

****AMENDED****

OCTOBER 27, 2022

WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION MEETING PACKET

WSHFC



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Opening doors to a better life

Public Engagement at Commission Meetings

All Board meetings 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
2. At www.zoom.us, go to “Join a Meeting,” and enter:
 - Webinar/Meeting ID: **838 9405 8797**
 - Passcode: **236815**
3. To participate by phone, dial toll-free in the U.S. either: **1-(888)-788-0099** or **1-(877)-853-5247**.
4. Members of the public can attend the 1 p.m. Special Meeting in-person in the 28th Floor Board Room, located at 1000 Second Avenue, Seattle, WA 98104-3601.

During Meetings:

During Commission board work sessions and board meetings, attendees can see and hear all presentations and business taking place. Microphones will be turned off except to receive comment during public hearings and the public general comment period.

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 afternoon Commission board meeting (not the morning work 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 an hour (2 p.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
COMMISSION MEETING AGENDA**

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Special Meeting** in the **28th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, on Thursday, October 27, 2022, at 1:00 p.m., to consider the items in the agenda below.

Pursuant to RCW 42.30.030(2), which encourage public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

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

Webinar/Meeting ID: 838 9405 8797

Passcode: 236815

Participants who wish to participate telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247.

Participants wishing to provide public comments, please see public engagement opportunities on page one above for instructions.

- I. Chair: Approval of the Minutes from the September 22, 2022, Special Meeting. 1**
(5 min.)

- II. Steve Walker: Employee Recognition (10 min.)**

- III. Chair: Conduct a Public Hearing on the following:**
 - A. Franke Tobey Jones, OID # 22-80A 2**
Claire Petersky: The proposed issuance of one or more series of tax-exempt revenue bonds to refund tax-exempt bonds of the Commission previously issued to finance a portion of (i) the construction and equipping of a new facility containing 43 skilled nursing beds and 28 memory care units, and (ii) the construction and equipping of a 16-unit independent living community plus one duplex for a total of 18 independent living units in an existing continuing care retirement community and to refinance a taxable loan issued to pay a portion of the costs of the Project. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the Bonds. The project is located at 5340 North Bristol Street, Tacoma, WA 98407, owned and operated by Franke Tobey Jones, a Washington nonprofit corporation and organization described under section 501(c)(3). The total estimated bond amount is not expected to exceed \$30,000,000. (5 min.)

 - B. Horizon House, OID # 22-79A 3**
Claire Petersky: The proposed issuance of one or more series of tax-exempt revenue bonds to finance a portion of the costs for the rehabilitation of an existing nonprofit senior housing facility located at 900 University Street,

Seattle, WA 98101, owned by Horizon House, a Washington nonprofit corporation and organization described under section 501(c)(3). 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 \$50,000,000. (5 min.)

C. Englewood Gardens, OID # 20-91A **4**

Claire Petersky: The proposed issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the acquisition, rehabilitation and equipping of a 256-unit multifamily housing facility located at 3601 Fairbanks Avenue, Yakima, WA 98902, to be owned by Englewood Housing Partners, 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 \$25,000,000. (5 min.)

D. Millworks Family Housing, OID # 22-39A **5**

Claire Petersky: The proposed 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 an 83-unit multifamily housing facility located at 100 W. Laurel Street, Bellingham, WA 98225, to be owned by MHNW 22 Millworks Family 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 \$23,500,000. (5 min.)

E. Jacob Richardson: Recommend and present Projects for Allocation of Low-Income Housing Tax Credits from the 2022 funding round. (15 min.) **6**

TC #	Project Name	City	County	Annual Tax Credit Amount
22-09	Laurel and Forest	Bellingham	Whatcom	\$1,684,564
22-23	Colville Family Haven	Colville	Stevens	\$1,821,481
22-24	Martin Way Phase 2	Olympia	Thurston	\$1,891,320

IV. Consider and Act on the Following Action Items:

A. Resolution No. 22-81, Resolution for the 2022 Allocation of Credit for the Housing Tax Credit Program **7**

Lisa Vatske: A resolution authorizing the Executive Director to make reservation and/or allocations of 2022 Housing Tax Credits. (5 min.)

TC #	Project Name	City	County	Annual Tax Credit Amount
22-09	Laurel and Forest	Bellingham	Whatcom	\$1,684,564
22-23	Colville Family Haven	Colville	Stevens	\$1,821,481
22-24	Martin Way Phase 2	Olympia	Thurston	\$1,891,320

- B. Resolution No. 22-72, Marina Club Apartments, OID # 22-60A** **8**
Lisa Vatske: A resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue notes to refinance all or a portion of existing taxable debt used by the Borrower to finance the acquisition and rehabilitation of an existing facility, located at 2445 S. 222nd Street, Des Moines, WA 98198, owned and to be owned by Bellwether Housing, a Washington nonprofit corporation and organization described under section 501(c)(3). 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 \$15,000,000. The public hearing was held August 25, 2022. (5 min.)
- C. ~~Resolution No. 22-73, Bryant Manor Redevelopment, OID # 22-33A~~** **9**
~~**Lisa Vatske:** A resolution approving the issuance of one or more series of tax-exempt revenue bonds to finance a portion of the costs for the acquisition, construction and equipping of a 101-unit multifamily housing facility, located at 1801 E. Yesler Way, Seattle, WA 98122, to be owned by Bryant Manor I 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 \$44,000,000. The public hearing was held July 28, 2022. (5 min.)~~
- D. ~~Resolution No. 22-48, Redondo Heights TOD – Phase I, OID # 19-121A~~** **10**
~~**Lisa Vatske:** 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 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, WA 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. The public hearing was held April 28, 2022. (5 min.)~~
- E. ~~Resolution No. 22-49, Redondo Heights TOD – Phase II (East and West), OID # 19-121B~~** **11**
~~**Lisa Vatske:** 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 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. The public hearing was held April 28, 2022. (5 min.)~~

- V. **Informational Report on Department of Commerce Activities.** (10 min.)
- VI. **Executive Director’s Report** (10 min.)
- VII. **Commissioners’ Reports** (10 min.)
- VIII. **Chair: Consent Agenda** (5 min.)
 - A. **Homeownership & Homebuyer Education Programs Monthly Activities Report** 12
 - B. **Multifamily Housing and Community Facilities Monthly Activities Report** 13
 - C. **Asset Management and Compliance Monthly Activities Report** 14
 - D. **Financial Statements as of September 30, 2022** 15
 - E. **Quarterly Program Status Reports from the period ending September 30, 2022:** 16
 - 1. **Homeownership Division**
 - 2. **Multifamily and Community Facilities Division**
 - 3. **Asset Management and Compliance Division**
 - 4. **Administration, Human Services, and IT Division**
 - 5. **Finance Division**
- IX. **Chair: Miscellaneous Correspondence and Articles of Interest** (5 min.)
 - A. **Miscellaneous Correspondence and Articles of Interest** 17
 - B. **HFC Events Calendar** 18
- X. **Chair: Public Comment**
- XI. **Executive Session (if necessary)**
- XII. **Adjourn**

Bill Rumpf, Chair

Consent Agenda items will only be discussed at the request of a Commissioner.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

September 22, 2022

The Commission meeting was called to order by Chair Bill Rumpf at 1:01 p.m. via Zoom and in the 28th Floor Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Seattle, Washington 98104. Those Commissioners present were: Alishia Topper, Ken Larsen, Mike Pellicciotti, Nicole Bascomb-Green, and Wendy Lawrence. Diane Klontz joined the meeting at 2 p.m.

Approval of the Minutes

The August 27, 2022 minutes were approved, with the amendment to reflect that Ms. Topper served as Acting Chair at the request of the Chair, who attended the meeting via Zoom.

**Public Hearing:
Tax Credit
Program
Allocation,
Fruitvale Housing,
TC/OID # 22-01**

The Chair opened a public hearing for Fruitvale Housing, TC/OID # 22-01, at 1:05 p.m.

Mr. Jacob Richardson, Manager of the Multifamily Housing and Community Facilities Division, said this is a public hearing for a request to increase the 9% Low Income Housing Tax Credits (LIHTC) by \$100,000 annually from \$1,333,411 to \$1,433,411 for Fruitvale Housing using a 2022 LIHTC allocation. The project is to be owned by Fruitvale Housing LLLP, a limited liability limited partnership. The project is located on Fruitvale Boulevard, Yakima, WA 98902.

Mr. Richardson stated that the project has 49 low-income units, and that the original public hearing and Commission approval of the allocation took place at the June, 2022 Commission Meeting. He added that the increased amount is

needed due to rising project costs and labor shortages. Mr. Richardson then introduced Ashleigh Kilgore, Affordable Housing Developer, Yakima Housing Authority (YHA).

Ms. Kilgore mentioned that the additional credit was needed due to inflation and rising project costs which created a \$190,000 gap, despite value engineering. This additional credit allocation would bridge that gap. On behalf of the YHA, she thanked the Commission for their support for the initial allocation, and for consideration of this additional request. The project is still on track for a closing date of October 24, 2022.

There were no other comments from members of the public and the hearing was closed at 1:08 p.m.

**Public Hearing:
Tax Credit
Program
Allocation, Laurel
Manor, TC/OID #
22-16**

The Chair opened a public hearing for Laurel Manor, TC/OID # 22-16, at 1:08 p.m.

Mr. Richardson stated that this was a request to increase the 9% Low Income Housing Tax Credits (LIHTC) by \$150,000 annually from \$2,163,816 to \$2,313,816 for Laurel Manor using the 2022 LIHTC Allocation to be owned by Laurel Manor LLLP, a limited liability limited partnership. The project is located adjacent to 6600 NE Fourth Plain Boulevard, Vancouver, WA 98661.

Mr. Richardson stated that the project has 82 low-income units, and the original public hearing and Commission approval of the allocation were held at the June, 2022 Commission Meeting. Mr. Richardson then introduced Joshua Ollinger, Development Project Manager, Vancouver Housing Authority (VHA).

Mr. Ollinger stated that the project remains the same, but after doing a number of cost estimating and value engineering exercises, the project costs just kept increasing, creating a funding gap. He added that this additional credit will address the funding gap, along with additional monies obtained from both the Department of Commerce and the VHA. The project would retain a number of

amenities for seniors that are desirable for this community.

There were no other comments from members of the public and, the hearing was closed at 1:13 p.m.

**Public Hearing:
Project for
Allocation of Low-
Income Housing
Tax Credits in the
2022 funding round**

The Chair opened a public hearing on the recommended allocation of 9% Low-income Housing Tax Credits (“LIHTC”) at 1:13 p.m.

Shiloh Redevelopment

Mr. Jacob Richardson stated that there were a total of 12 projects “above the line” this year. Eight have been approved. He will present one new project today, along with those 2 projects that came back for additional credit, and anticipates presenting the remaining 3 projects at the October meeting.

Mr. Richardson stated that the developers New Life Housing & Shiloh Baptist Church of Tacoma are asking for \$1,594,560 annually in LIHTCs for the new construction of a low-income multifamily housing facility located at 813/815 South 13th Street and 1206/1208 South “I” Street in Tacoma, WA. The unit mix will be 45 one-bedroom units and 15 two-bedroom units, with half of the units serving persons making 30% or less of area median income (AMI), and the other half making 50% or less of AMI. Mr. Richardson then introduced Roberta Schur, Senior Developer, Beacon Development Group, the Development Consultant for Shiloh Baptist Church.

Ms. Schur commented that this development will be located in two buildings on parcels across the street and adjacent to the current Shiloh Baptist Church building, and that a total of 5 single-family houses would be demolished. The Hilltop neighborhood is changing rapidly and is going through gentrification, which is displacing current low-income residents. She added that 20% of the units will be set aside for persons with disabilities, and 20% of the units for persons that are exhibiting homelessness. Also, services and case managers will be located on site to help achieve tenants’ goals of self-sufficiency.

Mr. Rumpf asked Ms. Schur what is the distance to the nearest station/stop for the currently under-construction Sound Transit Tacoma Link Light Rail Streetcar line. Ms. Schur replied that it is about 2 ½ blocks from the nearest station, and it is also located on a Pierce Transit bus line.

There were no other comments from members of the public and the hearing was closed at 1:18 p.m.

**Action Item:
Resolution No. 22-69, 2022 Allocation of Credit for the Housing Tax Credit Program**

Ms. Lisa Vatske, Director of the MHCF, said this is a resolution authorizing the Executive Director to make reservations and/or allocations of 2022 LIHTCs for the following project:

TC #	Project Name	City	County	Annual Tax Credit Amount
22-17	Shiloh Redevelopment	Tacoma	Pierce	\$ 1,594,560

Mr. Larsen moved to approve the resolution. Ms. Bascomb-Green seconded the motion. The resolution was unanimously approved.

**Action Item:
Resolution No. 22-76, Tax Credit Program Allocation, Fruitvale Housing, TC/OID #22-01**

Ms. Vatske stated that this is a resolution to approve an increase in the 9% Low Income Housing Tax Credits (LIHTC) by \$100,000, from \$1,333,411 to \$1,433,411, for Fruitvale Housing using 2022 LIHTC Allocation, to be owned by Fruitvale Housing LLLP, a limited liability limited partnership. The project is located on Fruitvale Boulevard, Yakima, WA 98902.

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

**Action Item:
Resolution No. 22-77, Tax Credit Program Allocation, Laurel Manor, TC/OID #22-16**

Ms. Vatske stated that this is a resolution to approve an increase in the 9% Low Income Housing Tax Credits (LIHTC) by \$150,000, from \$2,163,816 to \$2,313,816, for Laurel Manor using the 2022 LIHTC Allocation to be owned by Laurel Manor LLLP, a limited liability limited partnership. The project is located adjacent to 6600 NE Fourth Plain Boulevard, Vancouver, WA 98661.

Mr. Larsen moved to approve the resolution. Ms. Bascomb-Green seconded the motion. The resolution was unanimously approved.

**Action Item:
Resolution No. 22-70, Giddens School, OID # 22-63A**

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt revenue bonds to refinance the acquisition, construction and equipping of an educational facility located at 2120 21st Avenue S., Seattle, WA 98144, owned and to be owned by the Giddens School, a Washington nonprofit corporation and organization described under section 501(c)(3) of the Internal Revenue Code. Proceeds of the bonds may also be used to pay all or a portion for the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$11,730,000. The public hearing was held August 25, 2022.

Ms. Vatske stated that the bank, HomeStreet Bank, has issued a conditional commitment letter for an amount not to exceed \$10,700,000, which is contingent on certain environmental issues at the project location being addressed.

Mr. Larsen moved to approve the resolution. Ms. Lawrence seconded the motion. The resolution was unanimously approved with one abstention from Ms. Bascomb-Green due to a conflict of interest as her employer is the fiscal agent.

**Action Item:
Resolution No. 22-71, Lake Washington Girls Middle School, OID # 22-62A**

Ms. Vatske stated that this is a resolution approving the issuance of one or more series of tax-exempt revenue bonds to refinance the acquisition, construction and equipping of an educational facility located at 2100 S. Walker Street, Seattle, WA 98144, owned and to be owned by Lake Washington Girls Middle School, a Washington nonprofit corporation and organization described under section 501(c)(3) of the Internal Revenue Code. Proceeds of the bonds may also be used

to pay all or a portion for the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$10,710,000. The public hearing was held August 25, 2022. A bank commitment letter from HomeStreet Bank was issued for the amount not to exceed \$9,750,000, contingent on certain environmental issues at the project location being addressed.

Ms. Topper moved to approve the resolution. Mr. Larsen seconded the motion. The resolution was unanimously approved with one abstention from Ms. Bascomb-Green due to a conflict of interest as her employer is the fiscal agent.

**Action Item:
Resolution No. 22-
74, Ovation @
Paine Field, OID #
19-114A**

Ms. Vatske stated that this is a resolution approving the issuance one or more series of tax-exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, new construction and equipping of a 222-unit multifamily housing facility located at 12121 Hwy 99, Everett, WA 98204, to be owned by Heritage at Paine Field, LLC, a Washington limited liability company. 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 \$50,000,000. The public hearing was held August 25, 2022. A bank commitment letter of \$38,000,000 was issued by Citibank, of which \$4,500,000 will be using recycled bond cap.

Mr. Larsen moved to approve the resolution. Ms. Lawrence seconded the motion. The resolution was unanimously approved with one abstention from Ms. Bascomb-Green due to a conflict of interest as her employer is the bond trustee.

**Action Item:
Resolution No. 22-
75, Samma Senior
Apartments, OID #
21-82A**

Ms. Vatske stated that 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 for the new construction and equipping of a 76-unit multifamily housing facility located at 17910 Bothell Way NE, Bothell, WA 98011, to be owned by Samma Senior Apartments LLC, a Washington limited liability company. 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

\$18,000,000. The public hearing was held July 28, 2022. A bank commitment letter for \$17,000,000 was issued by JP Morgan Chase Bank.

Mr. Larsen moved to approve the resolution. Ms. Lawrence seconded the motion. The resolution was unanimously approved with one abstention from Ms. Bascomb-Green due to a conflict of interest as her employer is the bond trustee.

**Action Item:
Resolution No. 22-
78, Mirabella
Refunding, OID #
06-87A**

Ms. Vatske stated that this is a resolution approving the issuance and delivery of one or more series of bonds to refinance a taxable loan, proceeds of which defeased prior tax-exempt bonds of the Commission, pursuant to a forward delivery agreement previously approved by the Commission in Resolution No. 21-56. The maximum principal amount is not expected to exceed \$79,050,000. A bank commitment letter of \$72,115,000 was issued by Washington Federal Bank.

Mr. Larsen moved to approve the resolution. Ms. Topper seconded the motion. The resolution was unanimously approved with one abstention from Ms. Bascomb-Green due to a conflict of interest as her employer is the bond trustee.

**Action Item:
Approval of
Selection of Master
Servicer**

Lisa DeBrock, Director of Homeownership Division, said that as the current terms of the Commission's master servicers, Idaho Housing and Finance Association (IHFA) and Lakeview Loan Servicing, expire at the end of the calendar year. RFPs were sent out on August 3, 2022 to all participating lenders and partners and were posted on the Commission's website and the state's Electronic Business Solutions website. Proposals were reviewed and three entities were invited for interviews: U.S. Bank, IHFA and Lakeview Loan Servicing. The interviews took place on September 20, 2022 and the interview panel consisted of herself, Mike Awadis from Hilltop Securities, Faith Pettis, legal counsel from Pacifica Law Group, and Commission staff: Steve Walker, Bob Peterson, Fenice Taylor, Lucas Loranger, and Corinna Obar.

Ms. DeBrock complimented and commended all three firms that interviewed. The RFP process looked at each firm's business models, program overlays, experience with TBA and bond loans, reputation in the industry for purchase

times, customer service for both lenders and borrowers, the servicer's references, and the particular bids themselves.

After careful consideration, it was decided and to request board approval for the Executive Director to negotiate and execute contracts to retain **both** Idaho Housing & Finance Association (using a participation model) and Lakeview Loan Servicing (using a traditional master servicer model) as Master Servicers. Ms. DeBrock stated that having two master servicers gives the Commission choices about where to send its loans, and to negotiate based on pricing for one or both servicers.

Ms. DeBrock noted that Lakeview Loan Servicing was selected as Master Servicer for Home Advantage loans in May, 2016 and reservations commenced later that year. Also, IHFA was selected as the Commission's 2nd Master Servicer in January, 2018. IHFA's servicer model allows the Commission to have an ownership stake in these loans – the Commission pays the lenders, provides the liquidity for the loans, and share the risk if the loans foreclosure. Instead receiving income up front, the Commission shares in the portion of servicing payments, and makes money during the life of the loans and through providing warehousing liquidity.

Ms. DeBrock stated that IHFA had initially taken on the Commission's entire portfolio of conventional Home Advantage Loans, but due to the pandemic, the Commission allowed IHFA to take on part of the governmental Home Advantage loans as well. She added that going forward, the Commission has not yet determined how to split up the portfolio of loans between the two servicers, because of pricing considerations. She mentioned that both servicers (IHFA & Lakeview) do a great job serving underserved communities and communities of color through their internal and external initiatives. Also the Commission has been pleased with the business relationship with both agencies so far, and the staff from both agencies have been a pleasure to work with.

Ms. DeBrock was concerned with generating an acceptable rate, especially with Lakeview's current pricing model. She stated that the Commission may or may

not mutually agree with Lakeview’s pricing and would direct these loans to be temporarily or permanently serviced by IHFA until the pricing by Lakeview improves and a mutual agreement is reached.

Ms. DeBrock summarized that this motion would authorize the Executive Director to negotiate and execute a contract with one, or both servicers (IHFA and/or Lakeview) to service the Commission’s single-family loan portfolio. She added that this provides a safety net to the Commission, in case either entity is unable to agree on acceptable pricing or the terms of the contract.

Ms. DeBrock assured Commissioners that she would keep them updated with the status of the negotiations and the execution(s) of the contracts.

Ms. Bascomb-Green moved to authorize the Executive Director to negotiate and execute one or both contracts for Idaho Housing and Finance Association and/or Lakeview Loan Servicing to serve as the Commission’s Master Servicer(s) based on pricing and ability to agree to the terms of the contract(s) and the Commission’s needs. Mr. Larsen seconded the motion. The motion was approved unanimously.

Mr. Steve Walker gave a report on behalf of Ms. Klontz from the Department of Commerce (“Commerce”) as follows:

Multifamily Housing Unit

Inflationary costs have driven project gaps and postponed closings on more than 20 projects. Commerce has coordinated with the Commission and local funders and provided an additional \$15 million in gap funding to advance these projects.

Commerce received applications for over five times the available funds during the Traditional Application Cycle. Sixty-three projects requested \$270M for a variety of projects statewide.

Informational Report on Department of Commerce Activities

Due to funding impacts on previously funded projects, Commerce will likely not conduct a separate application round to align with WSHFC's 4% LIHTC round. Implications to the Commission will be that there will need to be other public support for the public support eligibility. Since most 4% LIHTC projects are in King County or other Metro areas, this is an essential step to balance pipeline considerations.

Homeownership Unit

The Homeownership Disparities Work Group Report is expected to be published by the end of September.

Growth Management Services (GMS)

GMS released the Multi-Family Tax Exemption (MFTE) program guide which is posted on their website. Next up, the GMS team is working on a Legislative report.

GMS also just released guidance on how to address racially disparate impacts, exclusion in housing and displacement risk. Also, GMS is soliciting comments on the draft Racially Disparate Impacts Guidance through Oct. 19, 2022.

Affordable Housing Advisory Board (AHAB) – Condominium Conversion Study

The Affordable Housing Advisory Board (AHAB) and consultants ECONorthwest and BDS Planning launched a research study to review issues associated with the condominium conversions pursuant to ESSB 5758 (2022 Legislative session).

AHAB must seek input from stakeholders with expertise in the condominium conversion process and tenant relocation programs and assistance. This feedback will inform a report to the Legislature.

**Executive
Director's Report**

Mr. Walker, with additional commentary from Ms. Vatske, stated “the big news” - the Charles L. Edson Award was awarded to not just one, but *two*, Washington state low-income housing tax credit projects! The Affordable Housing Tax Credit Coalition holds an annual event and award program for tax credit projects held in Washington, DC. Lisa Vatske represented the Commission at the event. There were 80 nominations and Catholic Charities Housing Services of Yakima and Office of Rural Farmworker Housing won in the rural category for their farmworker project in Tieton. Also the Ridpath Club Apartments in downtown Spokane won in the Historic Preservation category.

The high point of the awards and full-day conference was that U.S. Senator Maria Cantwell appeared in-person, made some wonderful remarks and presented the awards. Charles L. Edson was present as well; the awards are named for him as he has been a long-time affordable housing luminary originally appointed to HUD in the Carter administration, with over 40 years in the industry.

Senator Todd Young of Indiana, the co-sponsor with Senator Cantwell of the Affordable Housing Improvement Act (AHIA), also made remarks and presented an award, again stating his commitment to moving this legislation forward in whatever vehicle they could attach it to.

In addition to the awards, there was timely information regarding the impacts on housing of the newly passed Inflation Reduction Act, equity pricing, and the potential impact of the mid-term elections.

Multifamily Housing & Community Facilities (MHCF):

MHCF received pre-approval requests for nine projects looking to apply in November. There are nine TDC limit waiver requests, one state designated basis boost request, one Maximum Credit Per Project Limit waiver request, and one Maximum Credit Per Sponsor Limit waiver request. Requests have come from all over the state, with three of them in the Seattle/King pool, three out of the five counties in the Metro pool and three from Non-Metro/balance of state. Work on

the 9% online application portal is ongoing and the portal will hopefully be ready for the November application round.

A stakeholder meeting with approximately 70 participants took place on Sept 1st. Based on the comments from that meeting, we are not proposing to make any policy changes for 2023. We do still intend to make some language and process modifications but will table the one policy change we were considering around broadband, so that we can better understand the infrastructure improvements that are developing in federal bills.

Homeownership:

After the Homeownership Assistance Fund (HAF) Financial Assistance Program launch at the beginning of July, August and September continue to demonstrate that it was a successful launch.

As of early September 2022, there have been over 400 applications. Of those, 46 grants have been funded totaling nearly \$1 million dollars in grant assistance. For the same period there are over 30 pending applications with funding reserved totaling over \$2.3 million.

Through our vendor, HOTB, we continue to create the relationships with servicers necessary for program success. Reports from our counseling and civil legal aid partners are positive and they continue to be excited about this program and how it can work well in the overall default counseling support programs offered to homeowners.

This early program success has also provided us the opportunity to fine-tune the program based upon feedback received from our counseling networks, as well as others that can benefit from the program. To that end, at the beginning of September we made a program adjustment to allow homeowners that directly apply to the \$15,000 Program to transfer into the \$60,000 program if it is determined that they need more than \$15,000 in assistance. A special thank you to Commissioner Topper for helping us clarify this need.

12 September 22, 2022

Outreach to underserved communities regarding the HAF Program began in August. Advertising in social media, along with local publications and radio stations, has shown results by the increase in traffic to our HAF Program landing site (WashingtonHAF.org).

The Commission was awarded \$200,000 in HUD SuperNOFA funding to support the services performed by our housing counselors.

In August, we had \$109 million in new reservations assisting 305 households.

Asset Management & Compliance (AMC):

The entire AMC team went through a three-hour Fair Housing training. AMC will actively engage East-side and West-side Fair Housing agencies to help us educate and mentor property managers and owners on Fair Housing issues and compliance.

A team of Portfolio analysts delivered September's four day Fundamentals training to 71 property managers and other staff of our housing partners across the state. These trainings are presented via Zoom and require three portfolio analysts each day contributing upwards of 48 staff hours for the week. The workshop could not happen without Patricia Williams assisting with Zoom meeting set-up, managing the Eventbrite registration process, providing students with a survey to track our progress, and sending Commission swag to the lucky winners of Prize Patrol.

Duane Bakke added new Fair Housing and RJET-related polls and survey questions to the compliance workshop presentation. Results from those polls and questions will be shared soon.

Sarah Watson and Shawna Higgins created two new training videos which were posted to the Commission's YouTube page last week to help keep our properties in compliance and avoid those pesky 8823s (a report to the IRS for non-compliance); one video addresses Calculating Anticipated Pay Increases Best

Practices, and one is on how to count Child Support. Both training videos will be very helpful to property managers & compliance staff.

Erik Giesen created a Google Maps tool for tax-credit properties that will be posted to our Resources page to show where all our properties are and provide contact info. This will make it easier for potential residents to locate and contact our properties.

Racial Justice & Equity Team (RJET):

AMC is also working on its Racial Equity goal of evaluating our forms for English proficiency levels and removing barriers for BIPOC & non-English speaking applicants and residents by revising and translating various forms and paperwork. This is part of the division shifting our focus to considering and treating residents as stakeholders. We will be collecting data, polling property managers, and hopefully learning directly from residents about their challenges and then finding ways to address those challenges.

BIPOC Internship Program:

AMC will be participating in this year's HDC BIPOC internship program. In tandem with MHCF we hired two interns. Zubda Hameed is AMC's hire, and she will be analyzing our resident data and much more.

Finance:

The Commission's 2022 Series 1 mortgage revenue bond deal closed smoothly on September 20, 2022. In conjunction with the bond transaction, the Commission will invest the available bond proceeds in a guaranteed investment contract that will offer a higher investment return (3.93%) than the cost of our funds (3.70% bond yield).

Diversity, Equity, & Inclusion (DEI):

Each division as well as our management team gathered to develop a set of principles to ensure a safe environment for communications in all our respective meetings: Safe Space Principles. This work was designed and aided by our Equity Consultants, Alma and Gayle.

We continue to collaborate with our consultant, Dr. Carmen Phelps and are making good progress. On October 11th, all staff are scheduled to hear and discuss the results of the full racial equity assessment and accompanying racial equity strategic priority recommendations. These results and recommendations are the product of individual interviews with Commissioners, agency leadership and staff focus groups. It includes a review of numerous agency materials and an anonymous racial equity survey.

Other information:

Lisa DeBrock, Fenice Taylor, Lucas Loranger and Mr. Walker plan to visit with our financing partners Hilltop Securities and cfX in New York to keep up to date on the latest industry housing finance trends and to learn about financing strategies that may strengthen our housing finance programs and enhance the Commission's performance.

Lisa Vatske and Mr. Walker have been asked to present at the Senate Local Government and Housing Committee Work Session at the Legislature on October 19th. This is an excellent opportunity to educate members on the work of the Commission as well as on both single- and multi-family challenges and opportunities going into the legislative session.

The NCSHA Annual Conference and Showplace is taking place in Houston, TX October 22 – 25. Even though the early bird rate had ended, there is still time to register. Contact Tera Ahlborn if board members are interested in attending.

Mr. Walker participated in the following: Sound Communities Steering Committee; CSH Health & Home Initiative; WCRA Board of Directors Meeting; and the Microsoft Monthly Meeting; SB 5758 – Condominium Conversion

Committee.

Last, Mr. Walker reminded all Commissioners that there will be a 2-hour long Work Session from 10 a.m. to 12 p.m. at next month's Commission Meeting on Thursday, November 17. He encouraged all Commissioners to attend this meeting in-person if at all possible. Also, in the coming months, he will reach out to each Commissioner to obtain feedback on the current hybrid meeting format – what works and what can be improved.

Commissioners' Reports

Ms. Topper mentioned that earlier in the morning, the Commission's Audit Committee met, and was introduced to the new financial auditors from Eide Bailly. Eide will start their work on Monday, September 26. She noted that the financial statements were reviewed and were in order. She also noted that the Home Advantage program revenues have slowed down, and are below budget, but that revenue has picked up based on the Commission's master servicer agreement. She encouraged Commissioners to carefully look over the financial statements and direct any questions/concerns to Lucas Loranger, or Fenice Taylor, or to herself.

Consent Agenda

The consent agenda was approved as distributed.

Public Comment

Mr. David Eddy, a prospective first-time homebuyer, asked the Homeownership Division to please extend the Certificate of Completion date on all first-time homebuyers education certificates to allow more time to find houses that are affordable, given recent COVID restrictions, and rising house prices, rising interest rates and rising demand. He mentioned that he was in touch with Corinna Obar from the Homeownership Division, who had granted him a two month extension.

Adjournment

The meeting was adjourned at 2:10 p.m.

Signature



NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing for the purpose of considering the issuance by the Commission of one or more series of tax-exempt revenue bonds (the “Bonds”) to refinance the construction and equipping of additions to an existing continuing care retirement community (the “Project”), owned and to be operated by Franke Tobey Jones, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held starting at 1:00 p.m., Thursday, October 27, 2022, in the 28th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104–3601.

Pursuant to RCW 42.30.030(2), which encourage public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

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

**Webinar/Meeting ID: 838 9405 8797
Passcode: 236815**

Participants who wish to participate telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247.

The Bonds will be issued pursuant to the Revised Code of Washington, Chapter 43.180, for the purposes of financing and refinancing nonprofit facilities under Section 145 of the Code.

The proceeds of the Bonds will be used to provide financing for the following Project:

Project:	Franke Tobey Jones
Project Address:	5340 North Bristol Street Tacoma, WA 98407
Total Estimated Project Cost:	\$30,000,000
Estimated Maximum Bond Amount:	\$30,000,000

Proceeds of the Bonds will be used to refund tax-exempt bonds of the Commission previously issued to finance a portion of (i) the construction and equipping of a new facility containing 43 skilled nursing beds and 28 memory care units, and (ii) the construction and equipping of a 16-unit independent living community plus one duplex for a total of 18 independent living units in an existing continuing care retirement community (the “Project”), to refinance a taxable loan issued to pay a portion of the costs of the Project, and to pay all or a portion of the costs of issuing the Bonds.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Project and the proposed Bonds may be mailed or faxed to the attention of Dan Schilling, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-1046 or to (206) 587–5113, for receipt no later than 5 p.m. on Wednesday, October 26, 2022. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax–exempt bonds. Testimony and

written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the Project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Nonprofit Housing Program

Project Name	Franke Tobey Jones Series 2022 Bonds
Developer	Franke Tobey Jones Retirement Estates
Description	<p>This will be the Commission’s third bond issue for Franke Tobey Jones. In 2003 our bond issue provided funding for the largest-scale building project in Franke Tobey Jones’ history. Simultaneously, the campus gained a 6,000 square foot Wellness Center, a 31-unit condo-style apartment building and a renovation and expansion to both the Health Care Center and “Our Place,” the Alzheimer’s and dementia care unit.</p> <p>In 2017, the Commission issued a bond to fund Phase I of a campus expansion that started with the building of a new Healthcare Center (skilled nursing) and memory care building. Also, Phase I consisted of a 16-unit independent living apartment building and one more duplex.</p> <p>This bond issue will refinance the existing Frank Tobey Jones’ debt. Allowing it to save significant annual debt service that will be used in furtherance of its mission.</p>
Location	5340 North Bristol Tacoma, WA 98407-2204
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	Refinancing of an existing nonprofit facility
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$30,000,000
Bond Structure	Private Placement
Lender	Truist Bank

Action

Public Hearing for OID # 22-80A

Anticipated Closing Date

December 2022

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing for the purpose of considering the issuance by the Commission of one or more series of tax-exempt revenue bonds (the “Bonds”) to finance the rehabilitation of an existing nonprofit senior housing facility owned by Horizon House, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The public hearing will be held starting at 1:00 p.m., Thursday, October 27, 2022 in the 28th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104–3601.

Pursuant to RCW 42.30.030(2), which encourage public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

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

**Webinar/Meeting ID: 838 9405 8797
Passcode: 236815**

Participants who wish to participate telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247.

The Bonds will be issued pursuant to the Revised Code of Washington, Chapter 43.180 and the Code. The proceeds of the Bonds will be used to provide financing for the following project:

Project:	Horizon House
Project Address:	900 University Street Seattle, WA 98101
Total Estimated Project Cost:	\$50,000,000
Estimated Maximum Note Amount:	\$50,000,000

Proceeds of the Bonds will be used for the rehabilitation of the existing nonprofit senior housing facility, and to pay all or a portion of the costs of issuing the Bonds.

Written comments with respect to the Project and the proposed Bonds may be mailed or faxed to the attention of Dan Schilling, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-1046 or to (206) 587–5113, for receipt no later than 5 p.m. on Wednesday, October 26, 2022. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax–exempt bonds. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing.

Nonprofit Housing Program

Project Name	Horizon House
Developer	Horizon House
Description	<p>The Commission's partnership with Horizon House stretches back to 1990 when we issued our first bond issue for them. Since then, we have financed them three additional times to pay for expansions, renovations and financings to take advantage of lower interest rates.</p> <p>Horizon House is a continuing care retirement community established in 1961 and located in the First Hill neighborhood of downtown Seattle. Horizon House has offered senior living near downtown Seattle for over 60 years. The facility includes 378 independent living apartment units, 230 of which are 2-bedroom units hitting a much needed and important segment of the senior living community in Seattle.</p>
Location	900 University Street Seattle, WA 98101-2797
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	Rehabilitation of the existing nonprofit senior housing facility
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$50,000,000
Bond Structure	Private Placement
Lender	Truist Bank
Placement Agent	Ziegler
Action	Public Hearing for OID # 22-79A
Anticipated Closing Date	December 2022

Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5 p.m. on Wednesday, October 26, 2022. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the MHCF division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Multifamily Housing Program

Project Name	Englewood Gardens	
Developer	Shelter Resources, Inc.	
Description	<p>Englewood Garden Villas is an expired senior Low Income Housing Tax Credit property located in Yakima. The Property was originally built in 1990/1991 and was restricted under a 30-year LIHTC Regulatory Agreement that expired December 31, 2021, putting the current 257 senior residents at risk of displacement.</p> <p>This bond issue will allow Shelter Resources to acquire and rehabilitate the property, increasing its livability for the residents and extend the affordability an additional 40 years.</p>	
Location	3601 Fairbanks Avenue Yakima, WA 98902	
Project Type	Acquisition/Rehabilitation	
Units	One Bedroom	257
	Total	257
Housing Tax Credits	Yes	
Income Set-Aside	100% at 60% AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Cost Efficient Development	10
	Commitments for Priority Populations	2
	Community Engagement Process	1
	Donation in Support of Local Nonprofit Programs	2
	Energy Efficiency, Healthy Living, & Renewable Energy – Rehab	14
	Rehab of Major Systems	20
	Total Points	49
Estimated Tax-Exempt Note Amount (Not to exceed)	\$25,000,000	
Bond Structure	Private Placement	

Lender

Lument

Development Budget

Acquisition Costs	\$26,123,700
Construction	\$14,006,290
Soft Costs	\$6,938,668
Financing Costs	\$2,500,266
Capitalized Reserves	\$1,104,586
Other Development Costs	\$535,903
Total Development Costs	\$51,209,413

Permanent Sources

Agency Forward Loan	\$24,660,000
Housing Trust Fund	\$3,000,000
Deferred Developer Fee	\$4,522,683
NOI During Construction	\$1,867,791
Tax Credit Equity at \$0.92 per credit x 10 years	\$17,158,939
Total Permanent Sources	\$51,209,413

Total Development Cost Limit

Project's Total Development Cost Limit	\$94,547,600
Total Development Cost (minus land and reserves)	\$49,582,353
Waiver	Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$ 885	\$706

Action

Public Hearing for OID # 20-91A

Anticipated Closing Date

November 2022



OFFICE OF THE CITY MANAGER

129 North Second Street

City Hall, Yakima, Washington 98901

Phone (509) 575-6040

October 17, 2022

Lisa Vatske, Director, Multifamily Housing and Community Facilities Division

Lisa.vatske@wshfc.org

1000 Second Avenue, Suite 2700

Seattle, WA 98104-3601

Subject: Englewood Gardens Project, City of Yakima WA
Public Hearing by WSHFC on October 27, 2022

Dear Director Vatske,

Please convey to the Washington State Housing Finance Commission that the proposed project for the renovation of the Englewood Gardens development at 3601 Fairbanks Avenue within the City of Yakima, Washington is a significant benefit to the people of Yakima. As we work to address the crisis of affordable housing in our community, this project directly assists in the preservation and upgrade of 256 existing housing units and specifically sets aside a percentage of those units for household with low incomes.

This project complies with all zoning, land use, environmental and building codes within the City of Yakima and we are actively working with the property representatives to ensure necessary permits are issued in an expedient manner.

Thank you again for the opportunity to offer our support for this project and the requested funding from the Washington State Housing Finance Commission.

Sincerely,

Bob Harrison
City Manager

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt revenue obligations (the "Notes") to finance a portion of the costs for the acquisition, construction and equipping of a new multifamily housing facility in Bellingham, Washington, to be owned by MHNW 22 Millworks Family LLLP, a Washington limited liability limited partnership. The public hearing will be held starting at 1:00 p.m., Thursday, October 27, 2022 in the 28th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

Pursuant to RCW 42.30.030(2), which encourage public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

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

**Webinar/Meeting ID: 838 9405 8797
Passcode: 236815**

Participants who wish to participate telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247.

The Notes will be issued pursuant to Chapter 43.180 Revised Code of Washington for the purpose of financing a qualified residential rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”).

The proceeds of the Notes will be used to provide financing for the following project:

Project:	Millworks Family Housing
Project Address:	100 W. Laurel Street Bellingham, WA 98225
Total Estimated Project Cost:	\$33,500,000
Estimated Maximum Note Amount:	\$23,500,000

Proceeds of the Notes will be used to provide a portion of the financing for the acquisition, construction and equipping of an 83-unit multifamily housing facility in Bellingham, WA, and to pay a portion of the costs of issuing the Notes. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the proposed Project and the proposed Notes may be mailed or faxed to the attention of Jason Hennigan, WSHFC, MHCFC Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, October 26, 2022. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written

comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the MHCF division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Multifamily Housing Program

Project Name	Millworks Family Housing								
Developer	Mercy Housing Northwest								
Description	<p>Millworks Family Housing is a proposed 83-unit family housing project at the downtown Bellingham waterfront serving households earning 30%, 50%, and 60% AMI, developed by Mercy Housing Northwest (MHNW). Ten percent of the units will also be set aside for homeless families. The project concept has been developed in partnership with local Bellingham organization the Whatcom Community Foundation and the Port of Bellingham.</p> <p>The development includes a 6-classroom ground floor Early Learning Center, with affordable childcare operated by the Whatcom Family YMCA. The ELC component of the development was the recipient of a direct appropriation from the Legislature. The project, centrally located at the Bellingham waterfront, is a brownfield site that has been selected by the WA State Department of Ecology Healthy Housing program, with \$2.6 million in clean up funds allocated in the 2021-2023 capital budget.</p> <p>The housing project will further leverage philanthropic funds of \$2.5 million and a below market purchase price from the Port of Bellingham. These partnerships enable MHNW to bring affordable housing, including deeply affordable units, to the redeveloping Bellingham waterfront.</p>								
Location	100 W. Laurel Street Bellingham, WA 98225								
Project Type	New Construction								
Units	<table><tr><td>One Bedroom</td><td>36</td></tr><tr><td>Two Bedroom</td><td>30</td></tr><tr><td>Three Bedroom</td><td>17</td></tr><tr><td>Total</td><td>83</td></tr></table>	One Bedroom	36	Two Bedroom	30	Three Bedroom	17	Total	83
One Bedroom	36								
Two Bedroom	30								
Three Bedroom	17								
Total	83								
Housing Tax Credits	Yes								

Income Set-Aside	100% at 60% AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Cost Efficient Development	4
	Commitments for Priority Populations	2
	Overcoming Systemic Barriers	5
	CBO Inclusion	5
	Community Engagement Process	2
	Application of Community Engagement	3
	Donation in Support of Local Nonprofit Programs	2
	Property Type	3
	Energy Efficiency, Healthy Living, & Renewable Energy – New Construction	10
	Total Points	36
Estimated Tax-Exempt Note Amount (Not to exceed)	\$23,500,000	
Note Structure	Private Placement	
Construction Lender	Capital One	
Permanent Lender	CitiBank	
Development Budget		
Acquisition Costs		\$1,314,510
Construction		\$25,091,658
Soft Costs		\$3,845,111
Financing Costs		\$2,127,911
Capitalized Reserves		\$485,994
Other Development Costs		\$658,988
Total Development Costs		\$33,524,171
Permanent Sources		
City of Bellingham - Residential		\$3,494,189
State HTF - Residential		\$5,400,000
Deferred Developer Fee		\$532,684
Perm Loan - Residential		\$4,750,000
WCF Contribution - Residential		\$2,500,000
Tax Credit Equity at \$0.9400 per credit x 10 years		\$15,674,298
Total Permanent Sources		\$33,524,171
Total Development Cost Limit		
Project's Total Development Cost Limit		\$33,208,100

Total Development Cost (minus land and reserves)	\$31,737,417
Waiver	Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$1,150	\$484 - \$994
Two Bedroom	\$1,400	\$578 - \$1,191
Three Bedroom	\$1,600	\$659 - \$1,366

Action Public Hearing for OID #22-39A

Anticipated Closing Date December 2022



The Washington State
HOUSING FINANCE COMMISSION

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing on Thursday, October 27, 2022, at 1:00 p.m., in the 28th Floor Board Room of the Commission’s offices at 1000 2nd Avenue, Seattle, Washington 98104 for the purpose of considering the allocation by the Commission of federal low-income housing tax credits (the “Credits”) to sponsor multifamily residential projects. The project to be considered for an allocation of Credits is:

TC #	Project Name	City	County	Annual Tax Credit Amount
22-09	Laurel and Forest	Bellingham	Whatcom	\$1,684,564
22-23	Colville Family Haven	Colville	Stevens	\$1,821,481
22-24	Martin Way Phase 2	Olympia	Thurston	\$1,891,320

Pursuant to RCW 42.30.030(2), which encourages public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

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Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at 206.464.7139 or 1.800.767.HOME (in state) at least *48 hours* in advance of the hearing.

The Credits will be allocated pursuant to the authority of the Commission under Chapter 43. 180 RCW as amended, Executive Order 94-05, dated April 2, 1994, and the Internal Revenue Code of 1986, as amended. As a condition of receiving an allocation of tax credits and under a competitive process, the developers commit to serving very low and extremely low income and special needs populations for up to 40 years.

Written comments with respect to the proposed projects and allocation of Credits may be emailed to lisa.vatske@wshfc.org, mailed or faxed to the Washington State Housing Finance Commission (Attention: Lisa Vatske, MHCF Division Director, 1000 Second Avenue, Suite 2700, Seattle, Washington, 98104-3601; fax number 206.587.5113) for receipt no later than *5:00 p.m.* on *October 27, 2022*. The public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the projects will receive Credits; however, the Commission will not consider testimony and written comments regarding land use, zoning, and environmental regulation, which should be directed to the local jurisdictions that are authorized to consider these matters when issuing building permits for the project.

9% Competitive Housing Tax Credit Program

Project Name	Laurel and Forest	
Sponsor	Opportunity Council	
Description	<p>This project consists of 56 senior apartments on top of an onsite childcare center. The belief is that offering intergenerational interactions can be a positive thing for the community and may also help to prevent social isolation. The center will also provide volunteer opportunities for any interested seniors. Physically, the project will focus on providing accessibility and allowing aging in place. The design of these spaces is senior appropriate, including brighter lighting, solid color flooring, handrails and sitting areas to help prevent falls and to prevent tripping. All doorways will be wide enough to permit someone in a wheelchair or walker to enter, the bathrooms will use grab bars and blocking will be installed elsewhere if a resident's needs are different.</p>	
Location	1010 and 1000 N. Forest Bellingham, WA 98225	
Credit Pool	Metro	
Project Type	New Construction without Federal Subsidies	
	One Bedroom	56
	Total	56
Income Set-Asides	<p>50% of units at 50% AMI 50% of units at 30% AMI</p>	
Scoring	Additional Low-Income Housing Set-Aside	60
	Additional Low-Income Use Period (22 Years)	44
	Housing Commitments for Priority Populations	20
	Leveraging	10
	Public Funding	2
	Project-Based Rental Assistance (PBRA)	0
	Developer Fees	10
	Location Efficient Project	2

Area Targeted by a Local Jurisdiction	2
Nonprofit Sponsor	5
Donation in Support of Local Housing Needs	5
Energy Consumption Model	2
Total Points	162

Credit Request **\$1,684,564**

Development Budget

Acquisition Costs	\$32,015
Construction	\$20,722,203
Soft Costs	\$3,054,759
Financing Costs	\$1,087,501
Capitalized Reserves	\$254,350
Other Development Costs	\$539,640
Total Development Costs	\$25,690,468

Permanent Sources

HTF	\$5,485,532
City of Bellingham	\$2,000,000
Whatcom County ARPA	\$3,000,000
County EDI	\$43,860
Tax Credit Equity at \$0.9000 per credit x 10 years	\$15,161,076
Total Sources	\$25,690,468

Total Development Cost Limit

Project's Total Development Cost Limit	\$25,032,280
TDC less Land, Offsite Infrastructure, and Reserves	\$25,351,103
Waiver	Not requested

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$1,395	\$456 - \$760

9% Competitive Housing Tax Credit Program

Project Name	Colville Family Haven	
Sponsor	Catholic Housing Services of Eastern Washington	
Description	<p>Catholic Housing Services of Eastern Washington has committed to setting 50% of the project's units aside for individuals and families experiencing homelessness, with special consideration given to families with children. Two and 3-bedroom units comprise over half of the 30% AMI units in the project. Additionally, the project is near a city-owned recreation area accessible via the Colville Mountain Loop Trail, which is an appropriate trail for children of all ages.</p> <p>Residents will have access to counseling services that are able to provide on-site mental health and substance use counselors and transportation assistance. The onsite service staff will assist with care coordination, assistance in maintaining housing and building housing skills, assistance in increasing income through employment or benefits, access to services with an emphasis on addressing social determinants of health and connect residents with support for daily functions of living and to mainstream resources.</p>	
Location	NKA Buena Vista Drive Colville, WA 99114	
Credit Pool	Non-Metro	
Project Type	New Construction without Federal Subsidies	
Low-Income Housing Units	One Bedroom	24
	Two Bedroom	34
	Three Bedroom	12
	Total	70
Income Set-Asides	<p>10% of units at 40% AMI 50% of units at 30% AMI</p>	
Scoring	Additional Low-Income Housing Set-Aside	60
	Additional Low-Income Use Period (22 Years)	44

Housing Commitments for Priority Populations	35
Leveraging	10
Public Funding	2
Project-Based Rental Assistance (PBRA)	4
Developer Fees	10
Location Efficient Project	2
Located near a Job Center	1
Nonprofit Sponsor	5
Donation in Support of Local Housing Needs	5
Energy Consumption Model	2
Cost Containment Incentive	7
Total Points	187

Credit Request **\$1,821,481**

Development Budget

Acquisition Costs	\$187,501
Construction	\$17,350,091
Soft Costs	\$2,531,838
Financing Costs	\$737,022
Capitalized Reserves	\$259,377
Other Development Costs	\$327,500
Total Development Costs	\$21,393,329

Permanent Sources

Housing Trust Fund	\$5,000,000
Tax Credit Equity at \$0.9000 per credit x 10 years	\$16,393,329
Total Sources	\$21,393,329

Total Development Cost Limit

Project's Total Development Cost Limit	\$28,214,100
TDC less Land, Offsite Infrastructure, and Reserves	\$20,953,951
Waiver	Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$725	\$397-\$650
Two Bedroom	\$975	\$477-\$875
Three Bedroom	\$1,100	\$550-\$950

9% Competitive Housing Tax Credit Program

Project Name	Martin Way Phase 2	
Sponsor	Low Income Housing Institute (LIHI)	
Description	<p>Martin Way Phase 2 will complete the development’s potential of the site for the City of Olympia’s goal of providing more affordable housing on the east side of Olympia. Martin Way Phase 1, which is complete, included a new, 60-bed, enhanced homeless shelter on the ground floor of the building operated by Interfaith Works and 65 permanent supportive housing units on the four stories above owned and operated by LIHI.</p> <p>In addition to housing, the project provides the following public benefits: (1) culturally competent on-site case management services to homeless and low-income senior residents; (2) activities/programming and events on-site for senior residents and community members; (3) vacant existing building on-site and vacant lot area redeveloped into a productive use; and (4) additional full-time resident consumers brought into the Martin Way commercial corridor.</p>	
Location	2828 Martin Way E Olympia, WA 98506	
Credit Pool	Non-Metro	
Project Type	New Construction without Federal Subsidies	
Low-Income Housing Units	Studio	40
	One Bedroom	24
	Total	64
Income Set-Asides	50% of units at 50% AMI 50% of units at 30% AMI	
Scoring	Additional Low-Income Housing Set-Aside	60
	Additional Low-Income Use Period (22 Years)	44
	Housing Commitments for Priority Populations	35
	Leveraging	10
	Public Funding	2

Project-Based Rental Assistance (PBRA)	4
Developer Fees	10
Location Efficient Project	2
Located near a Job Center	1
Nonprofit Sponsor	5
Donation in Support of Local Housing Needs	5
Energy Consumption Model	2
Total Points	180

Credit Request **\$1,891,320**

Development Budget

Acquisition Costs	\$10,000
Construction	\$19,506,082
Soft Costs	\$3,324,403
Financing Costs	\$992,500
Capitalized Reserves	\$272,400
Other Development Costs	\$1,181,874
Total Development Costs	\$25,287,259

Permanent Sources

State HTF	\$4,500,000
City of Olympia	\$850,000
Thurston County	\$2,043,643
FHLB Des Moines	\$750,000
Deferred Fee	\$500,000
Tax Credit Equity at \$0.8800 per credit x 10 years	\$16,643,616
Total Sources	\$25,287,259

Total Development Cost Limit

Project's Total Development Cost Limit	\$23,792,800
TDC less Land, Offsite Infrastructure, and Reserves	\$23,736,239
Waiver	Not Required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$1,190	\$384-\$700
One Bedroom	\$1,350	\$846

**WASHINGTON STATE HOUSING FINANCE COMMISSION
RESOLUTION NO. 22-81**

**A RESOLUTION of the Washington State Housing Finance Commission
authorizing the Executive Director to make reservations and/or
allocations of 2022 federal low-income housing tax credits.**

WHEREAS, Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), authorizes tax credits for the construction, acquisition or rehabilitation of residential rental projects meeting the requirements of the Code, including the set-aside of rental units for low-income tenants; and

WHEREAS, the Code authorizes the housing credit agency of a state to allocate the limited amount of federal low-income housing tax credits (the "Credit") available for projects within the state among such projects; and

WHEREAS, by Executive Order No. 94-05, the Governor of the State of Washington has designated the Washington State Housing Finance Commission (the "Commission") as the housing credit agency of Washington for the purposes of allocating Credit and has authorized the Commission to allocate such Credit in accordance with the terms and conditions of such Executive Order; and

WHEREAS, in order to provide decent, safe and affordable housing, the Commission is authorized pursuant to RCW 43.180.050(d) to participate fully in federal programs and to take such actions as are necessary and consistent with RCW 43.180.010 et seq. to secure to itself and the people of the State of Washington the benefits of those programs; and

WHEREAS, the Commission has approved a Qualified Allocation Plan (the "Allocation Plan") for the allocation of Credit, the Allocation Plan has been approved by the Governor in accordance with WAC 262-01-120; the Commission has approved rules (WAC 262-01-130) for the administration of the tax credit program (the "Rules"); and the Commission has issued policy statements advising the public about the Commission's current opinions, approaches, and likely courses of action in implementing the tax credit program (the "Policies"); and

WHEREAS, the Commission has received applications from developers of residential projects for consideration in the Commission's 2022 allocation program (the "Program"); and

WHEREAS, staff has reviewed the application(s) for the project(s) listed below in accordance with the Allocation Plan, the Rules and the Policies and has presented a recommendation to the Commission for the allocation of Credit to selected projects; and

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

Section 1. The Commission authorizes the Executive Director to reserve and/or allocate 2022 Credit in the anticipated amount, to the project or projects listed below, subject to the conditions set forth below. The Commission authorizes the Executive Director to take such actions as are necessary to make such reservations and/or allocations in accordance with the Code, the Allocation Plan, the Rules, and the Policies, including the criteria contained in Chapter Five of the

Policies (Project Ranking Policies”) and project feasibility and viability and other requirements as described in Chapters Two through Seven of the Policies.

Project(s):

TC #	Project Name	City	County	Annual Tax Credit Amount
22-09	Laurel and Forest	Bellingham	Whatcom	\$1,684,564
22-23	Colville Family Haven	Colville	Stevens	\$1,821,481
22-24	Martin Way Phase 2	Olympia	Thurston	\$1,891,320

Section 2. All actions previously taken by the Commission or its staff or agents in furtherance of the Program are hereby ratified and confirmed.

ADOPTED by the Washington State Housing Finance Commission at a special meeting duly noticed and called this 27th day of October 2022.

WASHINGTON STATE
HOUSING FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

**WASHINGTON STATE HOUSING FINANCE COMMISSION
9% Housing Tax Credit Program
2022 Allocation List**

Final Allocation amounts may change if new Federal resources are made available.

King County Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations						
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless		
22-10	Approved 6/23/2022	Good Shepherd Housing	Low Income Housing Institute (LIHI)	Seattle	King County	190	\$ 25,760	\$ 2,163,829	84	50%	25%		25%	0	0	0	0	63		
22-08	Approved 7/28/2022	Horizon Housing at Totem Lake	Horizon Housing Alliance	Kirkland	King County	189	\$ 26,576	\$ 1,063,040	40	50%		50%		0	0	0	0	30		
22-20	Approved 4/28/2022	DESC Woodland	Downtown Emergency Service Center	Seattle	King County	187	\$ 21,636	\$ 2,163,612	100	50%		50%		0	0	0	0	75		
22-12	Approved 7/28/2022	DESC Burien	Downtown Emergency Service Center	Burien	King County	185	\$ 24,119	\$ 2,291,260	95	50%		50%		0	0	0	0	68		
22-51	credit exchange	Sacred Medicine House	Chief Seattle Club	Seattle	King County	188	\$ 16,618	\$ 1,944,266	117	50%		50%		0	0	0	0	88		
									King County Credit Allocated:	\$9,626,007	436									
									King County Credit Available:	\$7,548,600										
									Balance:	(\$2,077,407)										

King County Waiting List

22-07	Application	Ballard PSH*	Plymouth Housing Group	Seattle	King County	190	\$ 14,815	\$ 1,200,000	81	50%		50%		0	0	0	0	61
22-21	Application	South Park Housing	Sea Mar Community Health Centers	Seattle	King County	164	\$ 26,576	\$ 2,046,352	77	50%		50%		0	16	0	0	16
22-22	Application	SeaMar Kent Housing	Sea Mar Community Health Centers	Kent	King County	163	\$ 26,576	\$ 823,856	31	50%		50%		0	0	0	7	7
									King Waiting List Balance:	\$ 4,070,208	189	0	16	0	7	84		

Metro Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless
Preservation and Recapitalization Pool																		
										\$0	0	0	0	0	0	0	0	0
New Production																		
22-11	Approved 7/28/2022	Edmonds Lutheran Church Field Apartments	Housing Hope	Edmonds	Snohomish	170	\$ 27,852	\$ 1,448,295	52	50%		50%		0	0	0	0	26
22-16	Approved 9/22/2022	Laurel Manor	Columbia Non-Profit Housing	Vancouver	Clark	167	\$ 28,217	\$ 2,313,816	82	50%		50%		0	0	0	0	17
22-04	Approved 8/25/2022	Highland Village Phase 2	Community Frameworks	Airway Heights	Spokane	164	\$ 28,621	\$ 1,402,427	49	50%	10%		40%	0	11	0	10	0
22-09	Scheduled for 10/27/2022	Laurel & Forest	Opportunity Council	Bellingham	Whatcom	163	\$ 30,082	\$ 1,684,564	56	50%		50%		0	0	56	12	0
22-17	Approved 9/22/2022	Shiloh Redevelopment	New Life Housing/Shiloh Baptist Church	Tacoma	Pierce	161	\$ 26,576	\$ 1,594,560	60	50%		50%		0	0	0	12	12
									Total Metro Credit Allocated:	\$8,443,662	299	0	11	56	34	55		
									Metro Credit Available:	\$7,228,744								
									Metro Balance (Total):	(\$1,214,918)								

Metro Wait List

										\$0	0	0	0	0	0	0	0
										Metro Waiting List Balance:	\$0	0	0	0	0	0	0

Non-Metro Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations								
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless				
Preservation and Recapitalization Pool																						
										Non-Metro Rehab Credit Allocated:				\$0	0			0	0	0	0	0
New Production																						
22-23	Scheduled for 10/27/2022	Colville Family Haven	Catholic Housing Services of Eastern WA	Colville	Stevens	187	\$ 26,021	\$1,821,481	70	50%	10%		40%						35			
22-01	Approved 9/22/2022	Fruitvale Housing	The Housing Authority of the City of Yakima	Yakima	Yakima	185	\$ 26,545	\$1,433,411	54	50%	10%		40%						27			
22-24	Scheduled for 10/27/2022	Martin Way Phase 2	Low Income Housing Institute	Olympia	Thurston	180	\$ 30,021	\$1,891,320	63	50%		50%							32			
22-47	credit exchanged	Warrior Ridge	Port Gamble S'Klallam Housing Authority	Kingston	Kitsap	169	\$ 26,576	\$797,200	30	50%	25%		25%						15			
										Non-Metro Credit Allocated:				\$5,943,412	217			0	0	0	0	109
										Non-Metro Credit Available:				\$4,536,886								
										Non-Metro Balance:				(\$1,406,526)								
Non-Metro Wait List																						
22-06	Application	The Cape at Interlake	MacDonald Ladd/Trillium Housing Services	Moses Lake	Grant	178	\$ 26,041	\$1,536,440	59	10%	50%	40%			45							
22-14	Application	CCHS Grant County Preservation	Catholic Charities Housing Services	Scattered Site	Grant	172	\$ 13,872	\$1,290,104	93	10%	50%	40%			70							
22-18	Application	Teanaway Court	HopeSource	Cle Elum	Kittitas	171	\$ 28,206	\$1,353,874	48	50%		50%							24			
22-13	Application	Othello Permanent Farmworker Housing	Othello Housing Authority	Othello	Adams	170	\$ 17,579	\$703,152	40	10%	50%	40%			30							
22-19	Application	Orchard II	Trillium Housing Services	Mattawa	Grant	170	\$ 21,277	\$1,000,000	47	10%	50%	40%			36							
22-15	Application	Willow Grove	Kelso Housing Authority	Kelso	Cowlitz	169	\$ 26,514	\$848,432	32	10%	50%	40%							16			
22-05	Application	Sunrise Village	Longview Housing Auth/HOSWWA	Longview	Cowlitz	169	\$ 27,403	\$1,233,138	45	50%	30%		40%						23			
22-25	Application	Hilltop II	Trillium Housing Services	Wenatchee	Chelan	166	\$ 26,966	\$1,537,054	57	10%	50%	40%							43			
										Non-Metro Waiting List Balance:				\$9,502,194	515			181	0	0	0	106
Statewide Allocation Round Totals:										Total Project Applications:				23				181	27	56	41	678
										Total Credit Requested:				\$37,585,483	1,656							
										Total Projects Above Line:				12				0	11	56	34	488
										Application Success Percentage:				52%								
										Total Credit Above Line:				\$24,013,081	952							
										Total Credit Available:				\$16,572,577								
										Statewide FWD Commit:				(\$4,698,850)								
Final Allocation amounts may change if new Federal resources are made available.																						
* Ballard PSH (TC 22-07) is being funded with other Public Funds.																						

9% Housing Tax Credit Program Credit Summary

		Per Capita Rate	Credit
State Credit Authority			
2022 Per Capita Credit (IRS Notice Pending)	7,738,692	2.60000	\$ 20,120,599
			\$ -
2022 National Pool Credit (IRS Revenue Procedure 21-44)			\$ -
Total 2022 Credit Authority			\$ 20,120,599
Total 2022 Credit Authority for Geographic Credit Pool Division			\$ 20,120,599
Less 2021 Forward Commitment	Taken From Pools Below		\$ (3,548,023)
King County			
35% of Total Credit Authority	35%		\$ 7,042,210
less 2021 KC fwd allocation of 2022 KC Credit			\$ (1,437,876)
plus KC Returned Credit	21-25 Sacred medicine		\$ 1,944,266
Credit Allocated			\$ (9,626,007)
King County Balance			\$ (2,077,407)
Metro Credit			
37% of Total Credit Authority	37%		\$ 7,444,622
less 2021 Metro FWD allocation of 2022 Metro Credit			\$ (216,065)
plus Metro Returned Credit	19-04 Compass health		\$ 188
Credit Allocated			\$ (8,443,662)
Metro Balance			\$ (1,214,918)
Non-Metro Credit			
28% of Total Credit Authority	28%		\$ 5,633,768
less 2021 NM FWD allocation of 2022 NM Credit			\$ (1,894,082)
plus NM Returned Credit	21-17 Warrior Ridge		\$ 797,200
Credit Allocated			\$ (5,943,412)
Non-Metro Balance			\$ (1,406,526)
Metro Pool per County Limit 35% of Pool Authority			\$ 2,605,618
Non Metro Pool per County Limit (35% of Pool Authority)			\$ 1,971,819
Statewide Accounting of 2021 Credit			
Total 2022 Credit Authority			\$ 20,120,599
2021 Unused Credit			\$ -
2021 King County Forward Commitment			\$ (1,437,876)
2021 Metro Forward Commitment			\$ (216,065)
2021 Non-Metro Forward Commitment			\$ (1,894,082)
Returned Credit from King County	21-25 Sacred medicine		\$ 1,944,266
Returned Credit from Metro Pool			\$ 188
Returned Credit from Non-Metro Pool	21-17 Warrior Ridge		\$ 797,200
Credit Allocated to King County			\$ (9,626,007)
Credit Allocated to Metro			\$ (8,443,662)
Credit Allocated to Non-Metro			\$ (5,943,412)
Balance of 2021 Credit			\$ (4,698,850)
% of credit authority forward committed			23.35%
Qualified Nonprofit Allocations			
Total 2021 Credit Authority for Geographic Credit Pool Division			\$ 20,120,599
2021 Unused Credit			\$ -
Returned Credit from King County			\$ 1,944,266
Returned Credit from Metro Pool	19-04 Compass health		\$ 188
Returned Credit from Non-Metro Pool			\$ 797,200
Total 2021 Credit Authority for QNP Requirement			\$ 22,862,253
Credit Allocated to QNPs			\$ 3,612,124
Percent allocated to QNPs			
Good Shepherd Housing	\$ 2,163,829		15.80%
Edmonds Lutheran Church Fie	\$ 1,448,295		
Forward Commitment RAC's of 2022 credit			
DESC Burién			\$ 2,291,260
Shiloh Redevelopment			\$ 1,594,560
Laurel & Forest			\$ 1,684,564
0			\$ -
Total			\$ 7,164,944
Summary for 8610			
2022 Per Capita Credit			\$ 20,120,599
2022 National Pool Credit			\$ -
2022 Returned Credit			\$ 2,741,654
Less forward Commitment from 2021			\$ (3,548,023)
TOTAL credit to allocate			\$ 19,314,231
2022 credit allocated (all pools)			\$24,013,081
Forward commitment of 2022 credit			\$ (4,698,850)

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 22-72

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 \$15,000,000, to finance the acquisition and rehabilitation of a nonprofit multifamily housing facility in Des Moines, Washington, to be owned by Bellwether Marina Club LLC; 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 the Secretary's designee, and Executive Director of the Commission to amend and execute such documents and other related documents.

APPROVED ON OCTOBER 27, 2022

PREPARED BY:

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

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RESOLUTION NO. 22-72

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 \$15,000,000, to finance the acquisition and rehabilitation of a nonprofit multifamily housing facility in Des Moines, Washington, to be owned by Bellwether Marina Club LLC; 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 the Secretary's 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 and instrumentality of the State of Washington (the "Commission") has been duly constituted pursuant to the authority and procedures of 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 finance and refinance eligible facilities owned and operated by nonprofit organizations described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Code grants an exemption from federal income tax for interest paid on bonds where the proceeds thereof are used to finance projects owned and operated by 501(c)(3) organizations; 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 \$15,000,000 to the Commission (the "Funding Loan") to provide funds for the acquisition and rehabilitation of a 77-unit nonprofit multifamily housing facility (the "Project")

located in Des Moines, Washington, to be owned by Bellwether Marina Club LLC, a Washington limited liability company (the “Borrower”), whose sole member is Bellwether Housing, a Washington nonprofit corporation and an organization described under Section 501(c)(3) of the Code; 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 Nonprofit Housing Revenue Note (Marina Club Apartments Project), Series 2022 (the “Note”) in the principal amount of not to exceed \$15,000,000; 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. 22-60A, the Commission held a public hearing on August 25, 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 and refinancing of eligible nonprofit housing facilities under the Act which are owned by organizations described under Section 501(c)(3) of the Code 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 “Nonprofit Housing Revenue Note (Marina Club Apartments Project), Series 2022” in a principal amount of not to exceed \$15,000,000, 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 the Secretary’s 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. 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 the Secretary's 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 27th day of October, 2022.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Loan Commitment

October 25, 2022

The Commissioners
c/o Steve Walker, Executive Director
Washington State Housing Finance Commission
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

Re: Washington State Housing Finance Commission Nonprofit Housing Revenue Note (Marina Club Apartments Project), Series 2022

Dear Honorable Commissioners:

Citibank, N.A. ("Funding Lender") is pleased to offer to make a loan (the "Funding Loan") to the Washington State Housing Finance Commission (the "Commission") to be evidenced by the above-referenced Nonprofit Housing Revenue Note (the "Note") in an aggregate principal amount of up to \$13,837,350, with the understanding that the proceeds of the Funding Loan will be used by the Commission to purchase a loan being originated by Citibank, N.A. ("Mortgage Lender") to Bellwether Marina Club LLC, a Washington limited liability company ("Borrower") for purposes of financing and refinancing the acquisition, rehabilitation and/or equipping of a 77-unit multifamily rental housing development, located in the City of Des Moines, King County, Washington, known as Marina Club Apartments, all pursuant to the provisions of the Funding Loan Agreement, dated as of October 1, 2022 (the "Funding Loan Agreement"), among the Funding Lender, the Commission and U.S. Bank Trust Company, National Association ("Fiscal Agent"), and a Borrower Loan Agreement, dated as of October 1, 2022 (the "Borrower Loan Agreement"), among the Commission, the Borrower, the Mortgage Lender and the Fiscal Agent.

The Note will be dated the date of closing, which is anticipated to be October 31, 2022. The Note is expected to mature on November 1, 2041. Principal on the Note will initially accrue interest at a fixed rate of 3.93% until the Conversion Date, which can occur no later than November 1, 2024, and thereafter principal on the Note will accrue interest at a fixed rate of 3.93%, subject to adjustment to the extent a Permanent Period Amount in excess of \$13,342,500 is supported in accordance with the terms of the Borrower Note. Interest only payments will be made from the closing date to the Conversion Date, and thereafter principal and interest are to be paid in monthly installments amortized over 35 years.

Our offer is subject to a legal opinion from Pacifica Law Group LLP of Seattle, Washington, acceptable to the Funding Lender, and to other conditions set forth in the Funding Loan Agreement, Borrower Loan Agreement, Construction Funding Agreement, and in the Borrower Loan application, all of which have been reviewed and approved by Borrower.

Very truly yours,

CITIBANK, N.A.

By: 
Name: Matt Knipprath
Title: Authorized Signatory

Nonprofit Housing Program

Project Name	Marina Club Apartments
Developer	Bellwether Housing
Description	Marina Club, built in 1987, is a 77-unit unsubsidized market rate development that was purchased by Bellwether Housing in October 2021. Bellwether acquired the property using a taxable loan from Citibank and an equity investment from Amazon's Housing Equity Fund. The building will maintain income levels for a 99-year period. The 501c3 bonds from WSHFC will be used to refinance the Citibank taxable loan as well as provide funding for capital expenditures over the next 3-5 years.
Location	2445 S. 222nd Street Des Moines, WA 98198
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	Acquisition and rehabilitation of an existing facility and refinance of an existing debt.
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$14,000,000
Bond Structure	Private Placement
Lender	CitiBank
Action	Approval of Resolution No. 22-72
Anticipated Closing Date	October 2022

Washington State Housing Finance Commission
Homeownership Programs
Fiscal Year Loan Production
July 1, 2022 - September 30, 2022

**Fiscal Year Goal - 5,000 households purchase an affordable home using the Home Adv/HK programs.*

Percentage of Goal reached YTD - 15.7%

HOME ADVANTAGE			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	65	\$ 23,046,301	32.3%
Conventional FHLMC	9	\$ 3,045,439	44.4%
Government	590	\$ 217,457,804	33.4%
Energy Spark	0	\$ -	0.0%
Total	664	\$ 243,549,544	33.4%

HOUSE KEY OPPORTUNITY			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	64	\$ 15,981,965	43.7%
Conventional FHLMC	11	\$ 3,113,271	63.6%
Government	49	\$ 14,730,107	32.6%
Total	124	\$ 33,825,343	41.3%

DOWNPAYMENT ASSISTANCE			
	Loans	\$ Volume	% Households of Color
Home Adv 0%	637	\$ 9,011,435	33.1%
Home Adv Needs Based 1%	5	\$ 47,120	60.0%
Opportunity	108	\$ 1,536,498	41.6%
HomeChoice	6	\$ 78,995	0.0%
Bellingham	0	\$ -	0.0%
East King County	3	\$ 88,953	100.0%
Pierce County	1	\$ 54,000	0.0%
Seattle	0	\$ -	0.0%
Tacoma	2	\$ 60,000	50.0%
University of WA	0	\$ -	0.0%
Veterans	0	\$ -	0.0%
CLT	0	\$ -	0.0%
Social Justice DPA	9	\$ 90,000	100.0%
Total	771	\$ 10,967,001	35.3%

Washington State Housing Finance Commission/Homeownership Division
 Counseling & Grants:
 Default Counseling, Pre-Purchase and Other Homeowner Assistance
Report for September 2022

Grant Name/ Description/Service Area	Granting Entity	Subgrantees/ Partners	Clients Served to Date	Grant Amount/Date	Amount Disbursed to Date	Balance Remaining	Grant Expiration
HUD SuperNOFA 2020 Default and Pre-Purchase Counseling. Service Area: Statewide	Department of Housing and Urban Development	AFS; CVH; KCLT; OIC; OPAL; Parkview; RRCA; SNAP	1,169	\$510,864 2020/2022	\$395,205	\$115,659	3/31/2023 Extended
HAF Counseling Sustainability Grant Default Housing Counseling. Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS; ECDLR	2,959	\$2,000,000 Jan 2022	\$1,583,494	\$416,506	9/30/2022 Extended
Foreclosure Fairness Act Default Housing Counseling and Mediation. Service Area: Statewide	Department of Commerce	WHRC; AFS; NJP; Parkview; RRCA; SNAP; ULMS	3,550	\$3,400,000 July, 2019-2023	\$891,660	\$2,508,340	6/30/2023

AFS – American Financial Solutions
 CVH – Columbia Valley Affordable Homeownership
 ECDLR – El Centro de la Raza
 KCLT – Kulshan Community Land Trust
 NJP – Northwest Justice Project
 OPAL – Opal Community Land Trust

OIC – Opportunities Industrialization Center
 Parkview – Parkview Services
 RRCA – Rural Resources Community Action
 SNAP – Spokane Neighborhood Action Partners
 WHRC – Washington Homeownership Resource Center

HOMEOWNERSHIP PROGRAMS

HOMEBUYER EDUCATION PRODUCTION and HOME LOAN TRAINING

July 1, 2022 - September 30, 2022

HOMEBUYER CLASS

Fiscal year goal - 800 classes, 8,000 participants by June 30, 2023

Percentage of goal reached YTD: 82%

	Classes	Participants
Virtual:	664	4,600
In-Person:	209	746
Online Classes:	1,228	1,228
Total:	2,101	6,574

Classes not yet reporting participation: 481

Data lags 3 months due to data collection process

In-Person and Virtual All-Time Totals 1992 to Present

Classes:	27,510
Participants	217,394

PROGRAM TRAINING ATTENDEES

Fiscal year goal - 10 Instructor classes by June 30, 2023

Percentage of goal reached YTD: 30%

Month	Classes	Attendees
July	1	49
August	1	50
September	1	50
October		
November		
December		
January		
February		
March		
April		
May		
June		
Total:	3	149

Legend:
 Lists 1-4: New Production
 Lists 5-8: Preservation (Acquisition-Rehab)
 King County Requests
 Balance of State Requests
 **Waiting List Projects (Alphabetic order)

WASHINGTON STATE HOUSING FINANCE COMMISSION
 Bonds with 4% Housing Tax Credit Program
 2022 Allocation List

Total Applications: 21 Total Requested: \$561,098,624
 Total Allocations: 10 Total Allocations: \$249,261,103
 Total homes financed: 1,431

List #	Buckets/ Pools	Project Sponsor	Community Based Organization	City	County	Points	Tax-Exempt Bond Request	Recycled/Taxable Bond Request	Total Low-Income Units	% of Low-Income Housing Units and Set-Asides			
										50% AMI	60% AMI	Elderly	Large Households
1	New Production/Public Leverage/King						\$287,377,665	\$38,588,408					
	Polaris at Totem Lake	Inland Construction and Develop	Hopelink	Kirkland	King	52	\$50,420,000	\$20,500,000	257	78	179		52
	El Centro de la Raza at Columbia City	El Centro de la Raza	El Centro de la Raza	Seattle	King	46	\$23,500,000	\$5,200,000	86	61	25		18
	Bryant Manor Redevelopment Phase I	First A.M.E. Housing Association	First A.M.E. Housing Association	Seattle	King	45	\$30,889,322	\$7,157,928	100	70	30		20
							\$104,809,322	\$32,857,928					
**	Creekside Village	Shelter America Group	N/A	Vashon	King		\$10,380,000		40	20	20		8
	Elements at Georgetown	TWG Development	Georgetown Community Dev. Auth	Seattle	King		\$28,000,000		152	107	45		31
	Mercy Angle Lake Family Housing	Mercy Housing Northwest	Arc of King County	SeaTac	King		\$28,188,343	\$5,730,480	98	69	29		20
	MLK Mixed Use	Low Income Housing Institute (LHI)	N/A	Seattle	King		\$30,000,000		147	103	44		30
	SRM NE Seattle	SRM Development, LLC	N/A	Seattle	King		\$43,000,000		219		219		44
	Via7	Mount Baker Housing Association	Mount Baker Housing Association	Seattle	King		\$43,000,000		220		220		
2	New Production/Public Leverage/Balance of State						\$57,067,781	\$3,892,219					
	KWA 15TH & Tacoma	Korean Women's Association	Korean Women's Association	Tacoma	Pierce	37	\$17,904,506	\$1,295,494	86	86	86		
	Millworks Family Housing	Mercy Housing Northwest	Whatcom Family YMCA	Bellingham	Whatcom	36	\$18,863,275	\$2,596,725	83	83	83		17
	The Lookout	Southport Financial Services	Anchor Church	Tacoma	Pierce	32	\$20,300,000		131	131	###	##	
							\$57,067,781	\$3,892,219					
3	New Production/No Public Leverage/King and Snohomish						\$64,671,000	\$12,250,000					
	Ovation at Paine Field	DevCo, LLC	Rise Up Academy	Everett	Snohomish	54	\$33,500,000	\$12,250,000	222	156	66		222
							\$33,500,000	\$12,250,000					
**	Village at 47th	Veterans Village	Veterans Village	Tukwila	King		\$31,171,000		170		170		170
4	New Production/No Public Leverage/Balance of State						\$39,980,000	\$9,500,000					
**	Copper Way Apartments	Inland Construction and Developm	N/A	Spanaway	Pierce		\$39,980,000	\$9,500,000	276		276		56
5	Preservation/Public Leverage/King						\$55,452,178	\$1,250,114					
	Eastern and NP Hotel Rehabilitation	Interim Community Dev. Assn.	Interim Community Dev. Assn.	Seattle	King	79	\$16,034,000		107	75	32		
							\$16,034,000						
**	Pacific Apartments Rehabilitation	Plymouth Housing	Plymouth Housing	Seattle	King		\$21,251,945	\$1,250,114	87	61	26		
	The Madison	Southport Financial Services	N/A	Seattle	King		\$18,166,233		72		72		
6	Preservation/Public Leverage/Balance of State						\$24,350,000	\$0					
	Englewood Gardens	Shelter Resources, Inc./HopeSou	N/A	Yakima	Yakima	49	\$24,350,000		256		256		
							\$24,350,000						
7	Preservation/No Public Leverage/King and Snohomish						\$32,200,000	\$5,000,000					
	Pine Ridge Apartments	DH&G	West African Community Coun	SeaTac	King	92	\$13,500,000	\$5,000,000	103	73	30		
							\$13,500,000	\$5,000,000					
**	Chancery Place	Catholic Housing Services of West. W	N/A	Seattle	King		\$18,700,000		84	59	25		84
8	Preservation/No Public Leverage/Balance of State												
	No applications received												

Statewide Bond Round Totals: Total Applications: 21 Total Requested: \$561,098,624 \$70,480,741 2,996 932 2,064 949 296
 Total Allocations: 10 Total Allocations: \$249,261,103 \$54,000,147 1,431

Allocations by List:

List	Allocation Description	Applications Received	Applications Allocated
List 1	New/Public Leverage/ King and SnoCo	9	3
List 2	New/Public Leverage/ Balance of State	3	3
List 3	New/No Public Leverage/ King and SnoCo	2	1 (1*)
List 4	New/No Public Leverage/ Balance of State	1	(1*)
List 5	Acq-Rehab/ Public Leverage/ King and SnoCo	3	1
List 6	Acq-Rehab/ Public Leverage/ Balance of State	1	1
List 7	Acq-Rehab/ No Public Leverage/ King and SnoCo	2	1
List 8	Acq-Rehab/ No Public Leverage/Balance of State	0	0

* Projects prioritized on waiting list

**WASHINGTON STATE HOUSING FINANCE COMMISSION
9% Housing Tax Credit Program
2022 Allocation List**

Final Allocation amounts may change if new Federal resources are made available.

King County Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations						
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless		
22-10	Approved 6/23/2022	Good Shepherd Housing	Low Income Housing Institute (LIHI)	Seattle	King County	190	\$ 25,760	\$ 2,163,829	84	50%	25%		25%	0	0	0	0	63		
22-08	Approved 7/28/2022	Horizon Housing at Totem Lake	Horizon Housing Alliance	Kirkland	King County	189	\$ 26,576	\$ 1,063,040	40	50%		50%		0	0	0	0	30		
22-20	Approved 4/28/2022	DESC Woodland	Downtown Emergency Service Center	Seattle	King County	187	\$ 21,636	\$ 2,163,612	100	50%		50%		0	0	0	0	75		
22-12	Approved 7/28/2022	DESC Burien	Downtown Emergency Service Center	Burien	King County	185	\$ 24,119	\$ 2,291,260	95	50%		50%		0	0	0	0	68		
22-51	credit exchange	Sacred Medicine House	Chief Seattle Club	Seattle	King County	188	\$ 16,618	\$ 1,944,266	117	50%		50%		0	0	0	0	88		
									King County Credit Allocated:	\$9,626,007	436									
									King County Credit Available:	\$7,548,600										
									Balance:	(\$2,077,407)										

King County Waiting List

22-07	Application	Ballard PSH*	Plymouth Housing Group	Seattle	King County	190	\$ 14,815	\$ 1,200,000	81	50%		50%		0	0	0	0	61
22-21	Application	South Park Housing	Sea Mar Community Health Centers	Seattle	King County	164	\$ 26,576	\$ 2,046,352	77	50%		50%		0	16	0	0	16
22-22	Application	SeaMar Kent Housing	Sea Mar Community Health Centers	Kent	King County	163	\$ 26,576	\$ 823,856	31	50%		50%		0	0	0	7	7
									King Waiting List Balance:	\$ 4,070,208	189	0	16	0	7	84		

Metro Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless
Preservation and Recapitalization Pool																		
										\$0	0	0	0	0	0	0	0	0
New Production																		
22-11	Approved 7/28/2022	Edmonds Lutheran Church Field Apartments	Housing Hope	Edmonds	Snohomish	170	\$ 27,852	\$ 1,448,295	52	50%		50%		0	0	0	0	26
22-16	Approved 9/22/2022	Laurel Manor	Columbia Non-Profit Housing	Vancouver	Clark	167	\$ 28,217	\$ 2,313,816	82	50%		50%		0	0	0	0	17
22-04	Approved 8/25/2022	Highland Village Phase 2	Community Frameworks	Airway Heights	Spokane	164	\$ 28,621	\$ 1,402,427	49	50%	10%		40%	0	11	0	10	0
22-09	Scheduled for 10/27/2022	Laurel & Forest	Opportunity Council	Bellingham	Whatcom	163	\$ 30,082	\$ 1,684,564	56	50%		50%		0	0	56	12	0
22-17	Approved 9/22/2022	Shiloh Redevelopment	New Life Housing/Shiloh Baptist Church	Tacoma	Pierce	161	\$ 26,576	\$ 1,594,560	60	50%		50%		0	0	0	12	12
									Total Metro Credit Allocated:	\$8,443,662	299							
									Metro Credit Available:	\$7,228,744								
									Metro Balance (Total):	(\$1,214,918)								

Metro Wait List

										\$0	0	0	0	0	0	0	0	0
										Metro Waiting List Balance:	\$0	0	0	0	0	0	0	0

Non-Metro Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations										
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless						
Preservation and Recapitalization Pool																								
										Non-Metro Rehab Credit Allocated:				\$0	0					0	0	0	0	0
New Production																								
22-23	Scheduled for 10/27/2022	Colville Family Haven	Catholic Housing Services of Eastern WA	Colville	Stevens	187	\$ 26,021	\$1,821,481	70	50%	10%		40%								35			
22-01	Approved 9/22/2022	Fruitvale Housing	The Housing Authority of the City of Yakima	Yakima	Yakima	185	\$ 26,545	\$1,433,411	54	50%	10%		40%								27			
22-24	Scheduled for 10/27/2022	Martin Way Phase 2	Low Income Housing Institute	Olympia	Thurston	180	\$ 30,021	\$1,891,320	63	50%		50%									32			
22-47	credit exchanged	Warrior Ridge	Port Gamble S'Klallam Housing Authority	Kingston	Kitsap	169	\$ 26,576	\$797,200	30	50%	25%		25%								15			
										Non-Metro Credit Allocated:				\$5,943,412	217					0	0	0	0	109
										Non-Metro Credit Available:				\$4,536,886										
										Non-Metro Balance:				(\$1,406,526)										
Non-Metro Wait List																								
22-06	Application	The Cape at Interlake	MacDonald Ladd/Trillium Housing Services	Moses Lake	Grant	178	\$ 26,041	\$1,536,440	59	10%	50%	40%					45							
22-14	Application	CCHS Grant County Preservation	Catholic Charities Housing Services	Scattered Site	Grant	172	\$ 13,872	\$1,290,104	93	10%	50%	40%					70							
22-18	Application	Teanaway Court	HopeSource	Cle Elum	Kittitas	171	\$ 28,206	\$1,353,874	48	50%		50%									24			
22-13	Application	Othello Permanent Farmworker Housing	Othello Housing Authority	Othello	Adams	170	\$ 17,579	\$703,152	40	10%	50%	40%					30							
22-19	Application	Orchard II	Trillium Housing Services	Mattawa	Grant	170	\$ 21,277	\$1,000,000	47	10%	50%	40%					36							
22-15	Application	Willow Grove	Kelso Housing Authority	Kelso	Cowlitz	169	\$ 26,514	\$848,432	32	10%	50%	40%									16			
22-05	Application	Sunrise Village	Longview Housing Auth/HOSWWA	Longview	Cowlitz	169	\$ 27,403	\$1,233,138	45	50%	30%		40%								23			
22-25	Application	Hilltop II	Trillium Housing Services	Wenatchee	Chelan	166	\$ 26,966	\$1,537,054	57	10%	50%	40%									43			
										Non-Metro Waiting List Balance:				\$9,502,194	515				181	0	0	0	106	
Statewide Allocation Round Totals:										Total Project Applications: 23				Total Credit Requested: \$37,585,483				1,656	181	27	56	41	678	
										Total Projects Above Line: 12				Total Credit Above Line: \$24,013,081				952	0	11	56	34	488	
										Application Success Percentage: 52%				Total Credit Available: \$16,572,577										
										Statewide FWD Commit: (\$4,698,850)														
Final Allocation amounts may change if new Federal resources are made available.																								
* Ballard PSH (TC 22-07) is being funded with other Public Funds.																								

9% Housing Tax Credit Program Credit Summary

	Per Capita Rate	
State Credit Authority		Credit
2022 Per Capita Credit (IRS Notice Pending)	7,738,692	2,60000 \$ 20,120,599
		\$ -
2022 National Pool Credit (IRS Revenue Procedure 21-44)		\$ -
Total 2022 Credit Authority		\$ 20,120,599
Total 2022 Credit Authority for Geographic Credit Pool Division		\$ 20,120,599
Less 2021 Forward Commitment	Taken From Pools Below	\$ (3,548,023)
King County		
35% of Total Credit Authority	35%	\$ 7,042,210
less 2021 KC fwd allocation of 2022 KC Credit		\$ (1,437,876)
plus KC Returned Credit	21-25 Sacred medicine	\$ 1,944,266
Credit Allocated		\$ (9,626,007)
King County Balance		\$ (2,077,407)
Metro Credit		
37% of Total Credit Authority	37%	\$ 7,444,622
less 2021 Metro FWD allocation of 2022 Metro Credit		\$ (216,065)
plus Metro Returned Credit	19-04 Compass health	\$ 188
Credit Allocated		\$ (8,443,662)
Metro Balance		\$ (1,214,918)
Non-Metro Credit		
28% of Total Credit Authority	28%	\$ 5,633,768
less 2021 NM FWD allocation of 2022 NM Credit		\$ (1,894,082)
plus NM Returned Credit	21-17 Warrior Ridge	\$ 797,200
Credit Allocated		\$ (5,943,412)
Non-Metro Balance		\$ (1,406,526)
Metro Pool per County Limit 35% of Pool Authority		\$ 2,605,618
Non Metro Pool per County Limit (35% of Pool Authority)		\$ 1,971,819
Statewide Accounting of 2021 Credit		
Total 2022 Credit Authority		\$ 20,120,599
2021 Unused Credit		\$ -
2021 King County Forward Commitment		\$ (1,437,876)
2021 Metro Forward Commitment		\$ (216,065)
2021 Non-Metro Forward Commitment		\$ (1,894,082)
Returned Credit from King County	21-25 Sacred medicine	\$ 1,944,266
Returned Credit from Metro Pool		\$ 188
Returned Credit from Non-Metro Pool	21-17 Warrior Ridge	\$ 797,200
Credit Allocated to King County		\$ (9,626,007)
Credit Allocated to Metro		\$ (8,443,662)
Credit Allocated to Non-Metro		\$ (5,943,412)
Balance of 2021 Credit		\$ (4,698,850)
% of credit authority forward committed		23.35%
Qualified Nonprofit Allocations		
Total 2021 Credit Authority for Geographic Credit Pool Division		\$ 20,120,599
2021 Unused Credit		\$ -
Returned Credit from King County		\$ 1,944,266
Returned Credit from Metro Pool	19-04 Compass health	\$ 188
Returned Credit from Non-Metro Pool		\$ 797,200
Total 2021 Credit Authority for QNP Requirement		\$ 22,862,253
Credit Allocated to QNPs		\$ 3,612,124
Percent allocated to QNPs		15.80%
Good Shepherd Housing	\$ 2,163,829	
Edmonds Lutheran Church Fie	\$ 1,448,295	
Forward Commitment RAC's of 2022 credit		
DESC Burién		\$ 2,291,260
Shiloh Redevelopment		\$ 1,594,560
Laurel & Forest		\$ 1,684,564
0		\$ -
Total		\$ 7,164,944
Summary for 8610		
2022 Per Capita Credit		\$ 20,120,599
2022 National Pool Credit		\$ -
2022 Returned Credit		\$ 2,741,654
Less forward Commitment from 2021		\$ (3,548,023)
TOTAL credit to allocate		\$ 19,314,231
2022 credit allocated (all pools)		\$24,013,081
Forward commitment of 2022 credit		\$ (4,698,850)

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: September 2022

The Asset Management & Compliance Division is charged with ensuring the long-term viability of Commission financed or assisted projects. This is accomplished through project compliance monitoring efforts and training of program users.

PROGRAM PURPOSE: To ensure that the public benefits of all Commission housing programs are fulfilled.

BUSINESS OBJECTIVE: Review 100% of compliance annual reports within 12 months from report receipt dates and issue compliance status letters.

Within the 12-month period, staff will:

- review Owner's Annual Certification and other reporting materials for every project.
- review resident certification packages for 5% - 20% (depending on type of review year) of the units in each project.
- notify the Internal Revenue Service of any noncompliance discovered in tax credit assisted projects.
- notify the Multifamily Housing division of any significant noncompliance issues.

Tax Credit Reports *

Calendar Year 2022	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	1	1	17	134	140	134	76	97	75				675	1,030	66%

Calendar Year 2021	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	0	41	73	104	132	118	69	83	117	91	115	76	1,019	1,010	101%

Tax credit reports are due January 31st of every year for the previous calendar year.

Bond Reports **

Calendar Year 2022	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	6	37	33	2	0	0	0	0	0				78	75	104%

Calendar Year 2021	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	32	40	5	0	0	0	0	0	0	0	0	0	77	75	103%

Bond reports are due January 7th of every year for the previous calendar year.

Notes: * Tax credit reporting bridges two fiscal program years.

** Goal total for bonds indicates both bond property annual reports and initial reports for Acquisition-Rehab bonds and New Construction bonds quarterly reporting as needed. New properties with both bonds and tax credits are reviewed as bonds until placed in service, then converted to tax credits for annual reviews.

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: September 2022

BUSINESS OBJECTIVE: *Complete on-site review of 33^{1/3}% of all projects by December 31, 2022.*

Within the 12-month calendar year, the Commission will:

- conduct on-site inspections of 33^{1/3}% of projects monitored according to HUD's Uniform Physical Conditions Standards.
- inspect 20% of all low-income units for health and safety issues.
- notify the Internal Revenue Service of any project noncompliance discovered through the inspections.

Project Inspections

Calendar Year 2022	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	0	1	7	8	37	66	30	34	37				220	325	68%

Calendar Year 2021	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	0**	0**	0**	0**	0**	0**	0**	0**	0**	0**	0**	0**	0	360	0%

** The IRS issued a pandemic-related inspection waiver through IRS Notice 2021-12, which waived inspections through September 30, 2021. The IRS issued new guidance January 2022 extending the inspection waiver through July 2022 but giving HFAs the authority to continue waiving inspections as needed through 12/31/2022.

NOTE: Cumulative totals for all goals may be greater or lesser than goal totals as new projects are coming on-line throughout the year; placed in service dates for projects can move forward or be delayed, affecting the number of reports and/or inspections that need to be completed each year. Inspections are sometimes canceled due to delayed placed in service dates or for other reasons. Monthly numbers may also change based on new information from other funders with whom we share inspection tasks, such as Rural Development, the Department of Housing and Urban Development, the State Department of Commerce, and the City of Seattle.

COMPLIANCE TRAININGS: The next Tax Credit Compliance Workshops are scheduled for:
November 15-18, 2022 Online

The next Bond Compliance Workshop is scheduled for:
November 8-9, 2022 Online



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

October 26, 2022

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

We have compiled the UNAUDITED statement of Net Position of the Washington State Housing Finance Commission (the "Commission") General Operating Fund as of September 30, 2022, and the related statement of Activities and Changes in Net Position for the month ended, in accordance with generally accepted accounting principles.

This compilation is limited to presenting, in the form of financial statements, information that is accurate to the best of our knowledge and belief. These statements have not been audited or reviewed by an independent third party.

We have elected to omit substantially all of the disclosures required by generally accepted accounting principles including the statement of cash flow. If the omitted disclosures were included in the financial statements, they might influence the users' conclusions about the Commission's financial position, results of operations and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about these matters.

Prepared by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

Approved by: Lucas Loranger
Lucas Loranger
Senior Controller

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

September 30, 2022

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(See Accountant's Compilation Report)

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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
September 30, 2022
(See Accountant's Compilation Report)

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>	
			<u>Amount</u>	<u>%</u>
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 7,877,073	\$ 9,442,189	\$ (1,565,116)	(1) -17%
Money Market Accounts	190,697,523	38,222,083	152,475,440	(1) 399%
Investment Securities	7,402,642	4,137,662	3,264,980	(1) 79%
Interest Receivable	338,421	129,087	209,334	(2) 162%
Fees Receivables	14,095,674	12,431,181	1,664,493	(3) 13%
Prepaid Expenses & Other Receivable	487,690	387,110	100,580	(4) 26%
Furniture and Fixtures (net of depreciation)	388,478	194,750	193,728	(5) 99%
Intangible Lease Asset (net of amortization)	1,516,569	2,277,021	(760,452)	(6) -33%
Net Pension Asset*	5,925,841	-	5,925,841	NA
<i>Total Assets</i>	<u>228,729,911</u>	<u>67,221,083</u>	<u>161,508,828</u>	<u>240%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	1,960,676	2,338,037	(377,361)	-16%
<i>Total Assets and Deferred Outflows</i>	<u>\$ 230,690,587</u>	<u>\$ 69,559,120</u>	<u>\$ 161,131,467</u>	<u>232%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 2,212,442	\$ 6,588,086	\$ (4,375,644)	(7) -66%
Unearned Fee Income	182,077,469	17,382,218	164,695,251	(8) 947%
Accrued Payroll Payable	1,513,801	1,513,875	(74)	0%
Lease Liability	1,407,195	2,277,195	(870,000)	(6) -38%
Net Pension Liability *	4,144,035	5,906,223	(1,762,188)	-30%
<i>Total Liabilities</i>	<u>191,354,942</u>	<u>33,667,597</u>	<u>157,687,345</u>	<u>468%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	7,567,112	2,383,349	5,183,763	217%
NET POSITION				
Invested in Capital Assets	388,477	194,750	193,727	(5) 99%
Committed - Housing Washington *	496,505	473,047	23,458	5%
Unrestricted	30,883,551	32,840,377	(1,956,826)	-6%
<i>Total Net Position</i>	<u>31,768,533</u>	<u>33,508,174</u>	<u>(1,739,641)</u>	<u>-5%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 230,690,587</u>	<u>\$ 69,559,120</u>	<u>\$ 161,131,467</u>	<u>232%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The increase is primarily due to the receipt of funds for the Homeowner Assistance Fund (HAF) program.
- (2) Higher interest rates in the current year contributed to the increase in interest receivable. For example, the LGIP rate in the prior year was 0.09% as compared with 2.56% in the current year.
- (3) The increase in fees receivables is primarily due to a greater number of receivables for Commission issued 4% bond 2nd half tax credit fees and higher receivable balances related to DPA loans in the Homeownership program.
- (4) The increase in prepaids and other receivables balance is primarily due to slightly higher prepaid expenses for various software and services.
- (5) The increase in net capital assets reflects the capitalization of the Community Build application and Homebuyer Education portal projects, offset by the continued depreciation of prior investments in assets.
- (6) These accounts reflect the implementation of GASB 87 in which long-term, non-ownership-transferring leases are recorded as an intangible right-of-use asset and a lease liability. The balances are primarily related to the office rental contract.
- (7) The overall decrease in accounts payable and other liabilities is primarily due to a decrease of accruals associated with the Idaho Master Servicing Agreement and quarterly transfer of Daily Price Program income to the Commission Fund.
- (8) The increase in unearned fee income is primarily due to the receipt of funds for the HAF program, established in Section 3206 of the American Rescue Plan Act of 2021.

* These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position

Fund: General Operating Fund

Division: All

For The Year To Date Ending: September 30, 2022

(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 2,929,761	\$ 7,696,456	\$ 13,824,080	\$ (6,127,624)	(1) -44%
Interest Earned & Realized Gain	719,762	1,678,363	231,174	1,447,189	(2) 626%
Other	21,096	54,883	37,333	17,550	(3) 47%
<i>Total Unadjusted Revenues</i>	<u>3,670,619</u>	<u>9,429,702</u>	<u>14,092,588</u>	<u>(4,662,886)</u>	<u>-33%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	790,876	2,446,521	2,285,198	161,323	7%
Travel & Conferences	19,179	25,127	27,145	(2,018)	-7%
Professional Fees	106,763	327,900	407,366	(79,466)	(4) -20%
Office Expense	233,507	641,290	556,083	85,207	(5) 15%
<i>Total Expenses</i>	<u>1,150,325</u>	<u>3,440,838</u>	<u>3,275,793</u>	<u>165,045</u>	<u>5%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	(710,619)	(1,005,862)	(145,471)	(860,391)	591%
Grant Revenue	1,583,528	4,115,486	464,004	3,651,482	787%
<i>Expenses:</i>					
Grant Pass-Through	1,583,528	4,115,486	464,004	3,651,482	787%
<i>Total Adjustments</i>	<u>(710,619)</u>	<u>(1,005,862)</u>	<u>(145,471)</u>	<u>(860,391)</u>	<u>591%</u>
Excess of Revenues over Expenses	1,809,675	4,983,002	10,671,324	(5,688,322)	-53%
Less transfer to Commission Fund *	(33,336)	4,284	(1,684,662)	1,688,946	-100%
Excess of Revenues over Expenses (Net of Transfers)	<u>1,776,339</u>	<u>4,987,286</u>	<u>8,986,662</u>	<u>(3,999,376)</u>	<u>-45%</u>
<i>Net Position</i>					
Total net position, beginning of period	29,992,194	26,781,247	24,521,512	2,259,735	9%
Current Increase (Decrease) - to Net position	1,776,339	4,987,286	8,986,662	(3,999,376)	-45%
Total net position, end of year	<u>\$ 31,768,533</u>	<u>\$ 31,768,533</u>	<u>\$ 33,508,174</u>	<u>\$ (1,739,641)</u>	<u>-5%</u>

(1) The decrease in fee income is primarily due to reduced production and narrow margins in our Home Advantage program, driven by rising interest rates and limited affordable housing inventory which hinder our ability to reach potential homebuyers.

(2) The increase in interest income is primarily due to the increase in rates. For example, the LGIP rate has increased from 0.09% in the prior period to a rate of 2.56% in the current period.

(3) The increase in other income is primarily due to the increase in the number of transfer fees in the Compliance division and Home Buyer Education trainings in the Homeownership division.

(4) The decrease in professional fees is primarily due to consultant fees incurred in the prior year related to executive professional search.

(5) The increase in office expense is primarily due to higher database design, research, and support fees for projects related to the intranet and program applications.

* Effective 1/1/2013, 25% of the Home Advantage Program revenue are transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility as the portfolio of MBS's and bonds diminish.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: September 30, 2022
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to	
	%	Amount	Actual	Actual	Budget	Actual	%
<i>Revenues:</i>							
Program Fees	9.4%	\$ 444,327	\$ 4,703,807	\$ 5,148,134	\$ 5,176,495	\$ (28,361)	-0.5%
Issuance, Application, and Servicing Fees	-72.1%	(6,571,951)	9,120,273	2,548,322	3,117,003	(568,681)	-18.2%
Interest Earned & Realized Gain	626.0%	1,447,189	231,174	1,678,363	309,014	1,369,349	443.1%
Other Income	47.0%	17,550	37,333	54,883	168,200	(113,317)	-67.4%
Total Unadjusted Revenues	-33.1%	(4,662,885)	14,092,588	9,429,701	8,770,712	658,990	7.5%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	6.0%	105,022	1,756,666	1,861,688	2,284,706	(423,018)	-18.5%
Employee Benefits - Staff	10.7%	56,301	528,532	584,833	688,792	(103,959)	-15.1%
Conference, Education & Training	-34.3%	(6,480)	18,900	12,420	26,837	(14,417)	-53.7%
Travel out of state - Staff	102.7%	6,293	6,130	12,423	53,725	(41,302)	-76.9%
Travel in state - Staff	-86.6%	(1,831)	2,115	284	26,784	(26,500)	-98.9%
Accounting Fees	-57.2%	(24,421)	42,699	18,278	31,000	(12,722)	-41.0%
Legal Fees	-13.2%	(15,758)	119,050	103,292	157,750	(54,458)	-34.5%
Financial Advisor Fees	3.3%	2,500	75,000	77,500	88,450	(10,950)	-12.4%
Investment Management Fees	9.2%	3,747	40,728	44,475	50,000	(5,525)	-11.1%
Office Rent/Conf. Room Rentals	0.1%	119	231,688	231,807	235,546	(3,739)	-1.6%
Furniture & Equipment Rental	35.8%	1,754	4,898	6,652	5,555	1,097	19.7%
Advertising	19.8%	506	2,561	3,067	139,850	(136,783)	-97.8%
Publications/ Subscriptions/ Dues	-0.8%	(160)	20,059	19,899	26,730	(6,831)	-25.6%
Deliveries	-52.3%	(569)	1,087	518	1,442	(924)	-64.1%
Insurance	6.5%	929	14,193	15,122	15,250	(128)	-0.8%
Meeting Expense	NA	1,559	-	1,559	28,625	(27,066)	-94.6%
Equipment & Building Maintenance	-90.7%	(22,118)	24,394	2,276	23,208	(20,932)	-90.2%
Software Maint. Support & Other Info Svcs	46.5%	94,793	204,048	298,841	268,117	30,724	11.5%
Non-capitalized Equipment/Supplies	-0.2%	(10)	5,935	5,925	28,509	(22,584)	-79.2%
Postage	-79.2%	(1,719)	2,170	451	1,868	(1,417)	-75.9%
Printing	3.7%	44	1,179	1,223	4,867	(3,644)	-74.9%
State Services	-79.0%	(1,681)	2,129	448	3,743	(3,295)	-88.0%
Supplies	223.9%	9,944	4,442	14,386	8,650	5,736	66.3%
Telephone	-31.1%	(5,402)	17,385	11,983	19,919	(7,936)	-39.8%
Contract Services	-35.1%	(45,534)	129,889	84,355	295,625	(211,270)	-71.5%
Depreciation	36.3%	7,219	19,914	27,133	35,621	(8,488)	-23.8%
Total Expenses	5.0%	165,047	3,275,794	3,440,838	4,551,169	(1,110,331)	-24.4%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	591.5%	(860,391)	(145,471)	(1,005,862)	-	(1,005,862)	NA
Grant Revenue	787.0%	3,651,482	464,004	4,115,486	12,258,631	(8,143,145)	-66.4%
<i>Expenses:</i>							
Grant Pass-Through	787.0%	3,651,482	464,004	4,115,486	12,258,631	(8,143,145)	-66.4%
	591.5%	(860,391)	(145,471)	(1,005,862)	-	(1,005,862)	NA
Excess of Revenues over Expenses- adjusted	-53.3%	(5,688,323)	10,671,323	4,983,001	4,219,543	763,459	18.1%
Less transfer to Commission Fund	-100.3%	1,688,946	(1,684,662)	4,284	-	4,284	NA
Excess of Revenues over Expenses (Net of Transfers)	-44.5%	\$ (3,999,376)	\$ 8,986,661	\$ 4,987,285	\$ 4,219,543	\$ 767,743	18.2%



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

September 20, 2022

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

We have compiled the UNAUDITED statement of Net Position of the Washington State Housing Finance Commission (the “Commission”) General Operating Fund as of August 31, 2022, and the related statement of Activities and Changes in Net Position for the month ended, in accordance with generally accepted accounting principles.

This compilation is limited to presenting, in the form of financial statements, information that is accurate to the best of our knowledge and belief. These statements have not been audited or reviewed by an independent third party.

We have elected to omit substantially all of the disclosures required by generally accepted accounting principles including the statement of cash flow. If the omitted disclosures were included in the financial statements, they might influence the users' conclusions about the Commission's financial position, results of operations and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about these matters.

Prepared by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

Approved by: Lucas Loranger
Lucas Loranger
Senior Controller

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

August 31, 2022

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(See Accountant's Compilation Report)

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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
August 31, 2022
(See Accountant's Compilation Report)

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>	
			<u>Amount</u>	<u>%</u>
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 2,995,085	\$ 5,859,993	\$ (2,864,908)	(1) -49%
Money Market Accounts	203,781,702	39,808,271	163,973,431	(1) 412%
Investment Securities	2,610,646	2,148,869	461,777	(1) 21%
Interest Receivable	252,307	124,791	127,516	(2) 102%
Fees Receivables	12,431,287	14,321,590	(1,890,303)	(3) -13%
Prepaid Expenses & Other Receivable	524,480	439,556	84,924	(4) 19%
Furniture and Fixtures (net of depreciation)	284,125	66,560	217,565	(5) 327%
<i>Total Assets</i>	<u>222,879,632</u>	<u>62,769,630</u>	<u>160,110,002</u>	<u>255%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	<u>2,338,037</u>	<u>2,338,037</u>	<u>-</u>	<u>0%</u>
<i>Total Assets and Deferred Outflows</i>	<u>\$ 225,217,669</u>	<u>\$ 65,107,667</u>	<u>\$ 160,110,002</u>	<u>246%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 2,570,247	\$ 6,033,631	\$ (3,463,384)	(6) -57%
Unearned Fee Income	185,066,772	18,270,165	166,796,607	(7) 913%
Accrued Payroll Payable	1,535,160	1,515,503	19,657	1%
Net Pension Liability *	5,906,223	5,906,223	-	0%
<i>Total Liabilities</i>	<u>195,078,402</u>	<u>31,725,522</u>	<u>163,352,880</u>	<u>515%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	<u>2,383,349</u>	<u>2,383,349</u>	<u>-</u>	<u>0%</u>
NET POSITION				
Invested in Capital Assets	284,124	66,560	217,564	(5) 327%
Committed - Housing Washington *	496,505	473,047	23,458	5%
Unrestricted	26,975,289	30,459,189	(3,483,900)	-11%
<i>Total Net Position</i>	<u>27,755,918</u>	<u>30,998,796</u>	<u>(3,242,878)</u>	<u>-10%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 225,217,669</u>	<u>\$ 65,107,667</u>	<u>\$ 160,110,002</u>	<u>246%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The increase is primarily due to the receipt of funds for the Homeowner Assistance Fund (HAF) program.
- (2) Higher interest rates in the current year contributed to the increase in interest receivable. For example, the LGIP rate in the prior year was 0.08% as compared with 2.25% in the current year.
- (3) The decrease in fees receivables is primarily due to a reduction in receivables related to DPA loans in the Homeownership program. DPA loans decreased approximately 65% in the number of loans (with an increase of approximately 2% in the amount per loan) based on a 2-month average.
- (4) The increase in prepaids and other receivables balance is primarily due to slightly higher prepaid expenses for various software and services and higher volume cap allocation prepaid fees.
- (5) The increase in net capital assets reflects the capitalization of the Community Build application and Homebuyer Education portal projects, offset by the continued depreciation of prior investments in assets.
- (6) The overall decrease in accounts payable and other liabilities is primarily due to a decrease of accruals associated with the Idaho Master Servicing Agreement and quarterly transfer of Daily Price Program income to the Commission Fund.
- (7) The increase in unearned fee income is primarily due to the receipt of funds for the HAF program, established in Section 3206 of the American Rescue Plan Act of 2021.

* These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position

Fund: General Operating Fund

Division: All

For The Year To Date Ending: August 31, 2022

(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 2,681,946	\$ 4,766,695	\$ 9,566,135	\$ (4,799,440)	(1) -50%
Interest Earned & Realized Gain	517,663	958,601	143,878	814,723	(2) 566%
Other	23,006	33,787	25,952	7,835	(3) 30%
<i>Total Unadjusted Revenues</i>	<u>3,222,615</u>	<u>5,759,083</u>	<u>9,735,966</u>	<u>(3,976,883)</u>	<u>-41%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	807,185	1,655,645	1,519,455	136,190	9%
Travel & Conferences	522	5,948	8,867	(2,919)	(4) -33%
Professional Fees	103,954	221,137	245,017	(23,880)	(5) -10%
Office Expense	196,377	407,783	394,093	13,690	3%
<i>Total Expenses</i>	<u>1,108,038</u>	<u>2,290,513</u>	<u>2,167,433</u>	<u>123,080</u>	<u>6%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	(573,173)	(295,243)	34,299	(329,542)	-961%
Grant Revenue	1,155,018	2,531,958	232,957	2,299,001	987%
<i>Expenses:</i>					
Grant Pass-Through	1,155,018	2,531,958	232,957	2,299,001	987%
<i>Total Adjustments</i>	<u>(573,173)</u>	<u>(295,243)</u>	<u>34,299</u>	<u>(329,542)</u>	<u>-961%</u>
Excess of Revenues over Expenses	1,541,404	3,173,327	7,602,832	(4,429,505)	-58%
Less transfer to Commission Fund *	7,114	37,620	(1,125,548)	1,163,168	-103%
Excess of Revenues over Expenses (Net of Transfers)	<u>1,548,518</u>	<u>3,210,947</u>	<u>6,477,284</u>	<u>(3,266,337)</u>	<u>-50%</u>
Net Position					
Total net position, beginning of period	26,207,400	24,544,971	24,521,512	23,459	0%
Current Increase (Decrease) - to Net position	1,548,518	3,210,947	6,477,284	(3,266,337)	-50%
Total net position, end of year	<u>\$ 27,755,918</u>	<u>\$ 27,755,918</u>	<u>\$ 30,998,796</u>	<u>\$ (3,242,878)</u>	<u>-10%</u>

(1) The decrease in fee income is primarily due to reduced production and narrow margins in our Home Advantage program, driven by rising interest rates and limited affordable housing inventory which hinder our ability to reach potential homebuyers.

(2) The increase in interest income is primarily due to the increase in rates. For example, the LGIP rate has increased from 0.08% in the prior period to a rate of 2.25% in the current period.

(3) The increase in other income is primarily due to the increase in the number of transfer fees in the Compliance division and Home Buyer Education trainings in the Homeownership division.

(4) The decrease in travel and conference expenses is primarily due to higher enrollment fees in virtual conferences in the prior year.

(5) The decrease in professional fees is primarily due to higher legal fees and to consultant fees related to executive professional search in the prior year.

* Effective 1/1/2013, 25% of the Home Advantage Program revenue are transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility as the portfolio of MBS's and bonds diminish.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: August 31, 2022
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to	
	%	Amount	Actual	Actual	Budget	Actual	%
<i>Revenues:</i>							
Program Fees	-3.5%	\$ (107,344)	\$ 3,100,519	\$ 2,993,175	\$ 3,450,997	\$ (457,822)	-13.3%
Issuance, Application, and Servicing Fees	-72.6%	(4,692,096)	6,465,616	1,773,520	2,078,002	(304,482)	-14.7%
Interest Earned & Realized Gain	566.3%	814,723	143,878	958,601	206,010	752,591	365.3%
Other Income	30.2%	7,835	25,952	33,787	112,133	(78,346)	-69.9%
Total Unadjusted Revenues	-40.8%	(3,976,882)	9,735,966	5,759,082	5,847,142	(88,059)	-1.5%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	8.4%	98,433	1,169,549	1,267,982	1,523,138	(255,156)	-16.8%
Employee Benefits - Staff	10.8%	37,758	349,906	387,664	459,194	(71,530)	-15.6%
Conference, Education & Training	-56.6%	(3,822)	6,748	2,926	17,891	(14,965)	-83.6%
Travel out of state - Staff	227.0%	2,088	920	3,008	35,817	(32,809)	-91.6%
Travel in state - Staff	-98.8%	(1,185)	1,199	14	17,856	(17,842)	-99.9%
Accounting Fees	-45.8%	(10,632)	23,199	12,567	4,167	8,400	201.6%
Legal Fees	-11.9%	(9,949)	83,925	73,976	105,167	(31,191)	-29.7%
Financial Advisor Fees	5.0%	2,500	50,000	52,500	58,967	(6,467)	-11.0%
Investment Management Fees	9.1%	2,480	27,108	29,588	33,333	(3,745)	-11.2%
Office Rent/Conf. Room Rentals	-0.1%	(168)	154,784	154,616	157,031	(2,415)	-1.5%
Furniture & Equipment Rental	52.9%	1,306	2,467	3,773	3,703	70	1.9%
Advertising	-80.5%	(1,822)	2,262	440	93,233	(92,793)	-99.5%
Publications/ Subscriptions/ Dues	-11.0%	(1,396)	12,740	11,344	17,820	(6,476)	-36.3%
Deliveries	-50.9%	(379)	745	366	962	(596)	-62.0%
Insurance	6.9%	620	8,924	9,544	10,167	(623)	-6.1%
Meeting Expense	NA	371	-	371	19,083	(18,712)	-98.1%
Equipment & Building Maintenance	-94.7%	(21,029)	22,204	1,175	15,472	(14,297)	-92.4%
Software Maint. Support & Other Info Svcs	17.4%	27,556	157,981	185,537	178,745	6,792	3.8%
Non-capitalized Equipment/Supplies	-71.6%	(3,074)	4,296	1,222	19,006	(17,784)	-93.6%
Postage	-53.4%	(382)	716	334	1,245	(911)	-73.2%
Printing	20.1%	205	1,018	1,223	3,244	(2,021)	-62.3%
State Services	-77.3%	(1,497)	1,937	440	2,495	(2,055)	-82.4%
Supplies	344.9%	11,110	3,221	14,331	5,767	8,564	148.5%
Telephone	-28.6%	(1,991)	6,966	4,975	13,279	(8,304)	-62.5%
Contract Services	-13.6%	(8,279)	60,785	52,506	197,083	(144,577)	-73.4%
Depreciation	30.8%	4,260	13,833	18,093	23,748	(5,655)	-23.8%
Total Expenses	5.7%	123,082	2,167,436	2,290,515	3,017,613	(727,098)	-24.1%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	-960.8%	(329,542)	34,299	(295,243)	-	(295,243)	NA
Grant Revenue	986.9%	2,299,001	232,957	2,531,958	8,172,421	(5,640,463)	-69.0%
<i>Expenses:</i>							
Grant Pass-Through	986.9%	2,299,001	232,957	2,531,958	8,172,421	(5,640,463)	-69.0%
	-960.8%	(329,542)	34,299	(295,243)	-	(295,243)	NA
Excess of Revenues over Expenses- adjusted	-58.3%	(4,429,506)	7,602,829	3,173,324	2,829,529	343,796	12.2%
Less transfer to Commission Fund	-103.3%	1,163,168	(1,125,548)	37,620	-	37,620	NA
Excess of Revenues over Expenses (Net of Transfers)	-50.4%	\$ (3,266,337)	\$ 6,477,281	\$ 3,210,944	\$ 2,829,529	\$ 381,416	13.5%

PROGRAM OBJECTIVES
QUARTERLY STATUS REPORT
for period ending September 30, 2022

• A Homeownership

Division: Homeownership Division **Position:** Lisa DeBrock, Director

Commission Goal:

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 Purpose/Goal (How does it meet the need):

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:

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

1st Quarter:

1st Quarter	Number	Amount	% Minority Borrowers
House Key	124	\$ 33,825,343.00	41.20%
MCC	0	\$ -	0.00%
Home Advantage	664	\$ 243,549,544.00	33.40%
HK Opportunity DPA	108	\$ 1,536,498.00	41.06%
Home Advantage DPA	637	\$ 9,011,435.00	33.12%
Home Advantage DPA Needs Based 1%	5	\$ 47,120.00	60.00%
Homechoice	6	\$ 78,995.00	0.00%
House Key Schools	0	\$ -	0.00%
House Key Veterans	0	\$ -	0.00%
House Key Seattle	0	\$ -	0.00%
Tacoma DPA	2	\$ 60,000.00	50.00%
Bellingham DPA	0	\$ -	0.00%
Pierce County	1	\$ 54,000.00	0.00%
Bremerton DPA	0	\$ -	0.00%
HK+ Arch	3	\$ 88,953.00	100.00%
HK+ CLT	0	\$ -	0.00%
University of WA DPA (non-Commission funds)	0	\$ -	50.00%

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.

1st Quarter:

- The division is in the process of finalizing our Safe Space Principles and actively engaged in the Strategic Planning process.

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

1st Quarter:

- Ongoing. Continue to market our homeownership programs to underserved communities and communities of color and seek opportunities to modify our programs to be more racially and socially just

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 workshops by June 30, 2023.

1st Quarter:

- Conducted 3 Home Advantage/House Key training seminar virtually via Zoom.

Total for Quarter: 3

Total for Fiscal Year: 3

12 real estate professional/lender presentations:

1st Quarter:

- Jenni Davidson and Sarah Bruington held a backoffice training with 101 attendees on July 12, 2022.
- Jenni Davidson held a backoffice training with 97 attendees on August 17, 2022
- Jenni Davidson held a backoffice training with 46 attendees on September 13, 2022.
- Lisa DeBrock presented at the “Building Generation Wealth on Purchasing Your First Home” for the University of North Carolina Greensboro Bryan School of Business students in conjunction with NAREB and Fannie Mae on September 29, 2022. *

Total for Quarter: 4

Total for Fiscal Year: 4

*Indicates outreach to minority group.

Completed.

20 outreach activities with non-profits, lenders, real estate professionals and/or government entities:

1st Quarter:

- Lisa DeBrock, Corinna Obar, Dietrich Schmitz and Kat Komin met with representatives from Catholic Community Services on July 19, 2022 to discuss partnership opportunities.
- Rich Zwicker met with Gretchen Bruce of King County to discuss KC VSHSL grants program on July 12, 2022, August 9, 2022 and September 13, 2022.
- Lisa DeBrock and Corinna Obar met with the incoming president for Washington Mortgage Bankers on July 20, 2022 to discuss partnership opportunities.
- Rich Zwicker and Emily Northrup met with RRCA to discuss grant support and counseling on July 21, 2022.
- Dietrich Schmitz met with Clark County representatives on July 22, 2022 to further discuss a Clark County dpa program.
- Lisa DeBrock participated in the Black Homebuyer Journey and System Map Report Out in conjunction with Civic Commons on July 29, 2022.
- Lisa DeBrock, Corinna Obar, Dietrich Schmitz and Kat Komin met with representatives from the Department of Financial Institutions to discuss boosting downpayment assistance programs on August 4, 2022 and September 27, 2022.
- Rich Zwicker and Emily Northrup met with Parkview Services on August 8, 2022 to discuss HAF program.
- Lisa DeBrock, Corinna Obar and Dietrich Schmitz met with representatives from the Spokane Association of Realtors on August 9, 2022 to discuss further partnership opportunities.
- Lisa DeBrock, Corinna Obar, rich Zwicker and Emily Northrup met with representatives from Northwest Justice on August 12, 2022 to get feedback on the Homeownership Assistance Fund.
- Rich Zwicker and Emily Northrup met with TPC Habitat for Humanity to discuss counseling opportunities on August 16, 2022.
- Lisa DeBrock attended an in-person National Association of Minority Mortgage Bankers of America event to discuss the formation of the Seattle chapter on August 17, 2022.*
- Lisa DeBrock, Corinna Obar and Dietrich Schmitz met with one of our realtor instructor partner, Kristina Loper from Keller Williams Realty to discuss and get feedback from her regarding getting dpa offers accepted on August 30, 2022.
- Kat Komin met with representatives from Latinos En Spokane to discuss HAF program on September 11, 2022.*
- Lisa DeBrock and Margret Graham met with Representative Adam Smith's office to discuss ways to get the word out on our programs on September 13, 2022.
- Lisa DeBrock and Kat Komin attended the DFI Community meet up to discuss DFI's outreach plan to BIPOC communities on September 14, 2022.*

- Rich Zwicker and Emily Northrup met with representatives from Volunteers of America to discuss HAF program on September 20, 2022.*
- Emily Northrup attended the Financial Empowerment Network Foreclosure Prevention Meeting on September 21, 2022.
- Lisa DeBrock, Corinna Obar and Kat Komin maintained a booth at the Washington Association of Mortgage Professionals on September 21, 2022 to get the word out on our programs.

Total for Quarter: 22
Total for Fiscal Year: 22

*Indicates outreach to minority group.

4 HomeChoice down payment trainings:

1st Quarter:

- Dietrich Schmitz conducted 3 HomeChoice webinars on July 29, August 26 and September 23, 2022 with a total of 33 attendees.

Total for Quarter: 3
Total for Fiscal Year: 3

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

1st Quarter:

- RFP to hire Master Loan Servicers have been completed. Contracts to be completed in second quarter.

Conduct an RFP to hire for Quantitative Services or extend current contract by December 31, 2022.

1st Quarter:

- Completed.

Conduct an RFP and hire Single-Family Investment Bankers by December 31, 2022.

- RFP or contract extension in second quarter.

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.

1st Quarter:

- Unsuccessful contract negotiation with selected candidate. Re-evaluating options to reopen RFP in second quarter.

Performance Measures:

- **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.**
- **90% of the loans are reviewed within 3 business days of receipt by June 30, 2023.**

1st Quarter:

- Out of 124 Home Advantage files, 123 or 99.40% were reviewed within 3 business days of receipt, 1 or 0.60% were reviewed after 3 business days of receipt.

The delinquency rate for Home Advantage/House Key programs borrowers is less than FHA fixed rate average for Washington State as published quarterly by the MBA by June 30, 2023.

1st Quarter:

- As of August 11, 2022, according to the Mortgage Bankers Association, the national delinquency rate is at 3.64%. For the state of Washington, the FHA delinquency rate is 7.56%. During the same period, the rate of delinquency for the House Key/Home Advantage programs is at 8.51% in the US Bank portfolio, 13.45% in the Lakeview portfolio, which includes loans in forbearance and 3.56% in the Idaho Housing portfolio.

The Homeownership division receives an average score of 4 or better on the evaluation of division conducted training workshops.

1st Quarter:

- Out of 3 trainings, 100% of the training received an average score of 4 or better.

QUARTERLY STATUS REPORT
for period ending September 30, 2022

- B Homebuyer Education and Counseling

Division: Homeownership Division **Position:** Lisa DeBrock, Director

Commission Goal:

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

Problem/Need:

Many lower income and other 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 Purpose (How does it meet the need):

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

Business Objectives:

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 racism. Ensure that any grant administration program complies with the Commission's efforts regarding racial and social justice initiatives.

1st Quarter:

- Ongoing. Continue to advocate that any new counseling programs be mindful of racial and social justice goals. Continue to market the HAF program to underserved communities and seek opportunities to modify our programs to be more racially and socially just.

Conduct 800 homebuyer education seminars, with 8,000 participants, including on-line classes by June 30, 2023.

1st Quarter: Date range 7/1/2022-9/30/2022 Data pull date 10/18/2022

• Classes:	873	Participants:	5,346
• Non-English:	7	Participants:	6
• Tri-County:	*	Participants:	*
• Rest of State:	*	Participants:	*
• eHomeAmerica Online	1,228	Participants:	1,228
		Total:	6,574

For new grants or existing grants develop and/or implement the appropriate distribution program by June 30, 2023.

1st Quarter:

- Ongoing for existing grants. HAF program funding and appropriation from the legislature for funding for foreclosure prevention onboarded and will be distributed throughout FY 2023.

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.

1st Quarter:

- All grants on track.

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.

1st Quarter:

- Completed by deadline and ongoing.

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.

1st Quarter:

- The ARPA HAF Program was approved by Treasury went live on July 1, 2022.

Performance Measures:

Ten percent (10%) of the Homebuyer Education class instructor's participants teach a class within twelve (12) months of taking the class.

1st Quarter:

- Out of 639 trainees, 85 or 13% of Homebuyer Education class participants taught a class within 12 months of taking the class.

All Required reporting associated with any counseling grant be completed by their respective deadlines.

1st Quarter:

- Required reporting for 1st quarter was completed on time.

Multifamily Housing & Community Facilities

Business Objectives Quarterly Report

Lisa Vatske, Director

Multifamily Housing Program

Period Ending: 9/30/2022

1. Program wide:

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

1st Qtr: Developed safe space principles, interviewed CBO's regarding 2022 bond application process, made minor edits and clarifications and changing process for CBOs in the next application round based on input and interviews.

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

1st Qtr: Initial kick off meeting of H3H grant

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

1st Qtr: Proposed updated TDC limits for 9% program and reworking timing of waiver process based on current volatile cost environment

- 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% and Non-Commission Bond/4% by 12/31/22 and other programs by 6/30/22.

1st Qtr: Build out and testing of 9% application portal

- e. Assess current staffing needs and objectives based on legislative or emerging program initiatives by 12/31/22. Provide internship opportunities, either through HDC program or other avenues, track and report progress by 6/30/23.

1st Qtr: Hired and orientation of 2 HDC interns, one to be housed in MHCF and one to be housed in AMC. Hiring process and staff hired for analyst position to back fill Jacob's position and filling the policy position.

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

1st Qtr: No activity this quarter

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

1st Qtr: Engaged in planning committee, did visioning exercise with staff

2. Multi-family housing bonds:

- a.** Finance 3,000 units of affordable rental housing or issue \$350,000,000 in tax-exempt bonds by 06/30/2023.

1st Qtr:

Project Name	Location	Tax-Exempt Bonds	Units
Pine Ridge Apartments	SeaTac	\$16,000,000	105
Grand Street Apartments	Seattle	\$43,700,000	206
Mirabeau Townhomes	Spokane Valley	\$13,670,000	72
Ovation at Paine Field	Everett	\$38,000,000	222
Mirabeau Commons Supplemental	Spokane Valley	\$1,750,000	0*
Total		\$113,120,000	605

* Units counted with a prior issuance of tax-exempt bonds

- b.** Monitor and control multifamily bond cap including transfers to other issues to ensure maximum use of the state's resource, review quarterly through 6/30/2023.

1st Qtr:

Project Name	Issuer	Location	Tax-Exempt Bonds	Units
Jefferson Terrace Rehab	Seattle Housing Authority	Seattle	\$45,000,000	283
Hinoki Supplemental	Seattle Housing Authority	Seattle	\$5,000,000	0*
Total			\$50,000,000	283

* Units counted with a prior issuance of tax-exempt bonds

- 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.

1st Qtr: Attended AHTCC event with Senator Cantwell, honoring 2 WA state projects, working with her staff to continue to document needs in our state.

- d. Seek additional and alternative methods of financing multifamily
 - 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.

1st Qtr: Ongoing discussions with developers and investors for EIHF. Ongoing discussions regarding gaps and potential tools to be used for BIPOC fund.

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 01/15/2023.

1st Qtr: The commission allocated credit to 16 projects, resulting in 1,922 units in the first quarter.

- 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.

1st Qtr: Internal 9% Policy Reset meetings have kicked off with the development of a timeline, goals, deadlines, and identification of project leads.

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

1st Qtr: Received the Tacoma Housing Authority's Housing Hilltop application. A draft Regulatory Agreement has been circulated for comments. Closing is expected on November 8th.

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 the 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.

**Multifamily Housing & Community Facilities
Business Objectives / Quarterly Report
Nonprofit Housing and Nonprofit Facilities Programs**

Lisa Vatske, Director

Nonprofit Programs Combined Report

Period Ending: 9/30/2022

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.

1st Qtr: Created a proposal for UW student consultant team to suggest key metrics for impact on 4% bond program—anticipating that some overlap may exist for NPH and NPF programs.

- b) Identify, communicate and support changes to current programs as well as develop new tools to mitigate the impact of such racism.

1st Qtr: No activity.

- c) Incorporate into the marketing plan specific outreach to communities of color.

- d) **1st Qtr:** Continued to build up a network of trusted messengers by making connections to BIPOC-led community-based organizations, as noted throughout this report.

- e) Make at least 15 meaningful connections to interested groups or organizations across nonprofit programs, including nonprofit housing, by June 30, 2023.

1st Qtr: Lisa Vatske, Claire Petersky, and/or Keri Williams established or strengthened connections with:

- Washington State Developmental Disabilities Administration
- African Community Housing & Development
- Communities of Concern Commission
- Filipino Community Center
- The Seattle Aquarium

- f) Make at least 6 meaningful connections with potential client organizations who were previously unaware of the nonprofit facility bond program.

1st Qtr: Keri Williams established new relationships with:

- The Hatch School (Seattle)
- Northwest Harvest (Yakima)
- The Way Back Inn (Renton)
- White Center Food Bank (White Center/King County)
- Friends of Gladish (Pullman)

- g)** Conduct 6 relationship building activities with existing clients including groundbreaking and dedications, virtual events, or other meaningful engagement.

1st Qtr: No activity.

- a)** Seek out conferences to advertise the program, participate in at least 5 workshops as a sponsor, speaker or exhibitor by 2023.

1st Qtr: Keri Williams participated in Enterprise Community Partners' Faith Based Initiative workshop, in a collaborative effort to bring faith-based organizations as CBOs into the Commission's programs

- b)** Review and refresh marketing materials, website, brochures, handouts to reflect program changes and results as needed throughout 2023.

1st Qtr: No activity

- c)** 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.

1st Qtr: No activity.

- d)** Seek out alternative financing structures and provide technical assistance to traditional non-profit housing developers to more fully utilize 501(c)(3) bonds to develop affordable housing by 2023. Develop a baseline index to measure outcomes moving forward by 12/31/2022.

1st Qtr: No Activity

2. Nonprofit Financing Objectives:

- a) Issue \$80 million in bonds or finance 225 units/beds including facilities for senior housing by 6/30/2023.

1st Qtr:

Housing

Project Name	Location	Tax-Exempt Bonds	Units	Type
Evergreen Ridge Apartments	Bellingham	\$27,102,000	145	General
Total		\$27,102,000	145	

Facilities

No activity

- a) Coordinate and market green initiatives to nonprofit housing providers, with report on successes by 6/30/2023.

1st Qtr: No activity.

- b) Issue \$40 million in bonds for non-profit facilities.

1st Qtr: No activity.

Multifamily Housing & Community Facilities

Business Objectives Quarterly Report

Lisa Vatske, Director

Specialty Programs - MHCF

Period Ending: 9/30/2022

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.

1st Qtr: Ongoing discussions with Microsoft and Seattle Foundation regarding programs and resources.

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

1st Qtr: Working with Microsoft, Balmer Group and Seattle Foundation on potential investors.

- c. Assess current staffing needs and objectives based on legislative or emerging program initiatives by 12/31/22.

1st Qtr: Participating in HDC internship program.

2. Renewable and energy efficiency:

- a. Close at least 4 SET loans or total SET loan issuance of \$2 million by 6/30/2023.

1st Qtr: Teed up the Lummi-PSE solar loan and the Views at Madison-Bellwether energy and water efficiency loan to close in Q2.

- b. Formalize the City of Seattle funding program. Develop marketing materials and criteria for allocating resources by 12/31/22.

1st Qtr: Continued to accrue funds from developers and explore program design with legal counsel. Homed in on criteria for allocating the resources: affordable housing developers in Seattle including solar who will pass on a percentage of cost savings to residents.

- c. Continue to assess and develop loan loss reserve model to leverage and access private capital for residential solar and energy retrofits by 6/30/23.

1st Qtr: Held conversations with the Department of Commerce to understand contracting parameters. Conducted outreach to lenders, CDFIs, companies, and community organizations to discover gaps in the energy efficiency/renewable energy market and explore potential partnerships.

- d. Track and monitor multifamily point effectiveness and impact on energy efficiency and any potential changes by 6/30/23.

1st Qtr: Researched statewide broadband efforts to coordinate a potential revision to the broadband point allocation for the 4%/bond round. Teeing up to deep dive into the 9% energy points in Q2.

3. Beginning farmers and ranchers:

- a. Issue \$1.5 million in tax-exempt bonds in 3 issues by 06/30/23.

1st Qtr:

Borrower	Location	Tax-Exempt Bonds
James and Kristin Lange	Farmington	\$278,000
Total		\$278,000

- b. Monitor and track the Purchase Assistance Loan Program. Report quarterly on any potential loan activity.

1st Qtr: No activity.

- c. Implement and fund 2 farmland preservation projects as a component of Farm PAI by 6/30/23. Report quarterly on progress to Division Director and AMT.

1st Qtr: Developed loan documents and held first round funding solicitation. Funded two proposals, with one closed.

- d. Develop program guidelines and materials for BIPOC farmer component of Farm PAI by 6/30/23.

1st Qtr: No activity.

4. Manufactured Housing Communities:

- a. Finance 2 Manufactured Housing Communities, or 100 units, by 6/30/2023.

1st Qtr: Financed the 51-unit Sunrise MHP community in Dallesport.

- b. Track and monitor legislation and funding opportunities by 6/30/2023 and report quarterly on any progress or initiatives.

1st Qtr: Met with Impact Capital to discuss our Manufactured Housing Preservation program. Held some preliminary meetings to discuss a community in Airway Heights that was interested in converting to resident ownership.

5. Land Acquisition Program:

a. Develop measures and report impacts of redefined outcomes by 6/30/2023.

1st Qtr: Ongoing discussion about strategic framework. Worked on flexible underwriting criteria for BIPOC organizations.

PROGRAM OBJECTIVES

QUARTERLY STATUS REPORT

FIRST FISCAL QUARTER, FY23

July – August – September

Ending September 30, 2022

Division: ASSET MANAGEMENT & COMPLIANCE

Position: Wubet Biratu, Director.

Business Objectives, Compliance:

- 1. Review 100% of compliance reports. Complete initial reviews within eleven months of report due dates. Issue compliance letters within 14 months of report due dates.**
 - 1st Quarter: 71% of all tax credit annual reports have been reviewed.
- 2. Ensure completion of calendar year onsite inspections for 1/3 of all projects by December 31st. Note: Goal may be impacted by the continuing threat of the COVID-19 pandemic.**
 - 1st Quarter: 74% of 2022 onsites are done.
- 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.
 - 1st Quarter: Online tax credit compliance workshops were presented in July and September. Electronic newsletters were sent out twice this quarter. The work group has shifted gears to work on an electronic Learning Management system to create online, on-demand training tools. Revamping the Tax Credit Advanced Compliance training and incorporating it to the web-based learning system will be postponed to a future fiscal year.
- 4. Develop Preservation policy with MHCF, outline specific criteria by 12/31/22 with final draft ready for approval by 06/30/23.**
 - 1st Quarter: Multifamily and AMC staff have collaborated on a preservation process for owners and stakeholders to follow. MHCF hired a senior policy coordinator who will start on Dec 1st and will take on this task. AMC have worked on updating and streamlining of the modification process. The is being integrated into an electronic workflow process.

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.

- 1st Quarter: AMC has been working extensively with certain owners to develop feasible ETO work plans and has started to develop forms for other owners to use for future transactions.

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.

- 1st Quarter: Previous summer intern's work on rent burdens has been issued to MF and AMC for review. Multifamily and AMC have hired fiscal year interns who will be helping staff continue to explore these issues by researching eviction data to develop a profile of tax credit tenancies and their challenges.

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

- 1st Quarter: AMC staff are on the SP committee and are providing feedback to the Commission's consultant.

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.

- 1st Quarter: This has changed to an agency-wide goal. AMC Staff are working with the Deputy Director on a committee to draft the RFP.

Performance Measures:

1. 100% of owners and managers with noncompliance issues will experience resolution of noncompliance issues within stated timeframes.

- 1st Quarter: Division staff are on track to complete reviews and resolve noncompliance issues by established deadlines.

2. The number of notices sent to the IRS, for serious noncompliance violations, will be less than 5% of the portfolio.

- 1st Quarter: The number of notices sent was for less than 1% of the total portfolio.

3. The average score for the division on post-training evaluations will be 4 or higher, on a scale of 1 to 5.

- 1st Quarter: The average score was 4.3.

4. The average score for owner/manager satisfaction for compliance policy assistance and resolving noncompliance issues will be 4 or higher, on a scale of 1 to 5.

➤ 1st Quarter: No activity this quarter.

TOTAL PROJECTS MONITORED AND UNITS SET ASIDE FOR LOW-INCOME RESIDENTS:

1st Quarter:

Total Low Income Projects & Units Monitored			
Housing Programs	Projects	Total Low Income Units	Total Units
Bond	90	3,051	9,053
Tax Credit	1,083	100,413	103,793
RTC	1	68	193
TOTALS	1,174	103,532	113,039

**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.

First Quarter: We continue making progress on schedule with our Strategic Planning consultant, Dr. Carmen Phelps. Carmen has completed her discovery phase, both individual and group interviews with all staff (including BIPOC only engagements and both management only and non-management only engagements) and will be presenting her assessment findings and recommendations to all staff in October. We also continue our work with our Equity Consultant, Alma Villegas Consulting. Alma has supported the work of each division to establish "Safe Space Principle" to provide a staff informed framework for engaging in productive and inclusive conversations.

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.

First Quarter: We continue to comply with directives prescribed by the

Governor. In the coming months we anticipate updates to these directives.

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.

First Quarter: We continue to comply with directives prescribed by the Governor and communicate with staff and support them accordingly. In the coming months we anticipate updates to these directives.

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.

First Quarter: Conducted three Commission meetings during the quarter via Zoom. Coordinated participation in other activities for Commissioners.

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

First Quarter: In the coming month we will begin to frame our agency legislative agenda to bring before the Board for consideration.

6. Produce and distribute the Annual Report and Cumulative Report by November 15, 2022.

First Quarter: Communications is gathering data for the program year just passed.

7. Organize and conduct a statewide housing conference by October 30, 2022; prepare and present a final report by January 31, 2023.

First Quarter: The Commission held its first hybrid housing conference on October 2-3, 2022, offering an in-person conference in Spokane, WA and also streaming on the Whova platform. The Conference had 831 in-person and 219 virtual attendees.

8. Lead the Friend of Housing Award selection process and produce the awards ceremony during Housing Washington in October 2022.

First Quarter: The communications team convened a staff committee that selected six Friend of Housing awardees in various categories, then produced the awards ceremony at the Housing Washington conference in Spokane. For our first in-person award ceremony (and conference) since 2019, we held Friend of Housing during the opening reception of the conference. Anna Porkalob, who very recently became the communications specialist, created the professional and attractive event graphics and was the primary point of contact with the attendees. Communications created a program and script for the event, which Commissioners followed to emcee and deliver remarks praising each awardee. Based on anecdotal feedback from attendees, it was a successful event. We are following up with a press release and also with post-conference live sessions where people can meet the awardees and learn about their work.

9. Coordinate, schedule and complete the annual revisions to the Business Resumption Plan by February 15, 2023.

First Quarter: No work this quarter.

10. In collaboration with the Deputy Director and EMT/AMT, plan and conduct a staff planning session by June 30, 2023.

First Quarter: Preliminary planning for the staff planning session will begin during the next quarter.

11. Complete the on-going implementation, monitoring and training for a Commission electronic content management system by June 30, 2023.

First Quarter: We completed user training in direct access, forms, and administration. We have one more class on workflow automation to complete, and afterward, we can begin to automate more processes. The DocuSign integration has been completed, and the first automated process will be completed by the end of the month. With the DocuSign integration, all electronically signed documents are now saved in the Laserfiche repository. Now we can determine when the signed document is deleted and not rely on the short time that DocuSign allows documents to remain on their platform.

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.

First Quarter: Conducted three EMT/IT Governance meetings and one AMT meeting during the quarter.

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.

First Quarter: Provided a monthly summary report to the ITG of all the network and end-user issues. Those issues were documented in a report generated in Fresh Service (our ServiceDesk software).

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.

First Quarter: Both the Executive Director and Deputy Director continue our partnership with the RJET. This includes both supporting and holding each other accountable to our mutually agreed upon Racial Equity Values and the RJET Charter we all signed.

- 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.

First Quarter: The process has begun for reviewing/updating these policies.

- 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.

First Quarter: Due to staff turnover the Office Procedure Manual and business practices will continue to be identified and revised.

- 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.

First Quarter: The advertising and outreach campaign for the Homeowner Assistance Fund, which focuses on reaching communities of color and homeowners most likely to be disadvantaged, launched in August. In addition to paid digital, print, and broadcast ads, the campaign also includes direct outreach from Commission and contractor staff to community-serving organizations to gain their trust and help in reaching homeowners in their communities. These efforts are bearing fruit in increased calls to the Homeownership Hotline and visits to WashingtonHAF.org. We also are working to produce several very short videos that feature housing counselors themselves discussing their work, with the goal of virtually introducing them to homeowners and encouraging trust in the hotline and application process.

Meanwhile, we are implementing a new strategy to finish and launch the new Homeownership website which will be central to equitable homebuyer outreach efforts.

15. Complete an Organizational Success Factor Survey of key clients and report by May 1, 2023.

First Quarter: No activity this quarter.

**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.

Quarter 1: This quarter, the service desk completed 179 issues.

2. Complete quarterly server recovery testing in conjunction with Disaster Recovery exercises to support the Business Resumption Plan.

Quarter 1: Restored various files from accidental deletions by end-users over this quarter.

3. Coordinate and assist in providing IT support for the installation and implementation of a Content Management System project through 6/30/2023.

Quarter 1: We completed user training in direct access, forms, and administration. We have one more class on workflow automation to complete, and afterward, we can begin to automate more processes. The DocuSign integration has been completed, and the first automated process will be completed by the end of the month. With the DocuSign integration, all electronically signed documents are now saved in the Laserfiche repository. Now we can determine when the signed document is deleted and not rely on the short time that DocuSign allows documents to remain on their platform.

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.

Quarter 1: There were no issues with Salesforce this quarter.

5. Maintain the Emphasys loan servicing platform with the support of internal staff and external contractors, coordinate planning, scheduling, and implementation of enhancements, and present monthly reports to ITG on system status.

Quarter 1: There was no downtime experienced with Emphasys.

6. Support Dynamics Nav and Serenic Navigator financial systems in accordance with the terms of the SLA. Report monthly status updates to the ITG.

Quarter 1: There was no downtime experienced with Navision.

7. Provide and maintain the 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.

Quarter 1: Provided a monthly summary report to the ITG of all the network and end-user issues. Those issues were documented in a report generated in Fresh Service (our ServiceDesk software).

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.

Quarter 1: Provided online training courses for IT staff through Itpro. tv and Pluralsight.

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.

Quarter 1: Provided online video training with Knowbe4.com. Videos included how to identify a phishing email and how to guard against Phishing attacks.

10. Maintain the after-hours 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.

Quarter 1: Network and server updates are scheduled for weekends or after hours once a quarter, regularly scheduled on the last day of the first month of the quarter There were no issues with network and server updates this quarter.

11. Maintain and provide a quarterly Security Breach Report to the Information Technology Governance Committee and, for audit purposes, an intrusions report from internal and external sources by 10 days following the quarter end.

Quarter 1: There were no breaches of the network this quarter.

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.

Quarter 1: All mission-critical servers, firewalls, and switches remain under warranty.

13. Maintain and update the Commission's IT network infrastructure and the Commission's desktops, laptops, and tablets.

Quarter 1: We continue to maintain the Commission's infrastructure at a high level.

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.

Quarter 1: This quarter, Eightcloud met its SLA. They delivered their services before they were due and continue to shine in all aspects of their service.

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.

Quarter 1: We have established a cloud connection with the Azure network and deployed a test server. We will start adding servers slowly to ensure all is well.

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.

Quarter 1: We have enhanced the online application created last year in Salesforce and integrated Laserfiche into it. We are at the beginning of the implementation phase of the 9% application and look to launch it in the coming months.

17. Ensure the integration of Salesforce (Homebase) and our Contact Management System (Laserfiche) to move forward in our efforts to advance the Commission toward our digital transformation goals by October 1, 2023.

Quarter 1: We have completed end-user training as well as forms and admin training for the staff. We are also coding applications that will move all paper documentation into Laserfiche. Last we are creating an RFP that will bring in a consultant that will help with Commission processes.

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

Quarter 1: We are in the process of revamping our IT strategic plan and policies.

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.

Quarter 1: We are about to replace your network back-up system. This will improve our ability to recover from a network disaster.

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

Quarter 1: We have developed a return-to-work strategy and are implementing it.

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).

Quarter 1: End-users had access to all network services this quarter 99.6% of the time.

2. Commission staff will have responses to network and peripheral support problems in accordance with our Service Level Agreement (SLA).

scheduled 1: All issues were resolved under our service level agreement.

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.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

PROGRAM SUMMARY
Fiscal year ending June 30, 2023

Report for the quarter ended September 30, 2022

PROGRAM: GENERAL OPERATIONS & PRI

DIVISION: FINANCE

Business Objectives:

- 1. Deposit and record all receipts, process accounts payable and accounts receivable daily; close general ledger with all appropriate transactions completed by the 12th business day of the next month.**

Quarter 1: All appropriate transactions were completed by the 17th business day for the month-end close of June and July 2022 and by the 13th business day for the month-end close of August 2022.

- 2. Provide accurate and timely management information to divisional directors, managers, and Commissioners by the 14th business day of the next month.**

Quarter 1: Commission-wide and divisional financial reports to management and Commissioners were provided by the 18th business day for the month-end close of June and July 2022 and by the 14th business day for the month-end close of August 2022.

- 3. Invest the Commission’s general operating reserves, monitor investment managers and report status by the end of the month following each quarter.**

Summary of Activities and Results					Net Return			
<u>Fiscal Qtr.</u>	<u>Beginning Balance</u>	<u>Interest Earned</u>	<u>Mgmt. Fees</u>	<u>Realized Mkt Adj</u>	<u>Dollars</u>	<u>Percent</u>	<u>Unrealized Market Adj</u>	<u>Ending Balance</u>
Q1	\$45,533,051	\$156,005	\$(36,671)	\$(7,821)	\$111,513	1.0%	\$(1,005,862)	\$44,638,702

- 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.**

Quarter 1: No activity this quarter.

- 5. Complete quarterly grant reconciliation and required reporting by the 5th business day following receipt of program staff detail following quarters end.**

Quarter 1: Program staff are working through the backlog of reconciliations. We expect to be back on track for 2nd Quarter FY 23.

- 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.**

Quarter 1: The FY 2021 exit conference took place August 30, 2022. There were no findings. *No further work expected until 2022 audit is scheduled by SAO.*

- 7. Maintain currency of knowledge in relevant SAAM and communicate relevant policies and procedures with appropriate levels of staff.**

Quarter 1: Chapter 10, Travel – updated breakfast, lunch, and dinner percentage allocation and reimbursement rates for lodging and meals effective October 1, 2022.

- 8. Review and update program policies and procedures by May 28, 2023.**

Quarter 1: No activity this quarter.

- 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.**

Quarter 1: No activity this quarter.

PROGRAM-RELATED INVESTMENTS:

- 1. Provide maximum funds available, including those from the PRI and Bond funds and warehouse lines as necessary for the 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.**

Quarter 1: All purchases of mortgage loan participations have been made timely and all funds received and returned reconciled and properly managed.

- 2. Provide Program Related Investment financial statements including available program balances by the end of the month following quarter end.**

Quarter 1: PRI financial statements for the 4th quarter of FY 2022 were distributed July 29th, 2022.

Performance Measures:

- 1. The Commission's annual independent external audit will have an unqualified opinion with no reportable conditions.**

Quarter 1: Field work commenced September 26, 2022, with an entrance conference with the audit committee held September 22, 2022. Field work is currently ongoing with completion expected by mid-November.

- 2. The Commission's annual state compliance audit will report no material instances of non-compliance with applicable statutes and WACs.**

Quarter 1: The FY 2021 state audit exit conference took place August 30, 2022. No material instances of non-compliance were identified.

- 3. All of the general operations financial reports will be completed within the specified timeframes.**

Quarter 1: General operations financial reports were completed on the 17th business day for the month-end close of June and July 2022 and on the 13th business day for August 2022.

- 4. Management will have the materially accurate financial information available monthly by the 20th day of the following month to guide effective decision making.**

Quarter 1: Financial information was available by the 27th, 24th, and 21st day of the following month for the months of June, July, and August 2022, respectively.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

PROGRAM SUMMARY

Fiscal year ending June 30, 2023

Report for the quarter ended September 30, 2022

PROGRAM: BOND PORTFOLIO MANAGEMENT

DIVISION: FINANCE

Business Objectives:

1. **Review and record bond transactions, create quarterly financial statements and disclosure and management reports:**
 - a. **Review and record monthly transactions by the 20th of the following month.**

Quarter 1: All Single-family bond portfolio transactions for June were posted 7/26/2022, for July and August transactions are all completed and ready for posting.
 - b. **Quarterly outstanding bond list by program with balances by 10 days following quarter end, single-family and non-conduit multifamily bond disclosure reports posted to website and EMMA as required, financial statements (including parity) and PlainsCap Compliance reporting, dashboard of bonds outstanding and activity to management and Commissioners, and complete quarterly conduit bond negative confirmations distribution for 25% of outstanding conduit bonds by 35 days following quarter end.**

Quarter 1: The quarterly Single-Family Disclosures were posted on 8/18/2022. The parity reports and Plains Capital compliance reporting were distributed on 7/29/2022.
 - c. **Semi-annual single-family indenture parity reports, liquidity compliance reports, and updates to cross call table, proceeds use report (WAC 262 01 080) by 45 days following quarters end.**

Quarter 1: These reports were prepared and distributed within the given timeframe.
2. **Reconcile Home Advantage TBA MBS sales within three days of each sale (generally three times per month with two servicers).**

Quarter 1: All Home Advantage MBS sales were reconciled within the given timeframe.
3. **Monitor arbitrage liabilities and assure timely calculation, reporting, recording and payment within the quarterly timelines above.**

Quarter 1: This quarter, there were no arbitrage payments due; reports were reviewed and confirmed.

4. Administer the bond cap recycling program including quarterly reporting on available cap and related debt outstanding.

Fiscal Qtr.	Payments Received for Recycling		Recycled into New Projects		Available Amount	Expired Unused
	Number	Amount	Number	Amount		
Quarter 1	2	\$11,420,833	2	\$8,170,000	\$9,079,644	\$0

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.

Quarter 1: Field work commenced September 26, 2022, with an entrance conference with the audit committee held September 22, 2022. Field work is currently ongoing with completion expected by mid-November.

6. Review and update program policies and procedures by May 28, 2023.

Quarter 1: Work on updating program policies and procedures is ongoing.

Performance Measures:

1. The Commission’s annual independent external audit will have an unqualified opinion with no reportable conditions.

Quarter 1: Field work commenced September 26, 2022, with an entrance conference with the audit committee held September 22, 2022. Field work is currently ongoing with completion expected by mid-November.

2. All of the bond accounting financial reports, including the dashboard and disclosures, will be completed within the specified timeframes.

Quarter 1: The bond accounting financial reports were completed in a timely manner.

3. Required Single Family Arbitrage information returns will be timely filed.

Quarter 1: While there were no single-family arbitrage reports due during this period, we have contacted the quantitative analyst to ensure that reports due early next quarter will be available so that timely returns can be filed if necessary.

4. Home Advantage TBA MBS Sales will be reconciled within three days of receipt of funds and necessary distributions identified.

Quarter 1: All Home Advantage MBS sales were reconciled, and distributions identified, within the given timeframe.

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax–exempt revenue obligations (the “Notes”) to finance a portion of the costs for the acquisition and rehabilitation of a multifamily housing facility in Yakima, Washington, to be owned by Englewood Housing Partners, LLLP, a Washington limited liability limited partnership. The Notes may be issued in one or more series issued from time to time. The public hearing will be held starting at 1:00 p.m., Thursday, October 27, 2022 in the 28th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104.

Pursuant to RCW 42.30.030(2), which encourages public agencies to provide for remote public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

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

**Webinar/Meeting ID: 838 9405 8797
Passcode: 236815**

**Participants who wish to participate toll-free telephonically in the United States, please dial either:
1-(888) 788-0099 or 1-(877) 853-5247.**

The Notes will be issued pursuant to Chapter 43.180 Revised Code of Washington for the purpose of financing a qualified residential rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”).

The proceeds of the Notes will be used to provide financing for the following project:

Project:	Englewood Gardens
Project Address:	3601 Fairbanks Avenue Yakima, WA 98902
Total Estimated Project Cost:	\$50,851,672
Estimated Maximum Note Amount:	\$25,000,000

Proceeds of the Notes will be used for the acquisition, rehabilitation and equipping of a 256-unit multifamily housing facility in Yakima, WA, and to pay a portion of the costs of issuing the Notes. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the proposed Project and the proposed Notes may be mailed or faxed to the attention of Dan Schilling, WSHFC, MHCF Division, 1000 Second Avenue, Suite 2700,

A Community Call to Action: Re-envisioning the Bond/4% Program

Washington State Housing Finance Commission
Management Innovation: Financial

HFA Staff Contact

Margret Graham

margret.graham@wshfc.org

A Community Call to Action: Re-envisioning the Bond/4% Program

In 2021, the Washington State Housing Finance Commission constructed a new set of policies and scoring criteria that would shift the bond/4% program's focus toward more balance and equity. Through this process, the Commission succeeded in refocusing an essential affordable housing resource on community outcomes, not simply the numbers of units constructed. For the first time, the program deliberately brought in developers of color and community-based organizations—while at the same time meeting targets for geographic balance, public leverage, housing preservation and cost-effectiveness.

Background

In Washington state, we have long prided ourselves on using close to 100 percent of our federal bond cap set aside for housing. The 4% tax credit/bond program has been a constant source of housing production, creating thousands of affordable apartments each year. From the beginning of the program, the developers were almost exclusively for-profit entities with experience in tax-credit development and management, who tended to build in suburban areas around the King and Snohomish county population centers (where development was most profitable). The available bond cap amply met the demand.

But by 2018, the bond/tax credit program had become increasingly competitive and scarce with more applications coming in than available bond cap—sometimes exceeding available resources by four times. This was partly due to an increase in public funding from the state, counties and cities to smaller, nonprofit developers. With the additional funding, these developers' projects could now “pencil,” as long as they could access larger capital sources like the bond/tax credit program.

By necessity, the Commission had developed more and more criteria for allocation as bond cap grew scarcer. However, the Commission's policy emphasis was still largely on production—weighting the competition toward those who could build the most units for the least amount of bond cap. But by the spring 2021 competition, the Commission had begun to receive criticism from all sides. Some pointed out the need to spread the resource more evenly across the state outside of the King County area, others that projects with other public-funding sources were being left behind and the public investments unused.

Most importantly, we were also called out by community members for failing to use our criteria to uplift underserved communities, empower BIPOC developers or address structural racism. While the Commission had begun to take some internal action on the latter, it was a concerned community call to action on racial equity at one of the Commission's board meetings that paved the way for rapid change.

The need to reconsider the values associated with the program was clear. New policy needed to not only open doors to developers and community organizations who previously had little to no access to the program, but also balance a long list of public priorities.

Policy Development

After the 2021 competition, we embarked on a major overhaul of our bond/tax credit competition and criteria. In creating this policy shift, the Commission sought to address a legacy of harm and ongoing discrimination within the WA housing industry, ensuring that big developers shared access to this resource with smaller community-based organizations and less experienced developers. We also had to

address an unbalanced concentration of LIHTC properties in King and Snohomish counties; the need to preserve our state's aging affordable housing stock; and the need to leverage public investments.

Though we sought to make changes quickly, the Commission felt it was important to work with our stakeholders to determine new criteria—and not just familiar stakeholders already well versed in our program. We reached out to a large number of community organizations and groups through a survey, as well as requesting one-on-one meetings with many of them to present our new policy for review and input—and build trust and relationships for the future.

New Values in Action

While previously all projects were ranked by points on one list, with the highest-scoring receiving an allocation, achieving our new values required a more finely tuned system. We implemented two tiers of ranking: an updated point system prioritizing BIPOC developers and community involvement, as well as a set of different “buckets” or lists with allocation targets.

Added: Points for BIPOC Developers and Ownership

For the first time, the Commission awards points for projects involving developers who are Black, Indigenous, or People of Color in order to alleviate historic and systemic barriers. For-profit developers can now earn eight points if more than 50% of the ownership identifies as BIPOC; six points if a BIPOC entity receives more than 40% of the developer fee and has a significant role in decision-making for the development. Nonprofits can earn three points if their executive director is BIPOC and five more points if more than 50% of the board of directors are BIPOC.

Added: Points for “By and For the Community”

We also incentivized projects that are “by and for communities,” especially those that could demonstrate meaningful partnerships with community-based organizations (CBOs) that help specific low-income groups most impacted by housing disparities. Thus, extra points were awarded to projects involving a local CBO that demonstrably represents one or more impacted communities (meaning both identity-based and geographic communities). More points are awarded for greater ownership or involvement of the CBO, with the most points for projects that will be owned long-term by a CBO. Projects also earn points (though fewer) if the CBO is a part owner or development entity; has the first right to purchase the property after 15 years; benefits financially from the partnership; or is involved with the project in one of several other ways. Additional points are earned if the project development (regardless of CBO involvement) meaningfully engages the community and incorporates their feedback/input.

Added: Targets for Balancing Three Priorities

In addition to overhauling the point system and adding new criteria, the Commission also needed to balance new housing vs. preservation, geographic distribution, and projects receiving public funding. We addressed this by setting targets for distributing our allocation across these three priorities and dividing all the projects into “buckets” or lists accordingly.

The Test: Reviewing Applications

The Commission's next challenge was executing the new policy. A new application had to be carefully developed; we also for the first time required a “letter of intent” so we could begin a dialogue with applicants as early as possible and assist with the process that was new to all developers alike.

Once again, the 2022 round was intensely oversubscribed, with twice as many applications as could be financed with available bond cap. Our new criteria would be put to the utmost test as we first reviewed for overall quality of application and confirmed self-assigned scores.

Most difficult was defining terms and parsing complexities, as we wrestled with the nuances of such terms as “community-based organization” and “community engagement.” Many hours of careful consideration and assessment were required of the Multifamily Housing staff in order to ensure consistent, equitable and defensible judgement calls.

Results: Equitable and Balanced

The results of the allocation clearly show that the new system was effective in creating more equitable distribution of the 4% tax credits. First, it succeeded in its intention to elevate projects by developers who are Black, indigenous or people of color (BIPOC). Three received the full 8 points available to truly BIPOC developers, with an additional four earning partial points for having a majority BIPOC board. Three more projects have partnerships between experienced developers and less experienced BIPOC organizations— building the latter’s capacity to develop housing in the future.

In addition, almost every allocated project includes a meaningful partnership with a community-based organization. Out of 10 projects on the main allocation list, four were developed *by* a CBO with another five bringing a partnership with a CBO. Half of the projects that were not funded this round did not have a CBO relationship, demonstrating that the point system generally worked in pushing developers to build relationships and accountability with the communities where they build housing.

Our strategy of dividing projects into three priority areas also succeeded. Four of the five projects that applied from outside King and Snohomish counties were funded, with the fifth at the top of the waiting list. Public funds were also prioritized, with the allocations leveraging \$23 million from the WA State Housing Trust Fund and \$37 million in local dollars. In addition, most allocated projects received cost efficiency points, showing both for-profit and nonprofit developers (the round was evenly split between the two) can meet multiple priorities without sacrificing cost efficiency.

Finally, a key result is the trust and relationships we are building with communities and organizations we previously had little to no contact with. We now see these groups as essential stakeholders and are working to incorporate their needs and input into the policies that drive our allocation of resources.

Conclusion: Lessons and Confidence for the Future

The Commission is proud of what we achieved through the realignment of our values with the distribution of resources. While the process is not finished – we are evaluating and debriefing the 2022 round with plans to continue improving the policy and expanding its ideas into the 9% program – we believe our achievement shows a path for other HFAs to accomplish similar goals.

By accepting our responsibility to build a more equitable affordable-housing industry, we found that what we *could* do was greater than what we couldn’t do—even when it meant plunging into deeply uncomfortable waters. These lessons will resonate throughout our organization, giving us confidence, new relationships and new skills to continue on our path toward greater equity in all our work.

[Learn more here](#) and review the 2022 list of allocations, project descriptions, and application materials.

From: Tera Ahlborn
Sent: Monday, October 10, 2022 11:41 AM
To: Tera Ahlborn <tera.ahlborn@wshfc.org>
Subject: SHAG's Legacy Plaza Grand Opening VIP Reception!

Dear Commissioners,

You are invited to the Grand Opening of Legacy Plaza taking place this Friday in Auburn, WA. We closed this transaction in September 2019, and it was just placed into service; attached you will find the project summary. There is no speaking role for the Commission.

Please see below and let me know if you wish to attend and I will RSVP on your behalf.

Thank you,

Tera Ahlborn
Executive Assistant to Steve Walker & Board of Commissioners
Washington State Housing Finance Commission
1000 2nd Ave. Ste. 2700
Seattle, WA 98104
Desk(206) 287-4470 | Cell (253) 691-0780

From: SHAG <marketing@shag.org>
Sent: Friday, October 7, 2022 3:28 PM
To: Steve Walker <steve.walker@wshfc.org>
Subject: SHAG's Legacy Plaza Grand Opening VIP Reception!



LEGACY PLAZA

Don't miss out!

Grand Opening of Legacy Plaza

SHAG's newest community in downtown Auburn!

[RSVP for the Event](#)

"From Auburn With Love"

Friday, October 14

3pm to 7pm

Ribbon Cutting at 4:30pm

[17 S. Division St., Auburn, WA 98001](#)

Please join us on the red carpet for a festive afternoon as SHAG invites all those involved in the development of our community to our grand opening of Legacy Plaza.

You will have a *license to party* as you mix and mingle with friends while enjoying great live music, delicious drinks, play games, enjoy wonderful food and much more! It's an event you won't want to miss!

[RSVP for the Event](#)

SHAG Cordially Invites You To Our

GRAND
Opening

VIP
RECEPTION

*Legacy
Plaza*

Friday, October 14th
3pm to 7pm

Ribbon Cutting at 4:30pm

Enjoy the celebration with live music, drinks, food, games,
and tours of our community



RSVP at www.housing4seniors.com/rsvp
or rsvpevents@housing4seniors.com

17 S. Division St., Auburn, WA 98001



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We added your contact to this private VIP list because you are crucial to the successful development of Legacy Plaza!

Our mailing address is:

SHAG / ILI
14400 Tukwila International Blvd Ste 100
Tukwila, WA 98168-4419

[Add us to your address book](#)

Want to change how you receive these emails?
You can [update your preferences](#) or [unsubscribe from this list](#).

Multifamily Housing Program

Project Name	Legacy Plaza Senior Living	
Developer	Auburn City Center Senior Living Associates, LLC	
Description	New construction of a 166-unit affordable senior development located in Auburn, Washington. 20% of the units will be restricted to residence earning less than 50% of the area median income (AMI) for King County. Twenty percent of the units will be set for persons with disabilities. The amenities include fitness center, business learning center, and media center.	
Location	36 West Main Street Auburn, WA 98001	
Project Type	New Construction with Federal Subsidies	
Units		
	1 Bedroom	106
	2 Bedroom	60
	Total	166
Housing Tax Credits	Yes	
Income Set-Aside	20% at 50% AMI	
Regulatory Agreement Term	Minimum 30 years	
	Housing Commitments for Priority Populations	15
	Cost Efficient Development	5
	Developer Fees	5
	Property Type	3
	Location Efficient Projects	3
	Transit Oriented Design	3
	Community Revitalization Plan	3
	High and Very High Opportunity Area	1
	Donation in Support of Local Nonprofit	8
	Development Amenities	3
	Total Points	49

From: Isabel Garcia <isabelg@orfh.org>
Sent: Wednesday, October 12, 2022 7:26 PM
To: Isabel Garcia <isabelg@orfh.org>
Subject: Mountainview Dedication & Community Celebration

Greetings! You are invited to celebrate Mountainview Housing dedication, please join us.



MOUNTAINVIEW HOUSING DEDICATION CEREMONY



The Board of Commissioners of
Housing Authority of Chelan County & the City of Wenatchee
cordially invite you to the Dedication & Community Celebration of
Mountainview Housing

Tuesday, October 18, 2022

3:00 pm

14425 Olin Street, Entiat WA 98821

Guided Unit Tours



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Thank you funders!



Enterprise



BANNER
BANK



Washington State
Department of
Commerce

Please RSVP via e-mail to Alicia McRae at alicia@ccwha.com or by calling
CCWHA at 509-663-7421

Disclosure: Should there be a quorum of the Housing Authority Board of Commissioners, no business will be conducted at this event.



From: Isabel Garcia <isabelg@orfh.org>
Sent: Wednesday, October 12, 2022 10:23 AM
To: Tera Ahlborn <Tera.Ahlborn@wshfc.org>
Cc: Jacob Richardson <Jacob.Richardson@wshfc.org>; Claire Petersky <Claire.Petersky@wshfc.org>
Subject: RE: Speaking Opportunity - Open House Save the Date (Entiat)

Hi Tera,

That is great news!! Thank you, I will add Jacob to our event program 2-5 minutes speech works

Jacob, thank you for attending and participating on this amazing accomplishment – looking forward to meeting you in person next week.

Best regards,
Isabel

From: Tera Ahlborn <Tera.Ahlborn@wshfc.org>
Sent: Wednesday, October 12, 2022 9:14 AM
To: Isabel Garcia <isabelg@orfh.org>
Cc: Jacob Richardson <Jacob.Richardson@wshfc.org>; Claire Petersky <Claire.Petersky@wshfc.org>
Subject: RE: Speaking Opportunity - Open House Save the Date (Entiat)

Hi Isabel,

If we don't have any board members who are available to attend and rep the Commission, I wanted to let you know that Jacob Richardson, Multifamily and Community Facilities division Manager, would be able to attend and say a few words. Would that be okay with you? We will prepare remarks and keep it under two minutes.

Kind regards,

Tera Ahlborn
Executive Assistant to Steve Walker & Board of Commissioners
[Washington State Housing Finance Commission](#)
1000 2nd Ave. Ste. 2700
Seattle, WA 98104
Desk(206) 287-4470 | Cell (253) 691-0780

Hello Tera,

*Mountainview Housing Construction is at 84% complete.
Site utilities are installed, water, water pressurization system and storm water is at 100% complete. Primary power is at 90% complete expected to be completed late October 2022. On*

site curbing and concrete is at 95% complete. As of September 30, 2022, a total of eight (8) buildings have received temporary certificates of occupancy (TCO received for A, B, H, I, J K & L). Buildings A, J, K & L were punched 9/26/22, a total of 18 units. Most items noted by punching team were completed/fixed 9/30/22.

CCWHA housing team is actively marketing and processing resident applications. Move ins are scheduled for the second week of October.

Although, most construction sites are still experiencing supply and demand delays, expected construction completion is by end of December 2022.

We would be honored if WSHFC team attends and speaks during Mountainview Dedication and Community Celebration.

Please let us know if you have any questions or need additional information.

Thank you

Best Regards,

Isabel Garcia

**SAVE
THE
DATE**

Oct 18 2022

3:00 pm

**OPEN HOUSE CELEBRATION
MOUNTAINVIEW HOUSING
14425 OLIN STREET, ENTIAT WA**



Housing Authority of Chelan County
& the City of Wenatchee



Isabel Garcia
Senior Housing Developer
Office of Rural & Farmworker Housing
(509)248-7014 X 104
isabelg@orfh.org

Iconic Federal Way rink to anchor new South King County community center

Oct. 22, 2022 at 6:00 am | Updated Oct. 22, 2022 at 5:35 pm



1 of 16 | Disco balls illuminate the dance floor with mood lighting as skaters are reflected off the rink's floor at El Centro Skate Rink in Federal Way earlier this month, as the Fife Elementary PTO hosted a family skate night. (Daniel Kim / The Seattle Times)

By [Alexandra Yoon-Hendricks](#) 

Seattle Times staff reporter

Michelle Geonanga has skated every rink between Olympia and Burlington, but, she said, the energy at the former Pattison’s West Skating Center “can’t be matched.”

When the family owners decided last year to sell the storied roller rink and retire, many of the rink’s most [devoted skaters were devastated](#).

But this month, El Centro de la Raza purchased the property from the Pattison family, saving the cherished community asset from the threat of permanent closure. El Centro organizers said they’re keenly aware of the rink’s reputation and legacy — and intend to preserve it.

“If El Centro hadn’t picked it up that would’ve been a sad moment for us because there’s so much good that has come out of this rink,” Geonanga said. “It’s just too iconic to tear down and rip up that floor.”

Renowned for its ultrasmooth maple floors and history of turning out [several Olympic athletes](#), the rink is one of the few remaining in the Puget Sound region’s inline skating community.

Now named El Centro Skate Rink, it will anchor a major redevelopment project aimed at providing safety net services, community programs and affordable housing to South King County residents, said Miguel Maestas, the nonprofit’s housing and economic development director.

“We see it as a wonderful opportunity to use the rink for public good,” Maestas said.

Standing in the existing parking lot on an October morning, Maestas pointed toward the north corner of the property and outlined the organization’s vision.

A new three-story community center where kids who've dropped out of high school could earn a GED and seniors could play Lotería. A gravel parking lot could transform into a mercado where vendors can sell jewelry or food or cultural wares, similar to Pike Place Market. Domino and chess tables would dot a small park plaza. Just across the street to the east, the organization would build more than 200 affordable housing units and a bilingual early learning center.

When it comes to the actual skating center, El Centro de la Raza has proposed expanding part of it to increase its event space, but little else will change.

“I definitely can see and feel it,” Maestas said. “You know, it is a little ways off ... but we have a really wonderful vision for what to do here, and we're going to work hard to make it happen.”

El Centro de la Raza purchased the property for \$6.5 million, and is continuing to seek state funding and philanthropic dollars to finance the redevelopment. Maestas estimates construction will occur over the next three to seven years.

The purchase in Federal Way marks a new chapter for El Centro de la Raza, a nonprofit organization with [roots in Beacon Hill](#) that recently celebrated 50 years of social service and racial justice advocacy.

Officials say the proposed community campus will provide programs for people in South King County, helping marginalized communities that have been increasingly priced out of Seattle build self-sufficiency and financial independence.

Roughly two-thirds of King County's Latino population now lives south of the city, executive director Estela Ortega said, “and yet they were coming (to Beacon Hill) for food, for help when homeless, for senior programs, for troubles with kids,” Ortega said.

In 2019, El Centro established a physical presence in Federal Way, buying a small beige brick office building across the street from the skating rink. It was a happy accident that made the opportunity to purchase the former Pattison's West too good to pass up, Maestas said.

The timeline for when the new community center and affordable housing units might break ground is still in flux, Ortega said. Final plans for the development's design will be released next year.

The ultimate cost for the redevelopment project won't be finalized until then, according to Ortega. The Plaza Roberto Maestas, a transit-oriented mixed-use [affordable housing development](#) in Beacon Hill led by El Centro, cost about \$45 million to complete in 2016, she said.

Investing in Federal Way was a “bold step” necessitated by the transforming demographics of South King County, Ortega said.

Many residents are still facing the same economic and social pressures that forced them to leave Seattle in the first place, said Nina Martinez, board chair of the Latino Civic Alliance, which runs a youth program in Federal Way aimed at reducing school violence.

In Federal Way, a majority of residents identify as people of color, and the local school district is one of the [country's most diverse](#). The storefronts of a strip mall near the new office highlight the blend of cultures: Tucked between auto body and repair shops are a Salvadoran restaurant, a Filipino-Japanese-Chamorro fusion eatery and a Korean-owned golf school.

“We need to develop capacity for communities of color, otherwise we're going to be left behind,” Ortega said. “Affordable housing, a community center or building a small shopping center — our people need to develop those assets so the community can grow.”

The median household income in Federal Way is less than \$79,000, higher than nearby Des Moines and lower than Kent, Auburn and King County overall. About 11% of residents live in poverty, according to recent U.S. Census Bureau figures. Rents and home prices in the suburban city [are rising](#).

“The region has grown much faster than the city budget or regional resources could bear,” said Rep. Jamila Taylor, D-Federal Way, who helped secure about \$1.25 million in seed funding to help El Centro de la Raza purchase the rink.

In terms of regional amenities, few are as revered in South King County as the former Pattison's West Skating Center. The rink has been a staple in the area for decades, said Rep. Jesse Johnson, D-Federal Way, a place where generations of residents have held birthday parties and family celebrations.

“The rink has been such a big gathering place forever,” said Spencer Johnson, the new manager of the skating center, who's worked there off-and-on since he was a teenager,

with his father, Ramon Johnson.

For Geonanga, the skater, the adult night sessions are what kept her coming to the rink three days a week. That's when the vibes are electric, she said.

Pop music fills the space as Technicolor lights bounce off the rink's shiny floors and neon print carpets. A steady flow of slushies and nachos are doled out from the snack bar. Some cruise around the rink in circles all night, Geonanga said. There are the [JB skaters](#) and jam skaters, those who skate [Detroit style](#) or [Atlanta style](#).

"Someone will be break dancing on the floor, and you'll be like, 'Did they really just do that?'" Geonanga said.

While other parts of the community campus will take some time, El Centro de la Raza and staff at the rink are eager to reopen the skating center for general public sessions within a few weeks, under the new name.

It's a "new adventure" for the celebrated skating center, said Ramon Johnson, who has worked at the rink for nearly four decades and now will serve as assistant manager to his son.

"I've got people chomping at the bit," he said. "Every day I get messages from people, 'When are you going to be open?'"

Alexandra Yoon-Hendricks: 206-464-2246 or ayoonhendricks@seattletimes.com; on Twitter: [@ayoonhendricks](https://twitter.com/ayoonhendricks).

 [View 6 Comments](#)

Events Calendar

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	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	11/17/2022	Length of Event	10:00 AM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	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 (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470
