25,997,726	34,116,713	36,412,798
% of Total Expenses	13.7%	13.9%	14.0%	16.2%	28.0%	28.1%	28.1%	23.0%	100%	100%	100%	100%
NET INCOME	2,947,832	2,269,917	3,503,692	2,807,844	(5,017,153)	(4,474,435)	(3,621,684)	(2,748,224)	17,061,300	25,997,726	34,116,713	36,412,798
OVERHEAD ALLOCATION	(258,479)	224,261	2,261,883	(1,109,601)	5,017,153	4,474,435	3,621,684	2,748,224	-	-	-	-
PROGRAM ALLOCATION												
BOND PORTFOLIO MANAGEMENT	(2,689,353)	(2,494,177)	(5,765,575)	(1,698,243)	-	-	-	-	-	-	-	-
BOND COMPLIANCE												
TAX CREDIT COMPLIANCE												
NET INCOME	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17,061,300**	**25,997,726**	**34,116,713**	**36,412,798**
OVERHEAD ALLOCATION PERCENTAGE	**9%**	**11%**	**11%**	**10%**					**100%**	**100%**	**100%**	**100%**
PROGRAM ALLOCATION PERCENTAGE												
BOND PORTFOLIO MANAGEMENT (Based or	**0%**	0%	0%	0%					**100%**	**100%**	**100%**	**100%**

Washington State Housing Finance Commission
Projected Statement of Operations
FYE 22 Projected Actual & Budget versus FYE 23 Budget

	FYE 2023 Bdgt vs. FYE 2022 Bdgt Change	FYE 2023 Bdgt vs. FYE 2022 Bdg Variance	FYE 2022 Budget	FYE 2023 Budget	@ 03/31/22 FYE 2022 Projected Actual	FYE 2023 Bdgt vs. FYE 2022 Proj Variance	FYE 2023 Bdgt vs. FYE 2022 Prj Change	FYE 2023 Budget %
Revenues:								
Program Fees	17%	2,947,050	17,758,931	**20,705,981**	19,518,257	1,187,724	6%	**24.7%**
Issuance & Application Fees	-46%	(10,823,719)	23,291,730	**12,468,011**	26,309,260	(13,841,249)	-53%	**14.8%**
Interest Revenue	151%	744,385	491,672	**1,236,057**	898,553	337,505	38%	**1.5%**
Other Income	44%	203,988	468,812	**672,800**	384,488	288,312	75%	**0.8%**
Grant Revenue	588%	41,775,764	7,108,759	**48,884,523**	6,923,527	41,960,995	606%	**58.2%**
Total Unadjusted Revenues	**71%**	**34,847,468**	**49,119,904**	**83,967,372**	**54,034,085**	**29,933,287**	**55%**	**100%**
Expenses:								
EMPLOYEE EXPENSES								
Salaries, Wages & Temp. staffing	10%	852,553	8,259,285	**9,111,838**	7,151,774	1,960,064	27%	**13.6%**
Employee Benefits	17%	408,274	2,341,015	**2,749,289**	2,116,775	632,514	30%	**4.1%**
Conference, Education & Training	18%	16,248	91,100	**107,348**	49,447	57,901	117%	**0.2%**
TRAVEL EXPENSES								
Travel out of state	22%	38,647	176,253	**214,900**	15,984	198,916	1244%	**0.3%**
Travel in state	65%	42,397	64,738	**107,135**	3,527	103,608	2938%	**0.2%**
PROFESSIONAL FEES								
Accounting Fees	-15%	(22,000)	146,000	**124,000**	116,699	7,301	6%	**0.2%**
Legal Fees	-3%	(20,000)	651,000	**631,000**	467,439	163,561	35%	**0.9%**
Financial Advisor Fees	8%	25,000	328,800	**353,800**	300,000	53,800	18%	**0.5%**
Investment Management Fees	25%	40,000	160,000	**200,000**	164,205	35,795	22%	**0.3%**
OFFICE EXPENSE								
Office Rent/Conf. Room Rentals	0%	(101)	942,284	**942,183**	923,395	18,788	2%	**1.4%**
Furniture & Equipment Rental	27%	4,703	17,516	**22,219**	18,571	3,648	20%	**0.0%**
Advertising	13%	50,600	378,800	**429,400**	(12)	429,412	-3569510%	**0.6%**
Publications/ Subscriptions/ Dues	-2%	(2,044)	108,963	**106,919**	80,447	26,472	33%	**0.2%**
Deliveries	52%	1,985	3,785	**5,770**	2,847	2,923	103%	**0.0%**
Insurance	42%	18,188	42,812	**61,000**	54,619	6,381	12%	**0.1%**
Meeting Expense	16%	15,750	98,750	**114,500**	569	113,931	20026%	**0.2%**
Equipment & Building Maintenance	14%	11,400	81,433	**92,833**	45,424	47,409	104%	**0.1%**
Software Maint. Support & Info Svcs	18%	165,719	906,510	**1,072,229**	863,451	208,778	24%	**1.6%**
Non-capitalized Equipment/Supplies	113%	60,492	53,527	**114,019**	35,670	78,349	220%	**0.2%**
Postage	-11%	(900)	8,370	**7,470**	4,741	2,729	58%	**0.0%**
Printing	-23%	(5,880)	25,346	**19,466**	5,088	14,378	283%	**0.0%**
State Services	-34%	(7,848)	22,818	**14,970**	3,427	11,543	337%	**0.0%**
Supplies	-26%	(11,852)	46,452	**34,600**	17,558	17,042	97%	**0.1%**
Telephone	29%	17,840	61,836	**79,676**	61,513	18,163	30%	**0.1%**
Contract Services	32%	284,368	878,132	**1,162,500**	401,113	761,387	190%	**1.7%**
Depreciation	21%	24,591	117,894	**142,485**	89,575	52,910	59%	**0.2%**
Grant Pass-Through	588%	41,775,764	7,108,759	**48,884,523**	6,923,527	41,960,996	606%	**73.1%**
Total Expenses	**189%**	**43,783,894**	**23,122,178**	**66,906,072**	**19,917,372**	**46,988,700**	**236%**	**100%**
REVENUES OVER EXPENSES:	**-34%**	**(8,936,426)**	**25,997,726**	**17,061,300**	**34,116,713**	**(17,055,414)**	**-50%**	
EXCESS OF REVENUE OF EXPENSES	**-34%**	**(8,936,426)**	**25,997,726**	**17,061,300**	**34,116,713**	**(17,055,414)**	**-50%**	



Actual vs. Budget
Millions
60
50
40
30
20
10
-
Actual Results
Forecasted Results
Actual Revenue
Actual Expense
Budgeted Revenue
Budgeted Expense
Effective FYE 02, the graph does not reflect pass-through grants.
90 Year 2000 10 12 14 16 18 20 22 24 26 28 30 32

STAFFING SUMMARY

Division/Entity	Fiscal Year 2022 Budget	FY 23 FTE Addition/(Reduction) Manager	Analyst	Admin Assistant	Fiscal Year 2023 Budget
Homeownership	18.30		1.00		19.30
MHCF	15.74		1.26	0.30	17.30
Compliance	13.66		(0.36)		13.30
Finance	11.69		0.90		12.59
Administration/IT	15.77		2.00	(0.15)	17.62
WSHFC	**75.16**	**-**	**4.80**	**0.15**	**80.11**
WHEFA	2.43		0.03		2.46
TSA	0.41		0.02		0.43
Total	78.00	-	4.85	0.15	83.00

WASHINGTON STATE HOUSING FINANCE COMMISSION
CAPITAL BUDGET SUMMARY
For The Budget Year Ending: June 30, 2023

CATEGORY Program	Description	TOTAL
COMPUTERS & RELATED HARDWARE		
ITS	Disaster recovery server - Rubrik	50,000
ITS	Upgrade data wire to Cat5e and Cat6	27,000
	TOTAL COMPUTERS & RELATED HARDWARE	77,000
SOFTWARE		
MFH	MHCF On-line application for 9%, NPF, NPH - Build/Test Phases	30,000
	TOTAL SOFTWARE	30,000
	GRAND TOTAL	$ 107,000

Allowance for Annual Depreciation:	Life	Basis	In Service	Depreciation
ITS - Disaster Recovery Server - Rubrik	3	50,000	July 2022	16,667
ITS - Upgrade data wire to Cat5e and Cat6	3	27,000	July 2022	9,000
MFH - On-line application system Phase 2	3	30,000	July 2022	10,000
New Depreciation				35,667
Depreciation of Existing Capital Assets				
MFH - On-line application system Phase 1	3			75,472
ADM - Board Room Equipment	3			7,279
HBE - Homebuyer Portal	3			24,067
Total Depreciation				$ 142,485

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022-2023

Program: Homeownership Programs **Division: Homeownership**

Commission Goals:

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

Problem/Need:

Low and moderate-income households especially underserved communities and communities of color can't afford a modest priced home at conventional rates and are often subject to predatory loans. They are unable to save for downpayment and closing costs and are denied access to credit due to inflexible investor guidelines.

Program Goal:

To bridge the gap to homeownership for low and moderate-income homebuyers by providing safe and affordable financing options to include downpayment assistance at favorable rates and terms and also broadening the credit box through flexible underwriting guidelines for credit worthy homebuyers.

Business Objectives (Outputs/Outcomes):

1. Consider the impacts resulting from historic and systemic racism on Commission programs and processes, including the homeownership programs, change programs and develop new tools to mitigate the impact of such racism

2. By June 30, 2023, continue to work on marketing and outreach to reach underserved communities and communities of color groups in our homeownership programs.

3. Purchase 4,700 Home Advantage loans and 300 House Key loans by June 30, 2023.

4. Conduct 10 lender Home Advantage training seminars; 10 real estate professional/lender presentations; 20 outreach activities with non-profits, lenders, real estate professionals and/or government entities, and 4 HomeChoice down payment assistance training seminars by June 30, 2023.

5. Conduct an RFP to hire Master Loan Servicer(s) or extend current contracts by 12/31/2022.

6. Conduct an RFP to hire for Quantitative Services or extend current contract by 12/31/2022.

7. Conduct an RFP and hire Single-Family Investment Bankers by 12/31/2022.
8. Work with Seller Servicer Consultant on a Work Plan and timeline for application if applicable for certification of the Commission as a Fannie Mae or Freddie Mac seller/servicer by June 30, 2023.

Performance Measures:

1. 5.000 low and moderate-income households purchase an affordable home using the House Key Program/Home Advantage by the Commission by June 30, 2023.
2. 90% of the loans are reviewed within 3 business days of receipt by June 30, 2023.
3. The delinquency rate for Home Advantage/House Key programs borrowers is less than the FHA fixed rate average for Washington State as published quarterly by the MBA by June 30, 2023.
4. The Homeownership division receives an average score of 4 or better on the evaluation of division conducted training workshops.

Assumptions:

1. Assumes the daily-priced MBS market is financially feasible during the FY.
2. Assumes sufficient down payment assistance funds.
3. Assumes there is a conventional offering under Home Advantage.
4. Assumes GSEs maintains their current downpayment assistance guidelines.
5. Assumes having the products requested by lending partners to meet customer needs.
6. Assumes competitive Home Advantage/House Key programs interest rate sufficient to maintain a $40 million average per week reservation rate.
7. Assumes competitive rates are available in the daily-priced market.
8. Assumes we have Master Servicers who review loans in a timely manner and have liquidity to purchase loans daily.
9. Assumes the Commission has liquidity to purchase loans.
10. Assumes we have positive arbitrage to use in FY 2022-23.
11. Assumes there in an inventory of affordable homes.

First-time Home Buyers (FTH)
Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	16.43	16.15	16.43
Temporary	-	-	-
Total FTE's	**16.43**	**16.15**	**16.43**
Program Budget			
Fee Income	13,957,080	26,973,880	21,582,346
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	13,957,080	26,973,880	21,582,346
Employee Expenses	2,469,320	2,118,223	2,291,293
Travel Expenses	49,120	182	27,390
Professional Fees	476,600	264,535	536,600
Office Expenses	562,062	171,947	455,873
Grant Program Expense	-	-	-
Total Expenses	3,557,102	2,554,887	3,311,156
Income over Expense Excess (Deficit)	10,399,978	24,418,993	18,271,190
Overhead Allocation	(1,612,038)	(2,022,776)	(1,675,478)
Program Allocation	161,361	177,585	162,122
Total Income/(Loss)	8,949,301	22,573,802	16,757,834

PERFORMANCE MEASUREMENTS

<u>PERFORMANCE MEASUREMENTS</u>	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
House Key Loans/Home Advantage	5,000	5,000	7,500
Home Advantage DPA Loans	4,700	5,000	7,000
HomeChoice Loans	0	30	25
New MCCs Issued	0	0	0
Minority Participation %	25%	35%	25%
Bond Issues	$ 125,000,000	$ 79,525,000	$ 100,000,000
MCCs Reissued	10	60	10
Lender Training Seminars	10	15	10
Realtor/Lender/NP Presentations	10	15	10
Homebuyer Instructor Classes	10	15	10
Downpayment Assistance Workshops	4	10	4
Outreach Activities	20	70	20
Loan File Response In Three Days*	90%	98%	90%
Portfolio Deliquency Rate**	<National Average	13%	<National Average
Training Workshop Survey Scores	4	4	4

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

** Nat'l average (or WA FHA average) at 12.0%

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022-2023

Program: Homebuyer Education and Counseling **Division: Homeownership**

Commission Goal:

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

Problem/Need:

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

Program Goal:

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

Business Objectives (Outputs/Outcomes):

1. Consider the impacts resulting from historic and systemic racism on Commission programs and processes, including the homeownership programs, change programs and develop new tools to mitigate the impact of such racism. Ensure that any grant administration program complies with the Commission's efforts regarding racial and social justice initiatives.
2. Conduct 800 homebuyer education seminars, with 8,000 participants, including on-line classes by June 30, 2023.
3. For new grants or existing grants develop and/or implement the appropriate distribution program by June 30, 2023.
4. For grants that may expire this fiscal year, ensure that counseling funds are distributed by the grant end dates, or seek extensions as appropriate by June 30, 2023.
5. Continue cooperative work with the Department of Commerce to assist in implementing any Foreclosure Fairness Act funds that become available to comply with program goals that may be set by the Commission, Commerce, or the Washington State Legislature by July 1, 2022.
6. Continue to implement the American Rescue Plan Act Homeownership Assistance Program to comply with program goals that may be set by the Commission, Treasury, or the Washington State Legislature by June 30, 2023.

Performance Measures:

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

Assumptions:

1. Assumes current demand for SF programs during the FY.
2. Assumes loan officers, real estate professionals and nonprofits will cooperate to teach seminars with the enforcement of the one loan per year policy.
3. Assumes homebuyer education and counseling funding for a grant distribution program.
4. Assumes Department of Financial Institutions will continue to provide counseling workbooks at no charge to seminar instructors.
5. Assumes homebuyer education database upgrades are implemented and functioning.
6. Assumes sufficient administrative funds to cover staffing and system set up are available through the American Rescue Plan Act.
7. Assumes capacity for funding for homeownership assistance grants/loans.
8. Assumes sufficient partner network to provide services developed for default counseling and other related support services.

Homebuyers Education (HBE)
Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	2.87	2.21	1.87
Temporary			
Total FTE's	**2.87**	**2.21**	**1.87**
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	508,500	246,053	295,132
Grant Program Income	48,884,523	6,942,548	7,108,759
Total Revenue	49,393,023	7,188,600	7,403,891
Employee Expenses	441,608	307,112	278,289
Travel Expenses	8,581	-	3,118
Professional Fees	32,000	30,122	20,000
Office Expenses	65,164	49,335	39,688
Grant Program Expense	48,884,523	6,942,548	7,108,759
Total Expenses	49,431,876	7,329,117	7,449,854
Income over Expense Excess (Deficit)	(38,853)	(140,516)	(45,963)
Overhead Allocation	(248,054)	(306,058)	(172,597)
Program Allocation	26,894	29,598	24,942
Total Income/(Loss)	(260,013)	(416,976)	(193,618)

PERFORMANCE MEASUREMENTS

PERFORMANCE MEASUREMENTS	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
Number Of Seminars	800	500	800
Number In Attendance	8,000	9,500	8000
HBE Participants Teach A Class W/In 12 M	>10%	10%	>10%
Post-Occupancy Homeowners	n/a	n/a	n/a
Counseled Avoid Foreclosure	n/a	n/a	n/a
Homebuyer Education Instructor Classes	10	15	10

* Includes online

** In person classes cancelled due to COVID 19

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022-2023

Program: Multifamily Housing Program **Division: MHCF**

Commission Goal:

To provide equitable access and effective, low-cost financing for the new construction and preservation of multifamily housing for the homeless, farmworkers, and other special needs populations.

Problem/Need:

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

Program Goal:

To create and preserve affordable rental housing and provide access to capital to underserved communities.

Business Objectives (Outputs/Outcomes):

1. **Program wide:**

    a. Evaluate the impacts resulting from historic and systemic racism on Commission programs and processes, including the multifamily housing programs, change programs and develop new tools to mitigate the impact of such racism.

    b. Evaluate opportunities for grant applications for all division programs and report quarterly to AMT and Administration.

    c. Tax credit and housing bond policies reviewed annually, including total development costs limits.

    d. Continued process improvement and streamlining of application and placed in service functions by leveraging technologies such as Salesforce, Laserfiche, and more. Add additional programs as budget and timeline allows. Add 9% by 12/31/22 and other programs by 6/30/22.

    e. Assess current staffing needs and objectives based on legislative, emerging program initiatives and automation by December 31, 2022. Provide internship opportunities, either through HDC program or other avenues, track and report progress by 6/30/23.

    f. Develop preservation policy with AMC, outline specific criteria by 12/31/22 with implementation by 6/30/23.

g. Engage in agency wide strategic planning process and make any necessary alignments to divisional objectives by 6/30/23.

2. **Multi-family housing bonds:**

   a. Finance 3,000 units of affordable rental housing or issue $350,000,000 in tax exempt bonds by 6/30/2023

   b. Monitor and control multifamily bond cap including transfers to other issuers to ensure maximum use of the state's resource, review quarterly through 6/30/23

   c. Pursue initiatives for increasing private activity bond cap, including recycling of bond cap, lowering of 50% test and other initiatives depending on federal and state framework with a report by 06/30/2023.

   d. Seek additional and alternative methods of financing multifamily housing

      i. Model additional financing structures with EIHFs and continue to staff and evaluate additional options with the Seattle Foundation for furthering housing development by 12/31/22

      ii. Create BIPOC fund or capacity building initiatives aimed at addressing gaps in communities most impacted having access to capital by 12/31/22.

3. **Housing Credits:**

   a. Allocate credits to 860 or more units of affordable housing by 12/31/22 issuing final allocations to 100% of the projects with all PIS requirements satisfied by 1/15/2023.

   b. Assess and redefine 9% policies based on specific values and outcomes based approach with initial scoping and stakeholder engagement by 12/31/22 and final policy approach by 6/30/23 for implementation for 2024 allocations.

   c. Review and process non-Commission bond/housing credit applications received within 30 days.

Performance Measures:

1. Approximately 3,000 low and moderate-income households will have affordable rental housing as a result of bond and tax credit financing, and 50% of the 860 units to be financed with 9% tax credits will serve households earning less than 50% AMI or meet other program set-asides and 95% of carryover projects will perform within specified timelines. Estimated bonds for fiscal year - $350,000,000.
2. Incorporate client recommendations into program revisions when appropriate.
3. Heightened awareness of race, equity, and social justice issues and how our policies either help or hinder enabling greater access amongst all of the division's program to communities of color. Evidenced by Commission co-sponsored initiatives or policy improvements with a report on activities by 6/30/2023.
4. Reports and Program initiatives are completed and or implemented by 6/30/2023
5. Develop baseline and measures to track outcomes and bond/tax credit policy changes by 12/31/22.

Assumptions:

1. The financing tools available to the Commission provide a cost-effective and efficient benefit to eligible borrowers.
2. Changes to the tax code do not impede the issuance of bonds.
3. There is sufficient issuance authority under the debt ceiling.
4. One Tax Credit (TC) application round per year and housing credit of $2.40.
5. Commission policy requirements are not in irresolvable conflict with market requirements.

Beginning Farmers Loan (MFH|SEP|TCR|BFL)
Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	15.34	12.80	13.84
Temporary	-	-	-
Total FTE's	**15.34**	**12.80**	**13.84**
Program Budget			
Fee Income	6,441,748	11,769,625	7,454,310
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	6,441,748	11,769,625	7,454,310
Employee Expenses	2,352,982	1,682,399	1,969,783
Travel Expenses	46,857	3,435	31,581
Professional Fees	265,000	114,484	170,000
Office Expenses	340,671	250,488	253,643
Grant Program Expense	-	-	-
Total Expenses	3,005,510	2,050,806	2,425,007
Income over Expense Excess (Deficit)	3,436,238	9,718,818	5,029,303
Overhead Allocation	(1,362,064)	(1,623,681)	(1,227,078)
Program Allocation	1,828,760	2,012,635	1,715,994
Total Income/(Loss)	3,902,934	10,107,772	5,518,219

PERFORMANCE MEASUREMENTS

	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
Multifamily Housing			
LI Households obtain affordable housing	3,000	2,277	3,000
$$ of new tax-exmpt bonds issued	$ 350,000,000	$ 492,000,000	$ 350,000,000
4% Hsg Authority PDA Bonds	$ 100,000,000	$ 196,000,000	$ 100,000,000
4% Hsg Authority PDA Units	750	933	750
9% Tax Credits			
Units placed in service	860	1,900	860
Units financed (adjusted measure)	860	805	860
Units financed serve households earning <50% AMI	400	400	400
Conduct two stakeholder meetings/year	2	2	2
Sustainable Enery			
SET Loans	$ 2,000,000	$ 1,743,000	$ 2,000,000
# of SET Loans	4	4	4
Beginning Farmers Loans			
New Loans	3	1	3
Issue Bonds	$ 1,500,000	$ 433,500	$ 1,500,000

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022 – 2023

Program: Nonprofit Financing Program **Division: MHCF**

Commission Goal:

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

Problem/Need:

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

Program Goal:

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

Business Objectives (Output/Outcomes):

1. **Program Objectives**: **Nonprofit Financing**
   a. Evaluate the impacts resulting from historic and systemic racism on Commission programs and processes, including the nonprofit facilities and nonprofit housing programs and develop a baseline to track and measure impact.
   b. Identify, communicate, and support changes to current programs as well as develop new tools to mitigate the impact of such racism. ()
   c. Incorporate into the marketing plan specific outreach to communities of color
   d. Make at least 15 meaningful connections to interested groups or organizations across nonprofit programs, including nonprofit housing, by June 30, 2023
   e. Make at least 6 meaningful connections with potential client organizations who were previously unaware of the nonprofit facility bond program.

f. Conduct 6 relationship building activities with existing clients including groundbreakings and dedications, virtual events, or other meaningful engagement
g. Seek out conferences to advertise the program, participate in at least 5 workshops as a sponsor, speaker or exhibitor by 2023
h. Review and refresh marketing materials, website, brochures, handouts to reflect program changes and results as needed throughout 2023.
i. Evaluate nonprofit organizations' barriers to financing capital projects and develop tools to educate and assist organizations in preparing for and undertaking projects, including soliciting input from community based organizations that do not have ready access to capital.
j. Seek out alternative financing structures and provide technical assistance to traditional non-profit housing developers to more fully utilize 501 c3 bonds to develop affordable housing by 2023. Develop baseline index to measure outcomes moving forward by 12.31.2022

2. **Nonprofit Financing Objectives:**
   a. Issue $80 million in bonds or finance 225 units/beds including facilities for senior housing by 6/30/2023
   b. Coordinate and market green initiatives to nonprofit housing providers, with report on successes by 6/30/2023.
   c. Issue $40 million in bonds for non-profit facilities.

Performance Outcome(s):

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

Assumptions:

1. Tax-exempt bond financing provides more beneficial ways of developing nonprofit housing and facilities than other sources of financing for eligible borrowers.
2. Credit is available.

3. Changes to the tax code do not impede the issuance of bonds or do away with them altogether.
4. Commission policy requirements and market requirements are compatible.
5. Changes to health care reimbursement do not make the development of capital facilities providing childcare services, assisted living and/or nursing care infeasible.
6. The economy will support the services provided by eligible borrowers to the community and lenders will continue to underwrite nonprofits for the nonprofit-owned facilities.

Nonprofit Housing (NPH)
Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	0.65	0.65	0.65
Temporary	-	-	-
Total FTE's	**0.65**	**0.65**	**0.65**
Program Budget			
Fee Income	695,585	651,655	581,434
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	695,585	651,655	581,434
Employee Expenses	102,691	82,540	87,809
Travel Expenses	4,112	-	1,850
Professional Fees	7,000	-	7,000
Office Expenses	23,089	18,136	20,110
Grant Program Expense	-	-	-
Total Expenses	136,892	100,675	116,769
Income over Expense Excess (Deficit)	558,693	550,980	464,665
Overhead Allocation	(62,038)	(79,708)	(59,086)
Program Allocation	430,296	473,561	361,656
Total Income/(Loss)	926,951	944,833	767,235

PERFORMANCE MEASUREMENTS

PERFORMANCE MEASUREMENTS	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
$$ Of Tax Exempt Bond Issued	80,000,000	69,000,000	80,000,000
Target Households Obtain Affordable Hsg	225	120	225
Hold Or Participate in at Least 2 Wkshps	2	2	2
Make Presentations-NP Orgs&Lenders (6)	6	6	6

Nonprofit Facilities (NPF)
Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	1.25	1.25	1.25
Temporary	-	-	-
Total FTE's	**1.25**	**1.25**	**1.25**
Program Budget			
Fee Income	334,533	300,589	332,932
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	334,533	300,589	332,932
Employee Expenses	126,204	155,089	163,324
Travel Expenses	4,999	-	7,385
Professional Fees	5,000	-	10,000
Office Expenses	20,134	13,293	23,757
Grant Program Expense	-	-	-
Total Expenses	156,337	168,382	204,466
Income over Expense Excess (Deficit)	178,196	132,207	128,466
Overhead Allocation	(70,850)	(133,313)	(103,462)
Program Allocation	242,042	266,378	229,464
Total Income/(Loss)	349,388	265,273	254,468

PERFORMANCE MEASUREMENTS

PERFORMANCE MEASUREMENTS	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
No. Of Projects Financed			3
NPF Bonds Issued	$ 40,000,000	$ 19,500,000	$ 40,000,000
Outreach/Events	6	6	6
Workshop/conference presentations	5	5	5
Follow-up outreach	6	6	6
Outreach To NP Orgs & Lenders	15	15	15

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022-2023

Program: Special Focus Programs **Division: MHCF**

Commission Goal:

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

Problem/Need:

There is a lack of sufficient affordable rental housing throughout the State and the cost of housing exceeds the incomes of many households. Resources are insufficient to meet the affordable housing need. For beginning farmers and ranchers, there is a lack of sufficient economic resources to purchase land and equipment. In furtherance of State policy to reduce energy consumption, programs are necessary to increase energy efficiency in housing and facilities and to integrate renewable energy resources in these programs.

Program Goal:

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

Business Objectives (Outputs/Outcomes):

1. **Program wide:**

   a. Evaluate the impacts resulting from historic and systemic racism on Commission programs and processes, including the Commission's special focus programs, change programs and develop new tools to mitigate the impact of such racism.

   b. Evaluate opportunities for grant applications for all division programs and report quarterly to AMT and Administration.

   c. Assess current staffing needs and objectives based on legislative or emerging program initiatives by December 31, 2022. Support ongoing internship opportunities within the Division.

2. **Renewable and energy efficiency:**
    a. Close at least 4 SET loans or total SET loan issuance of $2 million by 06/30/2023.
    b. Formalize the City of Seattle funding program. Develop marketing materials and criteria for allocating resources by December 31, 2022.
    c. Continue to assess and develop loan loss reserve model to leverage and access private capital for residential solar and energy retrofits by June 30, 2023.
    d. Track and monitor multifamily point effectiveness and impact on energy efficiency and any potential changes by June 30, 2023.
3. **Beginning farmers and ranchers:**
    a. Issue $1.5 million in tax-exempt bonds in 3 issues by 06/30/23**.**
    b. Monitor and track the Purchase Assistance Loan Program. Report quarterly on any potential loan activity.
    c. Implement and fund 2 farmland preservation projects as a component of Farm PAI by June 30, 2023. Report quarterly on progress to Division Director and AMT.
    d. Develop program guidelines and materials for BIPOC farmer component of Farm PAI by 6/30/23.
4. **Manufactured Housing Communities**
    a. Finance 2 Manufactured Housing Communities, or 100 units, by 6/30/2023
    b. Track and monitor legislation and funding opportunities by 6/30/2023 and report quarterly on any progress or initiatives.
5. **Land Acquisition Program**
    a. Develop measures and report impacts of redefined outcomes by 6/30/2023.

Performance Measures:

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

Assumptions:

1. The financing tools available to the Commission provide a cost-effective and efficient benefit to eligible borrowers.
2. Changes to the tax code do not impede the issuance of bonds.

3. Funds are available for the SET, LAP, and other Commission PRI programs.
4. There is sufficient issuance authority under the debt ceiling.
5. Commission policy requirements are not in irresolvable conflict with market requirements.

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022 - 2023

Program: Compliance **Division: Asset Management & Compliance**

Commission Goal:

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

Problem/Need:

Ensure consistency in monitoring developments within the state of Washington.

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

Program Goal:

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

Business Objectives (Outputs/Outcomes):

1. Review all project compliance reports. Complete initial reviews within elevenmonths of report due dates. Issue compliance close-out letters within months of report due dates.

2. Ensure completion of calendar year onsite inspections for 1/3 of all projects byDecember 31st. Note: Goal may be impacted by the continuing threat of the COVID-19 pandemic.

3. Provide regular educational opportunities and resources to owners, managers, and other stakeholders to ensure thorough understanding of Housing Credit development requirements and compliance monitoring procedures. Includes the following:
   - Deliver virtual, in-person and/or hybrid tax credit and bond compliance workshops every other month.
   - Publish 12 electronic newsletters, and online resources throughout the year.
   - Create a Portfolio Analyst training work group by August 31, 2022. The group will be tasked with recreating the Tax Credit Advanced Compliance training module into an online or online/in-person course by March 31, 2023.

4. Develop Preservation policy with MHCF, outline specific criteria by 12/31/22 with final draft ready for approval by 06/30/23.

5. Develop Eventual Tenant Ownership plan implementation and compliance policy with the help of MHCF, outline specific criteria by 09/30/2022 with final draft ready for approval by 12/31/22.

6. Engage in long standing structural inequity outcomes such as evictions and rent burden. Collect data on eviction and rent burden. These questions to be collected on 2022 annual reports (reporting January 2023). Establish and maintain strategic partnership with advocacy partner agencies to support eviction prevention and mitigation legislative work.

7. Engage in the Commission's Strategic Planning Process and realign business objectives with the Commission Strategic Objectives.

8. By 12/31/22, issue RFP for consultant to come up with strategy for moving AMC Division entirely to paperless business. Choose consultant, conduct use cases, and come up with proposed strategy as of March 1, 2023.

Performance Measures:

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

Assumptions:

1. Performance Measure #1: Success will be measured by meeting or exceeding stated timelines based on a query of database dates entered for reviewing projectsand closing out noncompliance issues.

2. Performance Measure #2: All workshop participants will be asked to complete apost training evaluation. Results will be tabulated each quarter for reporting to AMT.

3. Performance Measure #2: This assumes that trainings can be successfully translated to a combination of in person and virtual format.

4. Performance Measure #3: Stakeholders will be sent a customer satisfaction survey; results will be collected and reported by June 30th. Survey results will not be reported if we receive responses from less than 5% of the persons emailedthe survey.

Compliance (COM)
Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	13.66	12.88	14.66
Temporary	-	-	-
Total FTE's	**13.66**	**12.88**	**14.66**
Program Budget			
Fee Income	7,563,596	7,358,416	7,097,868
Interest Income	-	-	-
Other Income	130,000	99,843	144,000
Grant Program Income	-	-	-
Total Revenue	7,693,596	7,458,260	7,241,868
Employee Expenses	1,995,818	1,704,703	1,981,498
Travel Expenses	39,101	1,680	38,510
Professional Fees	670,000	237,053	490,000
Office Expenses	392,308	339,006	377,277
Grant Program Expense	-	-	-
Total Expenses	3,097,227	2,282,442	2,887,285
Income over Expense Excess (Deficit)	4,596,369	5,175,818	4,354,583
Overhead Allocation	(1,403,629)	(1,807,074)	(1,460,995)
Program Allocation	-	-	-
Total Income/(Loss)	3,192,740	3,368,744	2,893,588

PERFORMANCE MEASUREMENTS

<u>PERFORMANCE MEASUREMENTS</u>	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
Annual Reviews			
Bonds	77	77	75
Tax Credits	1030	1019	1010
Rtc	2	2	2
On Site Inspections			
Bonds	N/A	0	0
Tax Credits	350	0	50
Workshops			
Bonds	1	1	1
Tax Credits	6	6	10
Annual Reporting/Wbars	N/A	0	0
Manual Updates	N/A	2	2
Utility Allowance Change Reviews	N/A	20	15
Proc. Assumptions & Transfers	30	24	45
Problem Resolution Within Stated Time	1	1	1
Serious Noncompliance W/In Portfolio	N/A	<5%	<5%
Score Well On Training Evaluations	>4	>4	>4
Client Satisfaction Survey Score	>4	>4	>4
# Of Newsletter	12	12	12
Modification of Reg. Agreements	N/A	2	5

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022 - 2023

Program: Bond Portfolio Management **Division: Finance**

Commission Goal:

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

Problem/Need:

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

Program Goal:

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

Business Objectives (Outputs/Outcomes):

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

Activity/Reporting	Period	Due (business days)
a. Review and record monthly transactions	Monthly	20
b. Quarterly outstanding bond list by program with balances	Quarterly	10
c. Quarterly single-family and non-conduit multifamily bond disclosure reports posted to website and EMMA, as required.	Quarterly	35
d. Quarterly financial statements (including parity) and PlainsCap Compliance reporting	Quarterly	35

e. Quarterly dashboard of bonds outstanding and activity to management and Commissioners	Quarterly	35
f. Semi-annual single-family indenture parity reports, liquidity compliance reports, and updates to cross call table	Semi-annual	45
g. Semi-annual proceeds use report (WAC 262 01 080)	Semi-annual	45
h. Complete quarterly conduit bond negative confirmations distribution for 25% of outstanding conduit bonds	Quarterly	35

2. Reconcile Home Advantage TBA MBS sales within three days of each sale (generally three times per month with two servicers).
3. Monitor arbitrage liabilities and assure timely calculation, reporting, recording and payment within the quarterly timelines above.
4. Administer the bond cap recycling program including quarterly reporting on available cap and related debt outstanding.
5. Complete annual audit of financial statements and obtain an unqualified audit opinion by December 9, 2022. Publish audited financial statements within 30 days of Commission approval, no later than January 9, 2023.
6. Review and update program policies and procedures by May 26, 2023.

Performance Measures:

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

Assumptions:

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

Bond Portfolio Management (BPM)
Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	4.56	3.50	4.61
Temporary			
Total FTE's	**4.56**	**3.50**	**4.61**
Program Budget			
Fee Income	4,181,450	4,414,666	4,001,771
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	4,181,450	4,414,666	4,001,771
Employee Expenses	674,017	487,146	643,663
Travel Expenses	11,522	1,851	6,946
Professional Fees	199,700	205,400	211,700
Office Expenses	141,535	117,617	138,742
Grant Program Expense	-	-	-
Total Expenses	1,026,774	812,014	1,001,051
Income over Expense Excess (Deficit)	3,154,676	3,602,652	3,000,720
Overhead Allocation	(465,323)	(642,894)	(506,542)
Program Allocation	(2,689,353)	(2,959,758)	(2,494,178)
Total Income/(Loss)	-	-	-

PERFORMANCE MEASUREMENTS

PERFORMANCE MEASUREMENTS	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
Quarterly Bond Statements	4	4	4
Number Of Outstdg Issues	388	383	379
Amount Of Outstdg Bonds	$7.61 billion	$7.32 billion	$7.08 billion
Disclosures, (Qtrly & Semi Annual)	4	4	4
Annual Unqual Audited Financials	1	1	1
Timely Financial Reports	100%	100%	100%

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022– 2023

Program: General Operations **Division: Finance**

Commission Goal:

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

Problem/Need:

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

Program Goal:

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

Business Objectives (Outputs/Outcomes):

General Operations

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

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

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

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

3. Invest the Commission's general operating reserves, monitor investment managers and report status by the end of the month following each quarter.
4. Lead the Commission's annual budgeting process for FY 23-24 with a proposed budget completed for presentation at the Commission May planning session and a final budget adopted at the Commission's June 2023 meeting.
5. Complete quarterly grant reconciliation and required reporting by the 5th business day following receipt of program staff detail following quarters end~~.~~
6. In the event of a state audit, facilitate the auditor's review and develop a plan of correction, if required, within 15 business days of the exit conference. Implement plan within 60 days of plan's approval by EMT.
7. Maintain currency of knowledge in relevant SAAM and communicate relevant policies and procedures with appropriate levels of staff.
8. Review and update program policies and procedures by May 28, 2023.
9. Work with Seller Servicer Consultant on a work plan and timeline for application, if applicable, for certification of the Commission as a Ginnie Mae, Fannie Mae, or Freddie Mac seller/servicer by June 30, 2023.

Program-Related Investments

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

Performance Measures:

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

Assumptions:

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

General Operations (GOP)
Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	8.08	6.05	7.08
Temporary	-	-	-
Total FTE's	**8.08**	**6.05**	**7.08**
Program Budget			
Fee Income	-	-	-
Interest Income	1,236,057	(1,987,124)	491,672
Other Income	4,000	9,200	4,000
Grant Program Income	-	-	-
Total Revenue	1,240,057	(1,977,924)	495,672
Employee Expenses	1,054,226	721,440	899,938
Travel Expenses	20,430	-	10,666
Professional Fees	226,000	173,137	196,500
Office Expenses	146,245	111,369	119,371
Grant Program Expense	-	-	-
Total Expenses	1,446,901	1,005,946	1,226,475
Income over Expense Excess (Deficit)	(206,844)	(2,983,870)	(730,803)
Overhead Allocation	206,844	2,983,870	730,803
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

PERFORMANCE MEASUREMENTS

PERFORMANCE MEASUREMENTS	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
Quarterly Investment Rpts	4	4	4
State Audit W/No Material Non Compliance	1	0	1
Qtly Operating/PRI Stmts.	4	4	4
Average Amount Invested:			
General Reserves	$ 30,000,000	$ 30,000,000	$ 30,000,000
Annual Yield	2.00%	1.25%	1.00%
Program Related Investment	$ 754,501,984	$ 709,251,984	$ 652,293,368
Unqualified Audit Opinion	1	1	1
Timely Financial Reports	100%	22%	100%
Amt Perceived Access Score (1-5 Scale)	>4	NA	>4

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022-2023

Program: Administration **Division: Executive Office**

Commission Agency Wide Performance Measures:

1. Directly finance 320,000 affordable housing units by the end of fiscal year 2025.
2. Directly finance 205 nonprofit owned facilities by the end of fiscal year 2023.
3. Close 40 Farmer/Rancher loans by the end of fiscal year 2023.
4. Directly finance 300 housing units per FTE each fiscal year.
5. Earn a minimum of $380,000 per FTE in revenue each fiscal year.
6. Spend less than $210,000 per FTE each fiscal year.
7. Maintain at least 5 bond issues outstanding per FTE each fiscal year.
8. The Commission's employees will average a score of 4 or better on the "employee engagement" measures developed by DOP when measured each fiscal year.
9. The Commission will receive an average score of 4 or better from clients and partners when asked to score the "organizational success factors" identified by the Commission and measured once during the year.

Business Objectives:

1. Evaluate the impact of historic and systemic racism on Commission programs and processes by June 30, 2023 and develop new tools to mitigate the impact of such racism.

2. Evaluate the impacts resulting from the COVID-19 pandemic on Commission programs and processes and, implement regulatory requirements or other changes as necessary by June 30, 2023.

3. Identify, communicate, and support enhancements of current programs as well as the development of new tools to mitigate the impact of the COVID-19 pandemic by June 30, 2023.

4. Conduct new Commissioner Orientation within 90 days of new appointments; Prepare for and conduct 11 monthly HFC meetings, one planning session, and assist the Commissioners in the completion of their duties by June 30, 2023.

5. Provide leadership in the development of statewide housing policy and obtain approval of a 2023 legislative agenda by December 30, 2022.

6. Produce and distribute the Annual Report and Cumulative Report by November 15, 2022.
7. Organize and conduct a statewide housing conference by October 30, 2022; prepare and present a final report by January 31, 2023.
8. Lead the Friend of Housing Award selection process and produce the awards ceremony during Housing Washington in October 2022.
9. Coordinate, schedule and complete the annual revisions to the Business Resumption Plan by February 15, 2023.
10. In collaboration with the Deputy Director and EMT/AMT, plan and conduct a staff planning session by June 30, 2023.
11. Complete the on-going implementation, monitoring and training for a Commission electronic content management system by June 30, 2023.
12. Conduct monthly EMT/IT Governance meetings and semi-monthly AMT meetings and record and report actions to Executive Director and staff within 5 days.
13. Monitor the strategic direction of the Commission's IT program and research, report and receive approval to implement new initiatives by December 31, 2022.
14. Throughout 2022/2023 the Administration Division will continue to advance the Commission's commitment to racial equity and social justice by accomplishing the following objectives:
    - By June 30, 2023 provide continued commitment and support of Racial Justice and Equity Team (RJET) efforts, including RJET's workplan development and implementation.
    - By December 31, 2022, review and update Commission policies regarding: 1) Diversity, Equity and Inclusion; 2) Respectful Work Environment; 3) Anti-Discrimination, Harassment, and Sexual Harassment; and 4) Reasonable Accommodation.
    - By June 30, 2023, continue to update the Commission's Office Procedure Manual to ensure relevance to current business practices, as well as ensuring that they reflect the Commission's commitment to racial and social justice.
    - By December 31, 2022, continue to assist the Homeownership Division in creating a marketing plan targeting identified underrepresented borrower households of color our homebuyer downpayment assistance programs.
15. Complete an Organizational Success Factor Survey of key clients and report by May 1, 2023.

Administration (ADM)
Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	12.77	11.82	12.77
Temporary	-	-	-
Total FTE's	**12.77**	**11.82**	**12.77**
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	30,300	30,423	25,680
Grant Program Income	-	-	-
Total Revenue	30,300	30,423	25,680
Employee Expenses	2,087,355	1,629,892	1,881,595
Travel Expenses	56,466	9,929	42,507
Professional Fees	565,000	426,899	497,132
Office Expenses	975,338	657,717	1,000,491
Grant Program Expense	-	-	-
Total Expenses	3,684,159	2,724,438	3,421,725
Income over Expense Excess (Deficit)	(3,653,859)	(2,694,015)	(3,396,045)
Overhead Allocation	3,653,859	2,694,015	3,396,045
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

PERFORMANCE MEASUREMENTS

	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
PERFORMANCE MEASUREMENTS			
Housing Washington Conference	1	1	1
Monthly Hfc Mtgs., 1 Planning	12	12	12
Impact Cumulative Report	1	1	1
Annual Report & Financial Stmts.	1	1	1
COMMISSION-WIDE PERFORMANCE MEASUREMENTS			
Number Of Housing Units Financed / FTE	300	276	300
$ Amount Of Bonds Issued / FTE	5,911,871	14,715,448	6,231,579
$ Amount Of Revenues / FTE	437,933	670,041	552,778
$ Amount Of Expenses / FTE	224,960	184,808	210,703
$/Tax Credits Reserved / FTE	649,107	691,913	684,211
Number Of Units Monitored / FTE	1,458	1,590	1,487
Number Of Bond Issues Outstanding / FTE	5	5	5
$ Amount Of Bonds Outstanding / FTE	91,610,653	104,052,567	90,774,954
Units By 2025*	320,000	320,000	320,000
Number Of Persons Served**	640,000	640,000	640,000
Nonprofit Facilities Financed By 2023	205	205	205
Farmer/Rancher Loans By 2023	40	40	40
Score On Employee Engagement	>4	>4	>4

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

** Assumes average of 2 persons per unit. Does not include non-housing, nonprofit facilities.

WASHINGTON STATE
HOUSING FINANCE COMMISSION

Program Summary
Fiscal Year 2022 - 2023

Program: IT Services **Division: Executive Office**

Commission Goal:

To focus Commission efforts on building communities.

To maintain financial independence.

To actively support our clients.

To provide improved infrastructure and superior technology.

Problem/Need:

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

Program Goal:

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

Business Objectives (Outputs/Outcomes):

1. Ensure IT Service Desk incidents are resolved in accordance with the terms of our Service Level Agreement (SLA) which defines response time based upon severity level. This will be reported monthly to the ITG (Information Technology Governance) Committee.
2. Complete quarterly server recovery testing in conjunction with Disaster Recovery exercises to support the Business Resumption Plan.
3. Coordinate and assist in providing IT support for the installation and implementation of a Content Management System project through 6/30/2023.
4. Maintain the Salesforce database with the support of an external contractor; coordinate planning, scheduling and implementation of enhancements and provide a monthly report to ITG.
5. Maintain the Emphasys loan servicing platform with the support of internal staff and external contractor; coordinate planning, scheduling and implementation of enhancements and present monthly reports to ITG on system status.
6. Support Dynamics Nav and Serenic Navigator financial system in accordance with the terms of the SLA. Report monthly status updates to the ITG.

7. Provide and maintain a monthly Service Desk Summary Reports with a roll up of types of issues and resolution results as well as response time statistics in accordance with the SLA to the ITG.
8. Maintain an Information Technology training program that will ensure that current and future IT and Commission staff stay current with present and future technologies. Update current content by September 2023 and report status to the ITG monthly.
9. Maintain a Commission staff training program that will ensure that current and future cyber security vulnerabilities are recognized and how to avoid them. Renew content yearly and publish training videos monthly.
10. Maintain the afterhours maintenance schedule that ensures all servers, desktops, laptops and network equipment stay up to date with all security, firmware and operating system updates as recommended by Microsoft and other Information Technology vendors to be performed quarterly.
11. Maintain and provide a quarterly Security Breach Report to the Information Technology Governance Committee and for audit purposes an intrusions report from both internal and external sources by 10 days following the quarter end.
12. Ensure that all critical IT hardware (servers, switches and firewalls) and software remains under warranty coverage in accordance with the agreed upon SLA (service level agreement). Audit them quarterly and provide a report to ITG of the expiring service contracts.
13. Maintain and update the Commission's IT network infrastructure as well as the Commissions desktops, laptops, and tablets.
14. Monitor the performance of our vendor, Eightcloud as well as other vendors and report to the ITG on whether they are meeting our SLA (Service Level Agreement) as defined in our contract with them.
15. Identify and implement IT Infrastructure that can be moved into a cloud platform and cause little impact on the Commission's SLA by September 15, 2023.
16. Identify and develop an online Salesforce application that can be used to capture the 4% and 9% application process for Multifamily. Also provide continuous access to funded projects for ongoing compliance.
17. Ensure the integration of Salesforce (Homebase) and our Contact Management System (Laserfiche) to move forward in our efforts to move the Commission toward our digital transformation goals by October 1, 2023.
18. Evaluate the impacts resulting from the COVID-19 pandemic on Commission programs and processes and, implement regulatory requirements or other changes as necessary.
19. Identify, communicate, and support enhancements of current programs as well as the development of new tools to mitigate the impact of the COVID-19 pandemic.

20. Review and implement safe return to office procedures and processes.

Performance Measures:

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

Assumptions:

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

IT Services (rev 07/08 from BIT) (ITS)

Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	4.00	3.00	3.00
Temporary			
Total FTE's	**4.00**	**3.00**	**3.00**
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	-	-	-
Employee Expenses	642,791	446,045	473,997
Travel Expenses	15,637	163	8,675
Professional Fees	25,000	-	25,000
Office Expenses	567,217	478,671	462,102
Grant Program Expense	-	-	-
Total Expenses	1,250,645	924,880	969,774
Income over Expense Excess (Deficit)	(1,250,645)	(924,880)	(969,774)
Overhead Allocation	1,250,645	924,880	969,774
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

PERFORMANCE MEASUREMENTS

PERFORMANCE MEASUREMENTS	FYE 23 Proposed Budget	FYE 22 Project Actual	FYE 22 Budget as Adopted
Quarterly Server Test Restores	4	4	4
Avg Availability Of All Key Servers	0.999	0.999	0.999
Client Satisfaction Survey Score	>4	>4	>4
Help Desk Response Time	Per SLA	Per SLA	Per SLA

Commissioners (EXO)

Budget Summary for the fiscal year ending: June 30, 2023

FINANCIAL AND PROGRAM INFORMATION

	FYE 23 Proposed Budget	FYE 22 Projected Actual	FYE 22 Budget as Adopted
Personnel Resources [FTE's]			
Permanent			
Temporary			
Total FTE's	-	-	-
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	-	-	-
Employee Expenses	21,463	5,686	20,211
Travel Expenses	65,210	2,318	62,363
Professional Fees	-	-	-
Office Expenses	25,976	4,735	26,042
Grant Program Expense	-	-	-
Total Expenses	112,649	12,739	108,616
Income over Expense Excess (Deficit)	(112,649)	(12,739)	(108,616)
Overhead Allocation	112,649	12,739	108,616
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

MEMO **May 13, 2022**

TO: Commissioners

FROM: Margret Graham, Communications Manager

RE: 2021-22 Communications Discussion

In this short conversation reflecting on the past year and looking forward to 2023, I hope to discuss the following:

- Communications activities in 2021-22
- How are communications goals and activities at the Commission shifting as we redefine our values?
- How will the new strategic plan affect our next communications plan?
- What does it mean to emphasize community outreach and engagement?
- How do we share our success beyond reporting our production numbers?
- Who are our stakeholders and who is our community?

In addition, I would like to hear from Commissioners (in this discussion or through later feedback) what communications support would be helpful to you as you represent us in various capacities.

I look forward very much to talking with you!

Sincerely,

Margret

WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

MEMO	**May 13, 2022**
TO:	Commissioners
FROM:	Steve Walker and Margret Graham, Communications Manager
RE:	2021-22 Racial Equity Achievements

Since January 2021, the Commission has taken some concrete steps to advance racial equity and transform our organization into one centered on antiracism.

Strategic Plan Guided by Racial Equity Values

In 2022, the Commission will write our first strategic plan in 20 years, with the explicit goal of dismantling structural racism through our ongoing work. This will include revising our mission, vision, goals and objectives to align with specific racial equity values. As you recall, these values, developed by the Commission's Racial Justice and Equity Team, were adopted by Commissioners in November 2021. The Commission also set aside a budget to hire a consultant to lead us through the work of strategic visioning and planning.

Through a competitive and newly inclusive process, the Commission hired Dr. Carmen Phelps of Project 986 Consulting, who brings deep expertise in both strategic planning and the work of antiracism. The work is beginning now with a discovery phase as Dr. Phelps conducts a full inventory of the Commission and meets with many different stakeholders, including Commissioners at the May budget planning session.

Ongoing Work with Antiracism Consultant

Throughout 2021, the Commission continued our work with Alma Villegas Consulting. Alma and her team provide guidance and facilitation to both the RJET team and to management. For the latter, Alma designed and delivered a series of all-staff dialogues on racial equity focused on non-management staff, later sharing out the results with our management team. Specific trainings for managers on communicating and incorporating antiracism practices have followed. Currently Alma is setting up staff work groups on topics such as inclusive hiring practices and conflict resolution, as well as dialogues with Commissioners.

Racial Justice and Equity Team (RJET)

Highlights of RJET accomplishments in 2021 and 2022 include:

- Created a charter that outlines the purpose of RJET and the roles and responsibilities of RJET members and other key Commission personnel in supporting RJET's purpose.
- Established safe-space principles to create a safe space for learning and making mistakes, so that RJET could build relationships and trust while considering systemic change at the Commission.
- Selected a consultant to advise RJET on its activities, coach the team in best practices in racial equity, and help create a structure and foundation for the RJET to be a lasting presence at the Commission for years to come.
- In working collaboratively with the executive director, RJET questions systems and practices that have been status quo at the Commission for decades, leading to changes such as:
    - Bridging antiracism work beyond staff to ensure Commissioners are informed and integrated into Commission-wide antiracism work;

  - Ensuring that policies around staff returning to the office are established and applied through an equity lens, consistently throughout the agency;
  - Soliciting staff input into the Deputy Director hiring process,
  - Helping to design an inclusive and equitable process for selecting the strategic planning consultant and playing a major role in the process;
  - Recommendations for all-staff and manager-focused antiracism training.
- RJET also provided guidance on the content and activities of the above-mentioned staff dialogues and upcoming work groups led by the Commission's antiracism consultant.

New PRI Investments

In August 2021, the Commission approved new investments of $10 million from our PRI funds:

- Downpayment assistance to help homebuyers in underserved communities and communities of color ($3 million) – This partnership with HomeSight has assisted eight homebuyer households so far, with reservations coming in regularly.
- New Racial and Social Equity reserve ($7 million) – The Multifamily Housing division is developing several tools using this resource to develop the capacity of BIPOC housing developers.

Multifamily Housing: Bond/Tax Credit Policy Success

Policies in the housing credit/bond program were significantly revised in 2021 to incentivize housing that is "by" and "for" communities of color, with wide community input and assistance from the RJET team. When implemented in the 2022 competition, the new point system succeeded in its intentions to elevate projects by developers who are Black, Indigenous or people of color (BIPOC). In addition, almost every allocated project brought with it a meaningful partnership with a community-based organization. The success of this alignment of new values with competing priorities has brought the Commission valuable learnings, new relationships and confidence that will resonate throughout our divisions.

Homeownership Marketing and Outreach

In 2021, Homeownership hired a marketing coordinator with the explicit goal of helping to increase our outreach to homebuyers and homeowners of color. Homeownership also continued a strong partnership with our local chapter of NAREB (National Association of Real Estate Brokers) to reach homebuyers of color and promote membership by Black professionals.

In 2022, the Commission has begun planning for the $173 million federal Homeownership Assistance Fund. While this program will be open to all to qualified homeowners who are facing foreclosure and/or need mortgage assistance due to the pandemic, it will be extensively marketed to communities and homeowners of color in hopes of reaching those who are most vulnerable and most often left behind. The Commission hired a BIPOC- and woman-owned communications firm to take on this work. The firm has completed a market-research report and marketing strategy; implementation will begin by the end of June.

Human Resources

We have brought a new lens and level of intentionality to our hiring processes of key leadership staff positions (AMC Director, Senior Finance Director and Deputy Director) and board appointments and have an active internal working group to further inform this topic.

In addition, for the past two years, the Commission has been a host agency for the Housing Development Consortium's Internship program focused on supporting historically underserved students entering the affordable housing field.

WASHINGTON STATE HOUSING FINANCE COMMISSION

Opening doors to a better life

STRATEGIC PLANNING DISCUSSION
DR. CARMEN PHELPS, PROJECT 986 CONSULTING

As a result of a thorough and inclusive competitive process, the Commission contracted with Dr. Carmen Phelps of Project 986 Consulting to lead us through a process of strategic visioning and planning in 2022. The goal of this work is to develop a new Commission strategic plan that is centered in racial equity.

Dr. Phelps will lead Commissioners in the following discussion:

1. **What does it mean to develop a strategic plan centered in racial equity?** (5 min)
2. **Rationale/purpose for a strategic plan centered in racial equity** (10 min.)
3. **Overview and discussion of models for organizations to strategically operationalize antiracist practices** (15 min.)
4. **Common questions related to this work from the perspective of board members who lead and serve organizations** (5 min.)
5. **Brief outline of the Commission strategic planning process and activities** (10 min.)
6. **Open discussion and next steps for Commissioners** (15 minutes)

About Dr. Carmen Phelps

As a DEI and racial equity practitioner, consultant, influencer and educator, Dr. Carmen Phelps has 20+ years of experience partnering with government agencies, organizations, academic institutions, businesses, faith-based initiatives and communities seeking to advance their mission by promoting DEI values, while helping them enhance their business practices and decision-making processes.

A first-generation college graduate, and born and raised St. Louis, she has resided and worked in rural, suburban and urban environments and has supported clients' efforts to engage in comprehensive assessment processes; promote racial equity in practice and outcomes; attract diverse talent to key positions; appeal to and serve diverse markets and communities; build their capacity and improve workplace culture for diverse staff.

As the lead consultant for Project 986, Carmen prioritizes relationship building and service in order to design effective strategies for integrating DEI principles into organizational practices while ensuring that each process is tailored to every clients' unique brand, mission and goals. An experienced DEI thought leader and strategic planner with a background as a researcher and educator, Carmen has successfully designed and initiated results-oriented DEI-focused processes, plans, programs, workshops, trainings, dialogues, and discussions for senior leaders, people managers and staff that encourage learning, reflection, awareness and understanding as well as community-building across difference.

PROGRAM-RELATED INVESTMENT POLICY

Purpose and Background:

In 1989, the Washington State Housing Finance Commission (Commission) adopted a General Reserves Policy and established the Program-Related Investments (PRI)[1] to invest a portion of the Commission's reserves in programs supporting our mission that are at higher risk than is acceptable in the General Operating Fund. PRI investments generally serve households earning less than 100 percent of median income; and programs or initiatives that provide additional assistance to low-income households, special needs and marginalized populations that need targeted assistance, including Black, Indigenous, and other People of Color (BIPOC) communities.

The original purpose of the Washington State Housing Finance Commission was to "assist in making affordable and decent housing available throughout the state and by so doing to contribute to the general welfare." Over the years additional authority has been granted to the Commission and our Mission now includes programs for the financing of nonprofit owned facilities, assisting beginning farmer and ranchers, and financing qualified energy efficiency and renewable energy improvement projects and programs. PRI investments may support any of the Commission's programs.

Within PRI, programs address specific needs following the guiding principles adopted by the Commission (see the following section). Resources are designated (allocated) to programs in PRI by formal approval of the Commission. Any funds that are not designated for a specific program within PRI are call undesignated funds.

Guiding Principles of the Program-Related Investments:

PRI program guiding principles include:

- Targeting services to households generally below 100% of area median income, with an emphasis on low-income and special needs populations and communities, especially BIPOC communities and partners that need targeted assistance to access Commission programs,
- Supporting and enhancing existing Commission programs,
- Advancing new and innovative strategies supporting the Commission's Mission, Vision and Values,
- Supporting strategic community activities that overcome barriers to achieving the Commission's Mission,
- Leveraging, to the extent possible, external sources of funding and support,
- Generating a return on investment (generally zero to five percent) for future use,

[1] The Program Related Investments program was originally called the Program Investment Fund. The name was changed to Program Related Investments at the June 29, 2018 Commission meeting during the transfer of excess earnings to the Program Related Investments account.

- Investing for a term of no more than 15 years, with the full expectation of principal repayment and,
- PRI investments are loans, not grants.

Commission action is required for all program investments. The Executive Management Team administers PRI.

Investment Target, Program-Related Investment transfer, and Program Designation:

The Commission reviews the anticipated net earnings as part of the consideration of the upcoming fiscal year's budget. Then, prior to the end of that fiscal year, they determine the amount to be retained in the general operating fund as reserves; the amount to be transferred to Program-Related Investments; and any other designation of net earnings that the Commission deems necessary and appropriate.

Commission staff generally proposes designation of resources in Program-Related Investments to existing or newly proposed programs after the end of each fiscal year. Additional program designation proposals may be made during the year. Each quarter, the Commission will receive a financial report showing the status of Program-Related Investments and its programs.

Procedures:

ANNUAL PRI CYCLE:

Action	When	Description
No Action, discussion only.	Annual May Budget and Planning Session	Annual Discussion and Staff Proposal 1. Staff present proposals for anticipated funding needs in existing programs. 2. Staff introduce new programs or partner investments along with anticipated funding needs.
Transfer of excess reserves to PRI	Prior to fiscal year end, generally June meeting	Commission action to transfer excess reserves to PRI as of 6/30 (last day of the fiscal year). This designation must be made prior to fiscal year end.
Scheduled, annual designations to PRI programs	After prior FYE closing, generally August meeting or after	Annual allocations 1. Request to provide funding in programs for anticipated needs during the next year. 2. Consider approval of new programs or partner investments along with designating funds for them.
Special designation requests	Remainder of fiscal year	The number of requests during the remainder of the fiscal year should be limited. If there are multiple program requests, they should be accumulated and grouped for presentation if possible. Acceptable requests would be for: 1. Unanticipated need for funds to be disbursed exceeding those available in an existing program. 2. Newly proposed programs that meet emergent needs or partner investment opportunities. At the discretion of the EMT, a soft commitment in anticipation of additional designation may be made in long-term, highly supported programs. No funds may be expended until the Commission has made its annual designation.

The Executive Management Team and staff administer the Program-Related Investment in accordance with these procedures:

- EMT member may apply for designations within PRI for new or existing programs using the application form attached.
- The principles outlined in the PRI Policy will guide the development of the PRI application. The application must be full and complete.

- The applicant confirms availability of funds and servicing capacity by consulting the Program-Related Investment & Grants Management Analyst or Finance Division leadership ("Finance PRI Administrators").

- The applicant ensures the completed PRI request is on the EMT agenda and that the application is submitted to EMT members no later than three business days prior to the meeting.
- EMT considers the application and determines whether it should proceed for Commission consideration. Such action is noted on the application.
- The applicant schedules the PRI request as an action item on the Commission agenda for consideration, provides necessary documentation for the Commission meeting packet, and prepares and presents the application to the Commission as necessary.
- The Commission considers and acts on the application. If the Commission approves the investment, the applicant notes such action on application.
- The applicant provides the final, complete, approved application to Finance PRI Administrators
- Finance PRI Administrators make the necessary allocation of funds and create the new or add to the existing program in the financial system.
- The applicant negotiates any necessary external contracts or agreements in consultation with Finance PRI Administrators. The Executive Director signs completed documents. Finance PRI Administrators retain the original documents.
  The appropriate Division administers the program in conjunction with the Finance PRI Administrators.

REPORTING

Each quarter the EMT will review:

- The current fund balance in each PRI investment or program
- The status, activity and performance of each PRI investment or program, including anticipated collectability of the investment
- The status of any known or upcoming PRI applications
- The Commission's anticipated revenue needs to support existing programs
- Ideas for new investments, programs and/or partnerships
- Ideas for leveraging additional funds or resources
- The Commission's overall program and investment strategies.
- The return of principal and interest to the Undesignated Fund.

Finance Administrators provide PRI financial statements to the Commission on a quarterly basis. Staff updates the Commission on the performance of PRI programs, as necessary.

CRITERIA FOR INVESTMENTS:

Potential investments must satisfy all the following criteria:

A. Meet the intent and purpose of the Commission's Mission to increase housing access and affordability and to expand the availability of quality community services.

   Definitions:

   - *Multifamily Housing activities should be for low-income households/individuals or special needs populations and communities, especially BIPOC communities, and partners that need targeted assistance to access Commission programs.*
   - *Single Family households should generally be at or below 100% local median income.*

- *Nonprofit facility/equipment participants should provide community services primarily to lower income persons, persons with special needs, or are organizations that serve a unique or special purpose in the community. Private schools generally should be excluded as beneficiaries unless serving households with lower incomes or with special needs.*

- *Renewable energy and energy efficiency investments should demonstrate a benefit to low-income or special needs households or a reduction in energy usage, carbon waste or energy dependence on non-renewable energy sources.*

- *Farmer/Rancher investments should be for households that meet the USDA definition for beginning farmers/ranchers, to expand the creation of local food production.*

- *Investments in initiatives, whether Commission-sponsored or through a partnership investment, should have a direct link to the Agency Mission, Vision and Values statement including the advancement of racial justice in the multifamily and homeownership housing industries as well as across all Commission business lines.*

B. Provide for repayment during or at the end of the term of the Commission's financing. (Grants are not an eligible use of PRI funds.)

C. In addition to full and complete repayment of the principal, generate a return on investment to the Commission, generally in a range of zero to five percent.

D. D. Have a defined investment term of fifteen years or less with specific reporting periods of not less than annually and preferably quarterly. (Any investment that will exceed fifteen years must apply for a waiver.)

PROPOSED PRI Request- July 2022-June 2023

Investment Program	Proposed Request	Balance/In progress	Notes
SET	$ 3.0 M	2 New initiatives Matching funds with Seattle City Light and Dept Commerce	Vacant position-new application just submitted, will be handled by other staff
Critical Preservation	$ 5.0 M	Several projects currently in the pipeline	Lots of potential need and a key tool to help offset demand in the bond program
LAP	$ 5.0 M	Several projects in the pipeline, looking at new strategic prioritization	Continued need for resources, lots of demand
MFG HSG	5.0 M	Currently all funds committed	Averaging $1.5/project and 2-3 projects per year
Farm PAI	$3.0 M	Plan to launch in July with a pipeline of projects	Initiative to preserve farmland and assist BIPOC farmers
Habitat	$2 M	Support Program Pipeline	Provides liquidity to support development
TOTAL	**$ 23 M**		

Sustainable Energy Trust (SET)

The Sustainable Energy Trust (SET) provides low-interest loans for energy-efficiency or renewable energy projects. The Commission finances projects up to $1 million at favorable interest rates to affordably develop energy-efficient buildings, upgrade existing buildings, and create or conserve energy. This includes new construction of high efficiency single-family homes, energy and water efficiency upgrades for multifamily housing and nonprofit facilities, and clean energy projects (like wind, solar, biodigesters, biomass, combined heat and power or other clean energy technology).

Critical Community Response (Preservation)

The Critical Community Response Program makes loans for the preservation of existing housing, to modify and repurpose critical community assets, and to develop necessary housing and other critically needed projects. First priority for the program is existing Commission-financed multifamily properties serving households with low-incomes that serve a unique population; are a current health risk to residents; are in an area that lacks alternative safe and affordable housing; or are at risk of loss from our affordable housing portfolio. Next on prioritization is new construction multifamily projects in difficult to develop areas that have no other options for resources. Lastly are facilities that serve the health and welfare that current do not exist/are vital to maintain and projects that are determined to be critical by the community, legislature, or are deemed important for historical, cultural, or their unique position in the community.

Land Acquisition Program (LAP)

With a Land Acquisition Program (LAP) loan, developers can buy land at favorable interest rates as it becomes available on the market, and then take the necessary time to assemble financing for the eventual construction of affordable housing (rental or homeownership). It can also be used to acquire land for facilities that provide supportive services to affordable-housing residents and local low-income households. Eligibility extends to local governments, local housing authorities, nonprofit community or neighborhood-based organizations, federally recognized Indian tribes in the state of Washington, and regional or statewide nonprofit housing assistance organizations. But housing must be limited to residents at or below 80 percent of AMI and must follow a 35-year affordability use restriction. The program recently expanded through a partnership with Microsoft to finance developers in East King County.

Manufactured Housing (MFG HSG)

Since 2012, the Commission has invested Program Related Investment (PRI) funds into a program to assist in the preservation of Manufactured Housing Communities through resident ownership by the tenants. This partnership has mostly been with Resident Owned Communities (ROC) USA and has expanded to also include a partnership with Washington Community Reinvestment Association (WCRA). To date, approximately $19.9 million has been deployed, preserving 21 communities and 1,124 units.

Farmland Protection and Affordability Investment (Farm PAI)

Farm PAI is a collaboration of state agencies and nonprofit conservation groups that lets Washington's land trusts move quickly to permanently protect critical farmland from development, while ensuring long-term access to affordable land for beginning and disadvantaged farmers. Though the Commission has helped families purchase farmland and equipment since 2009, this program enables families to purchase property and build wealth across generations, while preserving land for the public good.

State Affiliate-Habitat for Humanity Liquidity Program (Habitat)

Provides liquidity to local Habitat Affiliates through Habitat-WA by providing a loan to them for further development with a security pledge of their existing mortgage loans at 125% of the loan amount. Total program to date is $17 million.