The December 19, 2013 work session was called to order at 11:00 a.m. by Karen Miller. In attendance were Commissioners Steve Moss, Pam Tietz, Regina Stark, Randy Robinson, Beth Baum and M.A. Leonard.

Maureen Fife, Chief Executive Officer (CEO) of Pierce County Habitat for Humanity and Michone Preston, CEO of Spokane Habitat for Humanity, gave a briefing on Habitat for Humanity across Washington.

Megan Hyla, Director of Housing Initiatives at the King County Housing Authority, gave a presentation representing the Association of Washington Housing Authorities (AWHA) regarding the opportunities and challenges facing AWHA’s members.

Kim Herman gave his Executive Director report and introduced the newest Commission employee, Chrystal McOmber.

The work session was adjourned at 12:00 p.m.
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 Steve Moss, Pam Tietz, Regina Stark, Randy Robinson, Beth Baum, Janet Masella and M.A. Leonard.

The minutes of the November 21, 2013 meeting were approved as mailed.

Ms. Miller announced that the action items on the agenda would be addressed ahead of the public hearings in order to accommodate the need of several Commissioners to leave the meeting early.

Steve Walker, Director of the Multifamily Housing and Community Facilities Division, said this is a resolution approving the issuance of bonds by the Commission in a principal amount not to exceed $18,000,000 to provide a portion of the financing for the acquisition of land and the construction of a 180-unit senior housing facility in Everett, WA. The project will be owned by Reserve at Everett Partners LLLP, a Washington limited liability limited partnership. The public hearing for this project was held on September 26, 2013.

Mr. Moss moved to approve the request. Ms. Leonard seconded the motion. The request was unanimously approved.
David Clifton, Assistant Director of the Multifamily Housing and Community Facilities Division, said this is a resolution amending Resolution No. 13-69, as previously amended, which authorized the issuance of tax-exempt and taxable nonrecourse nonprofit revenue bonds in multiple series in the aggregate principal amount of not to exceed $115,000,000 for a continuing care community known as Rockwood Retirement Communities. The amending resolution provides for additional time to sell the Bonds and allows for a higher interest rate at which the tax-exempt Bonds may be sold. This project is owned by Spokane United Methodist Homes and is located in Spokane, WA. The public hearing for this project was held on April 25, 2013. Mr. Clifton reported that staff had conferred with Barry Fick, the Commission’s financial advisor, regarding the extension. Mr. Clifton also stated that staff have communicated to the Borrower that this three-month extension is the last extension of the proposed financing structure the staff will bring to the Commissioners.

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

Mr. Clifton said that Resolution No. 13-117 authorizes staff to issue up to $2 million in bonds to fund the Beginning Farmer/Rancher Program in the next year.

Mr. Moss if any conditions have changed since last year’s request since there were no funds allocated for this program this year. Mr. Clifton stated that they are expecting people to use the new ORFH training in conjunction with this program.

Mr. Moss moved for approval of the resolution. Ms. Baum seconded the motion. The resolution was unanimously approved.

Mr. Clifton said this is a request for an additional $4 million investment into the Sustainable Energy Trust Program.

Mr. Clifton also asked the Commission to approve the investment guidelines set down in the PIF Application Form. He also stated that the interest rates on the
loans will be no less than 2% per annum and total loan amount may not exceed $1 million.

Ms. Tietz moved to approve a $4 million loan to the Sustainable Energy Trust for the purpose of financing Energy Efficiency/Renewable Energy (EERE) projects. Mr. Moss seconded the motion. The motion was unanimously approved.

Bob Peterson, Multifamily Housing and Community Facilities Division Manager, requested $4 million from PIF to invest in the Land Acquisition Program (LAP). This request, if approved, will increase the total amount of funds invested in the LAP program to approximately $17.5 million.

Ms. Leonard moved to approve the request for $4 million to the Land Acquisition Program (LAP). Ms. Baum seconded the motion. The motion was unanimously approved.

Mr. Tietz moved to approve the 2014 Commission Meeting Calendar. Ms. Leonard seconded the motion. The request to approve the 2013 Commission meeting calendar was unanimously approved.

After a brief explanation of the Legislative Agenda for 2013 by the Executive Director, Mr. Moss moved to approve the 2014 Legislative Agenda. Mr. Robinson seconded the motion. The request was unanimously approved.

Mr. Herman stated that this resolution authorizes and delegates to the Executive Director the authority to carry forward private activity bond volume cap and to determine the allocation of the volume cap between the multifamily and single-family bond programs.

Ms. Baum moved to approve the resolution. Mr. Moss seconded the motion. The resolution was unanimously approved.
Ms. Baum and Ms. Miller left the meeting. Vice Chair Leonard resumed the meeting.

A public hearing was opened on OID No. 13-113A, Beaver Creek Apartment Homes, at 1:26 p.m.

Mr. Peterson said that the hearing is for the proposed issuance of multifamily housing revenue bonds to provide a portion of the financing for the acquisition and rehabilitation of 119 units of multifamily housing located at 4801 200th St. SW in Lynnwood, WA owned by Lynnwood Beaver Creek LLC, a Washington limited liability company. The estimated bond amount is not expected to exceed $6,700,000. Mr. Peterson introduced Adam Diskin, a member of DH&G NTB LLC, the Administrative Managing Member of Lynnwood Beaver Creek LLC.

Mr. Diskin stated that this project is located in a Puget Sound Regional Council Growth Center in Lynnwood. He mentioned that the new owner group will be maintaining the affordable rents and social services. The rehabilitation includes new flooring, cabinets, and countertops in all the units. Additionally, they will be building an internet café and a soccer field.

Faith Pettis, the Commission’s General Counsel, stated that this project was formerly known as the Oxford Square Partnership and it is at the end of its existing 15-year tax credit compliance period.

There were no more comments from members of the public and the hearing was closed at 1:33 p.m.

A public hearing was opened on OID No. 13-112A, Town and Country Bainbridge at 1:33 p.m.

David Clifton, Assistant Director of the Multifamily Housing and Community Facilities Division, said that the hearing is for the proposed issuance of Qualified Energy Conservation Bonds to provide a portion of the financing for energy and greenhouse gas savings in the remodel of the Bainbridge Town and Country
Market located at 343 Winslow Way E. in Bainbridge Island, WA owned by Town and Country Markets, Inc., a Washington corporation. The estimated bond amount is not expected to exceed $3,000,000. Mr. Clifton introduced Tony D’Onofrio, Sustainable Energy Coordinator at Town and Country Market.

Mr. D’Onofrio mentioned the market was originally built in 1953 and is not very energy efficient at the moment. He stated that this proposed bond will assist in accomplishing the goal of the "gold standard" method, which is an energy expenditure measuring method. He also stated that this remodel will help save energy by 32 - 41%.

Mr. Moss asked what the payoff period with the energy savings would be. Mr. D’Onofrio stated that he thinks it will take about 7 to 10 years.

There were no more comments from members of the public and the hearing was closed at 1:38 p.m.

Janet Masella reported that the Department of Commerce awarded $35.1 million in loans and grants from the 2013 Housing Trust Fund for 21 affordable housing projects in 23 counties across the state.

Commerce has started accepting applications for the 2014 Housing Trust Fund.

Additionally, Ms. Masella reported that the 2014 Governor’s budget did not include funds for the Housing Trust Fund.

The Consent Agenda was approved as mailed.

The meeting was adjourned at 1:41 p.m.