The February 28, 2013 work session was called to order at 11:00 a.m. by Chair Karen Miller. In attendance were Commissioners Pam Tietz, Dan McConnon, Beth Baum, Steven Moss, M.A. Leonard and Dennis Kloida.

Dee Taylor, Director of the Homeownership Division, and Lisa DeBrock, Homeownership Manager, discussed how the unused 4% of the Home Advantage first mortgage loan amount associated with the Home Advantage Rebound program needs to be designated to the Program Investment Fund.

Steve Walker, Director of the Multifamily Housing & Community Facilities Division and Leslie Price, Senior Development Analyst, gave an overview of the 2013 Tax Credits Applications.

Margret Graham, Communications Manager, requested feedback on the Commission’s future direction for the Commission’s communications programs.

The work session was adjourned at 12:00 p.m.
WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES

February 28, 2013

The Commission meeting was called to order by Chair Karen Miller at 1:00 p.m. in the Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Seattle, Washington. Those Commissioners present were Pam Tietz, Dan McConnon, Mario Villanueva, Beth Baum, Steven Moss, M.A. Leonard and Dennis Kloida.

Approval of the Minutes

The minutes of the January 24, 2013 meeting were approved as mailed.

Employee Recognition

Executive Director Kim Herman stated that there are several types of Employee Recognition Awards: Length of Service, Special Recognition and Employee of the Quarter/Year, and that all three types of recognition were to be given this month.

Two Year Service Award
Jenni Helm

Five Year Service Award
Anna Porkalob

Fifteen Year Service Award
Duane Bakke
Mike Gary

Special Recognition - Maureen Smith
Maureen Smith is being recognized by the Housing Washington Committee for her responsiveness and creativity in maintaining the Housing Washington web pages through all the changes and updates that the Committee threw at her.

Employee of the Quarter – Jenni Helm
This person has been a breath of fresh air to the Commission. She brings enthusiasm and positive outlook to the office every day. She often steps up to...
help whenever there is a task that needs to be accomplished without even being asked. She has become a welcome permanent addition to our staff. She is not afraid to ask questions but doesn’t ask the same question twice. She stays on task and doesn’t let the background activity and noise around her distract her from getting her work completed. She is always friendly and upbeat. Many of us appreciate her cheerfulness first thing in the morning and all day long for that matter. She is always conscientious and looking for ways to improve our processes and be more efficient. She has suggested several small “fixes” that have made a difference in our efficiency which just make some of those small daily tasks a little easier. She is willing to help out with phones, sit on committees, attend meetings and share ideas.

For example: She took control of the “home docs” folder and incoming new submissions. She helps the division stay on schedule and make sure there is always someone taking care of the daily submissions, especially when someone will be absent. She spent several days in her spare time clearing out old documents to free up the much needed space. She took on the task of balancing the funding reports with our master servicer and tracks the loans for pooling. She also spent countless hours overseeing the determination of, and payment of, our rate lock extensions on our Home Advantage program. She is also extremely thorough in underwriting pre-closing and post-closing files. She continues to grow in her knowledge base and is a great asset to the Homeownership Division.

Employee of the Year - Lanakay Lipp

The 2012 Employee of the Year meets every one of the criteria on the Nomination Application form.

Asset Management & Compliance is a stressful job with multiple and sometimes simultaneous deadlines yet this person manages to meet each deadline proving she handles stress well.
She shows her creativity and vision by researching and creating, or helping to create, new guidance for our FAQs, and reviewing utility allowance change requests. She also developed training curriculum for WBARS.

She shows perseverance while working on a problem until it is resolved. For example, when the IRS released new guidelines for determining utility allowance, required under the Tax Credit program, she worked tirelessly to create spreadsheets, which makes the process easier for owners, and made the policy and instructions easier to understand.

She has several outstanding accomplishments including all of her work on WBARS. She continues to work with the programmer and other funders in perfecting WBARS. She does testing, training, trouble shooting and problem solving when hiccups arise and are discovered by our customers or her co-workers.

She always displays a positive attitude and demonstrates she is a team player on a daily basis. She is always willing to take in additional tasks, cheerfully. She is never too busy to help a team member and once you give her something, to research, or create, or process, she can be relied upon to complete it on time and accurately.

She knows her personal commitment to her co-workers and the Commission. For example this year she organized the Day of Caring. She found a new venue to help and got numerous staff to assist. It was a great success and also a team building exercise for Commission staff.

Implementing new ideas is something she does well. She readily jumped in when new utility allowance regulations were released, ready to share her experience and at the same time learn new things to fully and successfully implement new options for owners. Recently, she has worked with another Compliance Officer on creating alternative training formats for our stakeholders. She helps ensure that good ideas are brought to fruition!
Providing outstanding quality customer service is one of her specialties. When posed with a problem or request she researches the scenario and quickly responds. This is with her co-workers and our clients. She realizes how frustrating it can be to be kept waiting for an answer or resolution to a problem.

She always displays professionalism in her interactions with fellow employees, funders, and Commission clients. She is unfailingly gracious and tactful in her dealings with everyone.

Being a good communicator is one of her fortes. She is an excellent trainer for Tax Credit Fundamentals and WBARS, as indicated by class evaluations. She is always willing to share her wide breadth of knowledge and experience in the world of property management and with multiple funders. Her expertise has been invaluable in helping to form policies and decision-making.

She always displays a cheerful and calm demeanor and her division especially appreciates the holiday decorating and goodies she shares.

For all of these attributes Lanakay Lipp is our employee of the year for 2012.

Mr. Herman also introduced Robin Denning and Simona Alvarez who are the newest employees in the Homeownership Division.

At 1:10 p.m. Ms. Miller opened a public hearing for the first group of projects recommended for an allocation of 2013 low income housing tax credits.

Public Hearing:
Projects
Recommended for
Allocation of
LIHTC

Steve Walker, Director of the Multifamily Housing & Community Facilities Division, called attention to the list of all 21 applications for tax credits, whether scheduled for action, in review, or projects not yet reviewed. Three projects are scheduled for action at this meeting. Mr. Walker introduced Bob Peterson, Manager in the Multifamily Housing & Community Facilities Division, to describe the projects.
**Compass on Dexter**
This project is sponsored by Compass Housing Alliance, is located in South Lake Union and has 72 units. This project will provide housing with supportive services for families recovering from homelessness, families working in low-wage jobs and veterans.

**Third and Virginia Graduation Housing**
This project is sponsored by Plymouth Housing Group, and is located in Seattle’s Belltown neighborhood, with 64 units serving tenants who have demonstrated records of stable tenancy in Plymouth’s supportive housing and who are ready to move to more conventional rental housing with less staff and fewer services. Units vacated in Plymouth’s supportive housing building will be re-occupied by currently homeless individuals who need the on-site social services and 24-hour front desk services provided at those properties. All 64 units will be on floors 2-7 and the first floor will be used for common area space including kitchen, central laundry and social services. A cost waiver was granted due to the project’s location mid-block opposite a fixed Rapid Ride bus stop which raises construction costs and the need for two functioning elevators.

**Vantage Glen Apartments, Phase I**
This Phase I project is sponsored by King County Housing Authority, and is located on Benson Hill in Renton, with 32-units of public housing servicing very low income, frail seniors age 55 and older. All units are 100% federally subsidized. This project is developed to ADA compliance standards including wide walk-ways and doorways and two elevators.

There were no comments from members of the public and the hearing was closed at 1:21 p.m.

**Public Hearing:**
OID #12-112A,
Tacoma Lutheran Retirement Community

Ms. Miller opened a public hearing on OID 12-112A, Tacoma Lutheran Retirement Community, at 1:21 p.m.

Bob Peterson, Manager in the Multifamily Housing and Community Facilities Division, said that the hearing was for the proposed issuance of nonprofit
housing revenue bonds to provide a portion of the financing for the construction of an assisted living memory care unit on the campus of the continuing care retirement community, to refinance existing debt incurred for property improvements and to refund outstanding Commission bonds previously issued for the project. The project is located at 1707 N. Vassault Street, Tacoma, Washington 98406 and is owned by Tacoma Lutheran Retirement Community, a Washington 501(c)(3) nonprofit organization. The estimated bond amount is not expected to exceed $15,000,000. Mr. Peterson introduced Paul Upgrand and David Hoffman from the Tacoma Lutheran Retirement Community.

Mr. Upgrand stated that the Tacoma Lutheran Retirement Community has a 187 licensed bed nursing home. They have 187 people living in their independent living and assisted living program and serve approximately 400 people daily. Mr. Upgrand stated they will be obtaining financing through Heritage Bank for $13 million at a 3% fixed rate for 30 years. $3 million will be used for the new construction of the memory care unit and the remaining $10 million will refinance existing debt.

There were no comments from members of the public and the hearing was closed at 1:26 p.m.

Ms. Miller opened a public hearing on OID 12-89A, Bellevue Duplex Family Housing Complex, at 1:26 p.m.

Mr. Peterson said that this is the Commission hearing for the proposed issuance of nonprofit revenue bonds to provide a portion of the financing for the rehabilitation and refinancing of 28 multifamily housing units located at 1750 SE Johnson Ave, Pullman, Washington 99163 to be owned by Community Action Center, a Washington 501(c)(3) non-profit organization. The estimated bond amount is not expected to exceed $850,000. Mr. Peterson introduced Dale Miller from the Community Action Center.

Mr. Miller said that Bellevue Duplex Family Housing Complex is a 14 building complex all with three bedroom units located in Southeast Pullman near a bus.
route. The rehabilitation consists of the upgrading of the interior heating and ventilation systems. The refinancing is less than 60% of the appraised value of the complex.

Mr. Walker stated that the TEFRA hearing will be held on March 8, 2013.

There were no comments from members of the public and the Commission hearing was closed at 1:30 p.m.

Steve Walker, Director of the Multifamily Housing & Community Facilities Division, said this was a resolution authorizing the Executive Director to make reservations and/or allocations of 2013 Housing Tax Credits to the following projects:

- Compass on Dexter
- Third and Virginia Graduation Housing
- Vantage Glen Apartments, Phase I

Ms. Baum moved to approve the request. Ms. Tietz seconded the motion. The request was approved with one abstention by M.A. Leonard.

Mr. Walker said this was a resolution approving the issuance of bonds by the Commission in a principal amount not to exceed $17,750,000 to provide a portion of the financing for the acquisition and rehabilitation of 260 units of multifamily housing in Vancouver, Washington, by a to-be-formed Washington state limited liability company, controlled by Rainbow Housing Assistance Corporation and Gung Ho Partners, LLC. The public hearing for this project was held on January 24, 2013.

Ms. Tietz moved to approve the request. Ms. Leonard seconded the motion. The request was unanimously approved.
Mr. Walker said this is a resolution approving the issuance of bonds by the Commission in a principal amount not to exceed $24,930,000 to provide a portion of the financing for the acquisition of land and the new construction of 240 units of multifamily housing in Marysville, Washington. The project will be owned by Villas at Lakewood, LLLP, a Washington limited liability limited partnership. The public hearing for this project was held on December 13, 2012.

Mr. Villanueva moved to approve the request. Mr. Moss seconded the motion. The request was unanimously approved.

Mr. Walker said this is a resolution approving the issuance of bonds by the Commission in a principal amount not to exceed $13,000,000 for the new construction of an assisted living memory care unit on the campus of the continuing care retirement community, to refinance existing debt incurred for property improvements and to refund outstanding debt not to exceed $13,000,000. The public hearing for this project was held earlier in the meeting.

Mr. Moss moved to approve the request. Mr. McConnon seconded the motion. The request was unanimously approved.

Mr. Walker said this is a resolution approving the issuance of bonds by the Commission in a principal amount not to exceed $2,000,000 to provide a portion of the financing for the acquisition of land and the new construction of 24 units of senior housing in Spokane Valley, Washington. The project will be owned by Appleway Court II Affordable Housing, LLC, a Washington limited liability company. The estimated bond amount is not expected to exceed $2,000,000. The public hearing for this project was held on December 13, 2012.

Mr. Kloida moved to approve the request. Ms. Tietz seconded the motion. The request was unanimously approved.
Dee Taylor, Director of the Homeownership Division, is requesting the Commission’s approval for the Executive Director to authorize the issuance of up to $200 million in volume cap to the Mortgage Credit Certificates (MCC) Program.

Matt Vickery, Program Compliance Administrator, stated that $152 million of the last allocation of $250 million for the MCC program has been used at an average interest rate of 3.5%, for 751 families over 20 counties in the State. Now that the MCC can be coupled with other Homeownership programs like the Home Advantage Programs we are seeing MCCs in Eastern Washington.

Additionally, Ms. Taylor mentioned the Homeownership Division is working on reaching out to more minority populations in Eastern Washington with assistance from the Communication Manager.

Mr. Moss moved to approve the request. Mr. Villanueva seconded the motion. The request was unanimously approved.

Ms. Taylor recommends authorizing the Executive Director to designate the unused 4% of Home Advantage first mortgage loans amount associated with Home Advantage Rebound program to the Program Investment Fund.

Mr. Kloida moved to approve the requested recommendation. Mr. Moss seconded the motion. The request was unanimously approved.

Kim Herman gave his Executive Directors report, and mentioned that on February 26, 2013 the Commission priced its Single Family Program Bonds.

Commissioner Dan McConnon stated that Brian Bonlender has joined Commerce as their new Director. Mr. Bonlender met with Kim Herman two weeks ago. Mr. Bonlender has known and worked with Governor Inslee for 20 years. So far
the Governor has met with groups regarding housing and homeliness, released a jobs plan which includes $15 million for farmer worker housing and met with the Affordable Housing Advisor Board (AHAB).

Mr. McConnon gave a Legislative update on items that Commerce will be following, which include:

- Trust Fund Administrative Bills 1617 and 5439
- Housing Trust Fund – there is an updated list of potentially eligible projects which is posted on Commerce’s website.
- Housing and Essential needs

He also mentioned that the Housing Locator project, a service which landlords can use to register available properties and specify if they are available to special populations, will be up and running March 1, 2013 in a test phase.

M.A. Leonard mentioned she went to the grand opening of the Ernestine Anderson Place between Jackson and 20th Street in the Central Seattle area.

Ms. Leonard also stated she attended the ground breaking for the 12th Avenue Arts project.

Pam Tietz stated she participated in the Housing Advocacy Day in Clallam County and spoke with her local representatives about Housing and Essential Needs, the Washington Families Fund and the Housing Trust Fund.

**Consent Agenda**

The Consent Agenda was approved as mailed.

**Adjournment**

The meeting was adjourned at 2:25 p.m.