WASHINGTON STATE
HOUSING FINANCE COMMISSION

WORK SESSION MINUTES

July 24, 2014

The July 24, 2014 work session was called to order at 11:00 a.m. by Karen Miller. In attendance were Commissioners Steven Moss, M.A. Leonard, Pam Tietz, Randy Robinson and Lloyd Weatherford.

Lisa Vatske gave a short briefing on the 2015 Tax Credit Policy.

Kim Herman gave his Executive Director’s report.

The work session was adjourned at 11:40 a.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 Steven Moss, Jim McIntire, M.A. Leonard, Pam Tietz, Randy Robinson, Lloyd Weatherford and Dan McConnon.

**Approval of the Minutes**

The minutes of the June 26, 2014 Commission meeting were approved as mailed.

**Introduce New Employees**

Executive Director Kim Herman introduced the newest Commission employee: JoAnn Huntoon.

**Employee Recognition**

Executive Director Kim Herman stated that there are several types of Employee Recognition Awards: Length of Service and peer chosen Employee of the Second Quarter were to be given this month.

**Five Years**

Lucas Loranger

**Ten Years**

Karen Carlson-Bunce

**Employee of the Second Quarter - Nicole Wivell**

“This quarter’s person is still a fairly new member of the Homeownership Division, having moved from temporary to permanent status less than a year ago. In that time, she has steadily taken on more and more responsibilities; most notably, the grind of opening and printing the .PDF attachments that pour in all
day long for our loan reviewers, binding these documents into folders, and logging the loan files into our MITAS reservation system. It’s a steady stream of drudge-work, frankly – yet these files are the structural and financial backbone of everything we do here in Homeownership.

During May and June, our pace picked up even more. Every few days, it seems, we’d break a new record in the volume of our Home Advantage and MCC loans…and it hasn’t let up yet. She is always determined to keep up with the ever-increasing number of files. But she never complains, and always keeps a cheerful disposition. She has really put herself at the center of our division – not just physically, at that corner desk, but personally as well. She keeps track of everyone’s birthday and leads the charge when it’s time to cover someone’s desk with decorations. She’s always quick to volunteer her cooking or baking skills for our division events. She even reminds people that it’s nearly time to leave the office if they’re going to make their usual ferry.

This is why Nicole Wivell is our Employee of the Second Quarter.”

A public hearing was opened on OID No. 14-83A, GrandView Apartments at 1:03 p.m.

Bob Peterson, Multifamily Housing and Community Facilities (MHCF) Division Manager, said that this is a hearing for the proposed issuance of multifamily revenue note to provide a portion of the financing for the acquisition of land and construction of a 261-unit multifamily housing facility at 3900 Veterans Drive in Kent, WA to be owned by GrandView Apartments, LLC, a Washington limited liability company. The estimated note amount is not expected to exceed $45,000,000. Mr. Peterson introduced Jack Hunden of DevCo, Inc.

Mr. Hunden stated that GrandView Apartments has very high design standards as required by the City of Kent. GrandView Apartments will have metal siding and will have a substantial amount of brick in the structure.
Mr. Hunden also stated that this apartment will include 15 five-bedroom and 51 four-bedroom units which have been extremely popular.

There was no further public comment, and the hearing was closed at 1:13 p.m.

A public hearing was opened on OID No. 13-80A, AXIS Apartments at 1:13 p.m.

Mr. Peterson stated that the hearing is for the proposed issuance of a multifamily revenue note to provide a portion of the financing for the acquisition of land and construction of a 280-unit multifamily housing facility at the following addresses: 12112 Highway 99; 11831 Alexander Road; 11903 Alexander Road; 11909 Alexander Road; 11919 Alexander Road, all in unincorporated Snohomish County, WA to be owned by AXIS Apartments, LLC, a Washington limited liability company. The estimated note amount is not expected to exceed $42,500,000. Mr. Peterson introduced Jack Hunden of DevCo, Inc.

Mr. Hunden stated that Axis Apartments will be located in a high density area in Everett. He said there will be 13 four-story walk ups buildings with a mix of 13 five-bedroom, 64 four-bedroom, 34 three-bedroom, 80 two-bedroom and 60 one-bedroom. The amenities include an indoor basketball court, fitness center, swimming pool, a lounge and the project is close to good schools and financial institutions.

There was no further public comment, and the hearing was closed at 1:20 p.m.

At 1:20 p.m. Ms. Miller opened a public hearing for a project recommended for an allocation of 2014 low income housing tax credits.

Walla Walla Veterans Affairs (VA) Housing: Mr. Peterson introduced John Fisher from Catholic Housing Services of Western Washington and Patrick Tippy from Catholic Charities of Spokane. Mr. Fisher stated that the Walla Walla project is located on the Jonathan M. Wainwright Memorial VA Medical Center campus.
Mr. Tippy stated the project will be developed on a portion of the campus through an Enhanced Use Lease with the Veterans Administration. The VA housing will utilize historic tax credits in the adaptive reuse of four officers quarters buildings that will create 24 units of housing and will include an additional 16 units in 2 newly constructed buildings on an adjacent vacant parcel. He stated the goal is to provide housing for families in the two and three bedroom units. Currently there are enough veterans to qualify for the residences, but the sponsor is considering alternative renters if Veteran subsidies are unavailable.

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

Mr. Peterson said this was a resolution authorizing the Executive Director to make reservations and/or allocations of 2014 Housing Tax Credits to the following project:

Walla Walla VA Housing

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

Lisa Vatske, Director of the Multifamily Housing and Community Facilities Division said this is a resolution approving the issuance of bonds by the Commission in the principal amount not to exceed $1,100,000 to provide a portion of the financing for the acquisition and renovation of an approximately 9,700 square foot building in Tacoma, WA. The project will be owned by The Pierce County AIDS Foundation, a Washington 501(c)(3) non-profit organization. The public hearing for this project was held on June 26, 2014.

Mr. Moss moved to approve the resolution. Mr. McConnon seconded the motion. The resolution was unanimously approved.
Ms. Vatske said this is a resolution approving the issuance of bonds by the Commission in the principal amount not to exceed $24,000,000 to provide a portion of the financing for the acquisition of land and construction of 219 units of housing for seniors in Renton, WA. The project will be owned by Reserve at Renton Partners LLLP, a Washington limited liability limited partnership. The public hearing for this project was held on April 24, 2014.

Mr. McConnon moved to approve the resolution. Ms. Leonard seconded the motion. The resolution was unanimously approved.

This item was pulled from the agenda.

David Clifton, Assistant Director of the Multifamily Housing and Community Facilities Division, said he is requesting the approval of the proposed rule amendments to WAC 262-01-100 (Financing energy improvements) to provide greater clarity to the Sustainable Energy Trust program participants regarding the operation of the program. Mr. Clifton stated that this rule will take effect in 30 days, if approved.

Ms. Tietz made a motion to adopt the amended rule. Mr. Moss seconded the motion. The motion was unanimously approved.

Mr. McConnon stated that the Department of Commerce is working to find alternative housing for people affected by the fires in Eastern Washington. Commerce is finding support for the businesses affected by the fire which include securing generators and grant funding from the Federal Government. Additionally, Commerce is working with displaced farmworkers, finding them more vouchers through community and county action agencies.

The Consent Agenda was approved as mailed.
Executive Session

The meeting was temporarily adjourned at 1:35 p.m. to go into executive session to discuss litigation matters. The public meeting was called back into session at 2:15 p.m.

Mr. Herman requested the authority for the Executive Director to pursue a lawsuit with National Homebuyers Fund (NHF).

Ms. Tietz moved to authorize the Executive Director to take all necessary actions, including the filing of a lawsuit, to protect the authority of the Commission under its enabling legislation and to prevent NHF from continued unauthorized and unfair competition with the Commission’s single family finance programs. Mr. Robinson seconded the motion. The motion was unanimously approved, without the presence of Mr. McIntire.

Adjournment

The meeting was adjourned at 2:17 p.m.

Signature

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