

****AMENDED PACKET****

JANUARY 26, 2023

WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION MEETING PACKET

WSHFC



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Opening doors to a better life

**WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION WORK SESSION AGENDA**

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Work Session** in the **28th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, on Thursday, January 26, 2023, at 10:00 a.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” or “Join,” and enter:

Webinar/Meeting ID: 890 7895 1468

Passcode: 028354

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 two below for instructions.

- | | | |
|-------------|---|----------|
| I. | Cheryl Engstrom: Report out on Housing Washington 2022 and begin looking forward to the 2023 conference. (20 min) | A |
| II. | Steve Walker/Bob Peterson: Appreciate and celebrate the work of the Commission’s Racial Justice and Equity Team (20 min) | B |
| III. | Dr. Carmen Phelps: Presentation on the Racial Equity Strategic Plan (RESP). (60 min.) | C |
| IV. | Lisa Vatske/Kate DeCramer: Overview and discussion of Inflation Reduction Act (IRA). (20 min.) | D |
| V. | Corina Grigoras: Informational Report on Department of Commerce Activities (if time allows) | |
| VI. | Steve Walker: Executive Director’s Report (if time allows) | |

Note: There will be a break after the conclusion of the Work Session. The Commission Meeting will reconvene at 1 p.m.

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” or “Join,” and enter:
 - Webinar/Meeting ID: **890 7895 1468**
 - Passcode: **028354**
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 either or both the 10 a.m. Work Session and/or 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, January 26, 2023, 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.

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- I. Chair: Approval of the Minutes from the December 8, 2022, Special Meeting. 1**
(5 min.)

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

- III. Chair: Conduct a Public Hearing on the following:**
 - A. The BLVD, OID # 22-97A 2**
Claire Petersky: The proposed issuance of one or more series of tax exempt and/or taxable revenue notes to finance a portion of the costs to refinance all or a portion of existing taxable debt used to finance the acquisition of an existing 136-unit facility and finance a portion of the costs of the rehabilitation of the facility, located at 2136 S. 272nd Street, Kent, WA 98032, to be owned by The BLVD LLC, a Washington limited liability company, the sole member of which is 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 \$25,000,000.
(5 min.)

 - B. El Centro de la Raza at Columbia City, OID # 22-36A 3**
Claire Petersky: The proposed issuance of one or more series of tax exempt and/or taxable revenue bonds to finance a portion of the costs for the acquisition, construction and equipping of an 87-unit multifamily housing facility located at 3818 South Angeline Street, Seattle, WA 98118, to be owned by El Centro de la Raza at Columbia City 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 \$35,000,000. (5 min.)

C. KWA 15th & Tacoma, OID # 22-38A

4

Claire Petersky: The proposed issuance of one or more series of tax exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of an 88-unit senior housing facility located at 1353 Tacoma Avenue S., Tacoma, WA 98402, to be owned by KWA 15th & Tacoma 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 \$22,000,000. (5 min.)

IV. Consider and Act on the Following Action Item(s):

A. Lisa DeBrock: Request approval of the recommendation to hire a Seller Servicer Consultant (10 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 **5**

B. Multifamily Housing and Community Facilities Monthly Activities Report **6**

C. Asset Management and Compliance Monthly Activities Report **7**

D. Financial Statements as of December 31, 2022 **8**

E. Quarterly Program Status Reports from the period ending December 31, 2023: **9**

1. Homeownership Division

2. Multifamily and Community Facilities Division

3. Asset Management and Compliance Division

4. Administration and IT Division

5. Finance Division

- IX. Chair: Miscellaneous Correspondence and Articles of Interest (5 min.)**
 - A. Miscellaneous Correspondence and Articles of Interest 10**
 - B. HFC Events Calendar 11**
- 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.

TAB A

Report on Housing Washington Conference 2022

****No materials included****



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Memorandum

To: Steve Walker, WSHFC Commissioners, and fellow staff

From: Racial Justice and Equity Team (RJET)

The following current members of RJET contributed to the authorship of this memo

- Keri Williams
- Duane Bakke
- Yana Prokhor
- Miyuki Rapp
- Margret Graham
- Rich Zwicker

Date: January 26, 2023

Subject: DEI Director Position

Since it was created in July of 2020, the Racial Justice and Equity Team (RJET) has greatly advanced the Commission toward the goal of becoming an anti-racist organization. Thanks to our leadership and input, though often behind the scenes, the Commission is a dramatically different agency than it was two years ago. Racial equity values are driving not only significant, positive changes in program goals and outcomes, but also our organization's first strategic plan in 20 years.

With these accomplishments behind us, and the equity-focused strategic plan gathering speed across the Commission, this is a natural ending point for RJET as an independent body. From here on, we believe the Commission's transformation into an anti-racist organization requires an executive-level Director of Diversity, Equity and Inclusion.

As this position is a part of our current FY2023 budget and one of the key recommendations of our strategic planning consultant, we recommend that this hiring process begin immediately. While RJET will disband, our members stand ready and hope to contribute our time and experience to the hiring committee. Eventually, we know that the DEI director will want to set up a new structure for staff engagement in racial equity work and are excited about participating in whatever new team or process is developed.

RJET Background and Accomplishments

In July 2020, in response to an agency-wide call for volunteers, ten staff members met to form what we eventually decided to call the Racial Justice and Equity Team, or RJET. We made the collective decision to be change agents at the Commission, committed to holding leadership accountable to real progress. We hired a racial equity consultant, Alma Villegas (AV Consulting), and created team agreements regarding confidentiality and anti-retaliation to protect ourselves as we authored our charter and set our course.

During the two-plus years since, RJET's leadership and resolve has largely determined the progress that the Commission has been able to achieve in racial equity. Thanks to RJET's contribution, the Commission has:

1. Adopted Racial Equity Values November 2021
2. Created an inclusive hiring process for Deputy Director position
3. Initiated a Strategic Planning process based on racial equity values
4. Created an inclusive selection process for Strategic Planning consultant
5. Provided significant feedback to the Strategic Planning consultant, resulting in a similar set of goals and outcomes for the Commission from both RJET and the SP process, including our most significant ask in this memo, the DEI director
6. Formed a relationship with the Racial Equity Consulting Team and initiated consultant workplan items such as:
 - Establishing Safe Space Principles
 - Creating workgroups for Conflict Resolution and Hiring/Promotion Practices
 - Leadership Training
7. Budgeted for a DEI director
8. Created awareness and urgency to address the agency's history of institutional racism, leading to results such as:
 - Greater diversity on the Commission itself
 - Specific PRI set aside for racial equity investments
 - Division-level actions such as:
 - Multifamily Housing's 4% tax credit program revision
 - Focus of the Homeowner Assistance Fund (HAF) on underserved and BIPOC communities
 - AMC's simplification and translation of Resident Certification forms

RJET has accomplished all of this despite our lack of formal training and experience, while at the same time both carrying on with our existing full-time positions at the Commission and carrying the personal weight that intensive antiracism work demands.

Why We Should Begin the Hiring Process Now

To move forward in its effort to become an anti-racist organization, RJET believes the Commission needs a DEI-focused voice at the executive level – a DEI Director,

The new DEI Director will be able to lead us into the next phase of this work by meeting three currently unmet needs:

1. **Competence and Capability** – All the experience and expertise in this work at the Commission to date has come through informally educated employees doing DEI work alongside their normal working duties, or by contracting with outside consultants who temporarily provide services to

us without ownership of the result. The time has come to bring a professional, experienced skillset into the Commission with a full-time employee who is deeply invested in the agency's future as an anti-racist organization.

2. **High-Level Leadership** –For racial equity work to be successful, the authority and tone must be set at the top of the organization. Efforts by current executive-level leadership must be augmented by a skilled DEI professional at this level, who is integrated into the current decision-making bodies at the Commission and who has the authority to change processes and policies.
3. **Focus** -- We believe the best way to harness the momentum provided by RJET and by the Racial Equity Strategic Plan is to put it into the hands of a Director whose sole scope of work is racial equity and whose attention does not need to be diverted by other management or business responsibilities. The new DEI Director should oversee all of the Commission's racial and social justice efforts; make recommendations about investments in future programs and initiatives; and coordinate with statewide efforts. Decisions about employee-run committees related to racial equity work, including RJET, should also be under the purview of this new director.

Again, the DEI Director position is a part of our current FY2023 budget and one of the key recommendations of our strategic planning consultant. RJET asks that Executive Management immediately form a committee to fill this position as soon as possible. Several of our members are eager to be a part of that process at every level, including creating the job description, recruitment, application review, interviews, and position selection.

We hope you will agree that now is the time for the charge of racial equity leadership at the Commission to be put into the hands of a professional with lived experience and full-time capacity, with director-level authority.

**Washington State Housing Finance
Commission Racial Justice & Equity Team
(RJET) Members**

The inaugural members of RJET were:

Keri Williams, co-chair (MHCF)
Patricia Williams, co-chair (AMC)
Jama Hawk (ret. ADMIN)
Mary Lightle (AMC)
Bob Peterson (MHCF>ADMIN)
Anna Porkalob (HO>ADMIN)
Margret Graham (ADMIN)
Miyuki Rapp (FIN)
Shukri Rodol (MHCF)
Rich Zwicker (HO)

Subsequent RJET members include:

Duane Bakke (AMC)
Yana Prokhor (FIN)
Jacob Richardson (MHCF)
Bob Woodard (ADMIN)

Commission Assessment Outcome

Dominant Themes & Patterns

Emerging from Commission's Racial Equity and Antiracism Infrastructure/Culture Assessment

Commission's Culture

A Previous & Ongoing Legacy of Organizational Practices, Events & Decisions at WSHFC Which Have led to Adverse Experiences of BIPOC Staff in Disproportionate Ways (Compared to Whites) as well as Other Especially Vulnerable Employee Populations (Lower-level Staff Holding Minimal Decision-making Authority); A Current Professional Culture Where Trust in Leaders (and to a Lesser Degree People Managers) is Low and /or Has Been Compromised

Service to BIPOC Populations in the State of Washington

A History of Policies & Services Which Have Harmed & Informed Inequitable Housing Outcomes for BIPOC Communities of Washington and That Continue to be Perpetuated Throughout the Affordable Housing/Housing Finance System Which Informs the Commission's Own Processes

Leadership Practices

Lack of Transparency in Leadership Decision-making; Harmful Power Dynamics Perpetuated through Leadership Decision-making Processes Which Do Not (or Are Not Believed to) Reflect a Consideration for Potential Impact Upon All Staff and/or Which Are Not (Felt to Be) Inclusive; Lack of Consistency in How Leaders Execute Policies/Processes – all of Which Results in Uneven/Disparate Staff Experiences/Outcomes.

Relationship-building, Outreach & Accessibility of Services/Resources for BIPOC Populations

Failure to Proactively & Equitably Engage BIPOC Populations of Washington in Ways That Might Otherwise Build/Increase Trust in WSHFC's Mission Among Such Groups and Which Might Otherwise Inform More Favorable Outcomes for BIPOC Residents.

Inter-divisional/Interpersonal Engagement

Organization-wide (Cross-level) Concern Regarding Employees' Ability, Openness or Willingness to Engage in Honest Discussion on the Subject of Racism; Racial Equity, Etc. in Ways that Reflect Humility/Sensitivity; Fear of Retaliation If Expressing Race-related/informed Concerns or Experiences; Concern that WSHFC's Current "Siloed" Culture will Compromise Communication Between Divisions & Inform Disparate Approaches to Supporting WSHFC's Racial Equity Efforts.



Our view from 30,000 feet!

The 5 Guiding Principles



1. Collaboration
2. Connection and communication
3. Valuing diverse perspectives
4. Transparency
5. Shared accountability

HOW

we will make decisions and implement our action steps

The 8 Recommendations



1. Org culture and restorative healing
2. Leadership development
3. Increase BIPOC access to housing
4. Outreach and community engagement
5. Racial equity communication plan
6. Data gathering
7. Policy revision
8. Recruit DEI administrator

WHAT

we will prioritize in becoming an anti-racist organization

The 5 Guiding Principles

1. **Collaboration:** Seek opportunities to work across divisions and teams to maximize our potential to realize our racial equity goals.
2. **Connection & Communication:** Create opportunities to communicate with one another within our teams and across divisions about challenges and triumphs we are experiencing as we implement racial equity actions, steps, and processes and encourage shared learning and growth.
3. **Valuing Diverse Perspectives:** Validate, acknowledge and be responsive to all voices and experiences representing our agency internally as well as the external communities we serve.
4. **Transparency:** Communicate about our divisional racial equity efforts with openness, consistency, and authenticity.
5. **Shared Accountability:** Hold us accountable for our division and agency-wide racial equity efforts and dedicate time to an intentional focus on our respective and collective progress.

The 8 Recommendations

1. **Culture & Restorative Healing Goal:** Create a professional environment of trust, support for, and validation of all employees representing WSHFC, including a focus on promoting restorative healing & addressing organizational, race-informed trauma in support of BIPOC employees.
2. **Leadership Development Goal:** Build the capacity of our leaders and people managers to model/exemplify racial equity and antiracist leadership practices in support of culturally and racially diverse employees.
3. **Resource Accessibility Goal:** Increase the accessibility of our resources for BIPOC residents and/or entities which are prioritizing the needs of BIPOC residents in Washington by leveraging our role/position in the affordable housing ecosystem.
4. **Public Engagement Goal:** Enhance our approach to community/ public engagement and outreach as well as data-gathering to increase our potential to more effectively serve and become a trusted resource to Washington's BIPOC residents.
5. **Communications Goal:** Design and implement an internal and external-facing communications strategy to include a focus on our racial equity and antiracism efforts and to ensure that internal and external beneficiaries are updated on the status of our racial equity and antiracism priorities.
6. **Internal Data-gathering Goal:** Develop information and data-gathering processes meant to yield increased and ongoing insight about the experiences of WSHFC staff across cultural and racial demographics, which would be regularly implemented and from which outcomes would inform potential adjustments to internal practices; employee-related.
7. **Internal Policy Goal:** Develop new and/ or enhance current employee-related policies to ensure alignment with racial equity and antiracist objectives (i.e., Performance review, advancement processes, and professional development opportunities as well as benefits and compensation structures).
8. **DEI Administrator Recruitment Goal:** Recruit a DEI Administrator to serve as a member of the Executive Management Team and holding decision-making power for the purpose of leading as well as ensuring the coordination and sustainability of WSHFC's racial equity efforts.

Open Discussion with Commissioners

Respond to any/all the following:



1. Share your reactions to the racial equity goals and guiding principles to be implemented in the Commission's three-year strategic plan.
2. What questions do you have for the Commission staff related to the racial equity strategic planning process?
3. How do you see yourself supporting the Commission as it implements its racial equity strategic plan?



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Sustainable Energy Programs & Opportunities at the Washington State Housing Finance Commission

January 26, 2023

Lisa Vatske

Director, Multifamily Housing & Community Facilities

Kate DeCramer

Senior Sustainable Energy Analyst

Presentation Outline

- The Sustainable Energy Trust
- Impact
- Recent Example
- Federal Climate and Energy Policy: The Inflation Reduction Act
- Forthcoming Guidance
- Opportunities



Sustainable Energy Trust

In 2009, the legislature granted WSHFC the authority to accept and approve qualified energy projects for financing.
(RCW.43.180.260)

To align the Commission's energy programs and mission, the Sustainable Energy Trust (the "SET") is a revolving energy loan fund that provides below-market-rate loans for energy efficiency and renewable energy projects.



Key Facts and Figures

- Term lengths up to 10 years
- Interest rates 1 - 5%
- Loan amounts up to \$1,000,000
- Eligible projects: **single family, multifamily, and clean energy**

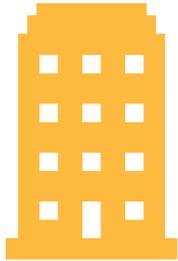


Eligible Projects



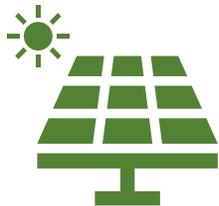
New construction of energy efficient single-family homes

- Developers only



Energy and water efficiency retrofits for multifamily housing and nonprofit facilities

- Reduce utility consumption by at least 10%
- Structure loans so energy savings > debt service



Clean Energy Projects

- Solar, wind, biodigesters, combined heat and power
- Not available for single-family



SET Impact by County (in millions \$)





Views at Madison – Bellwether Housing



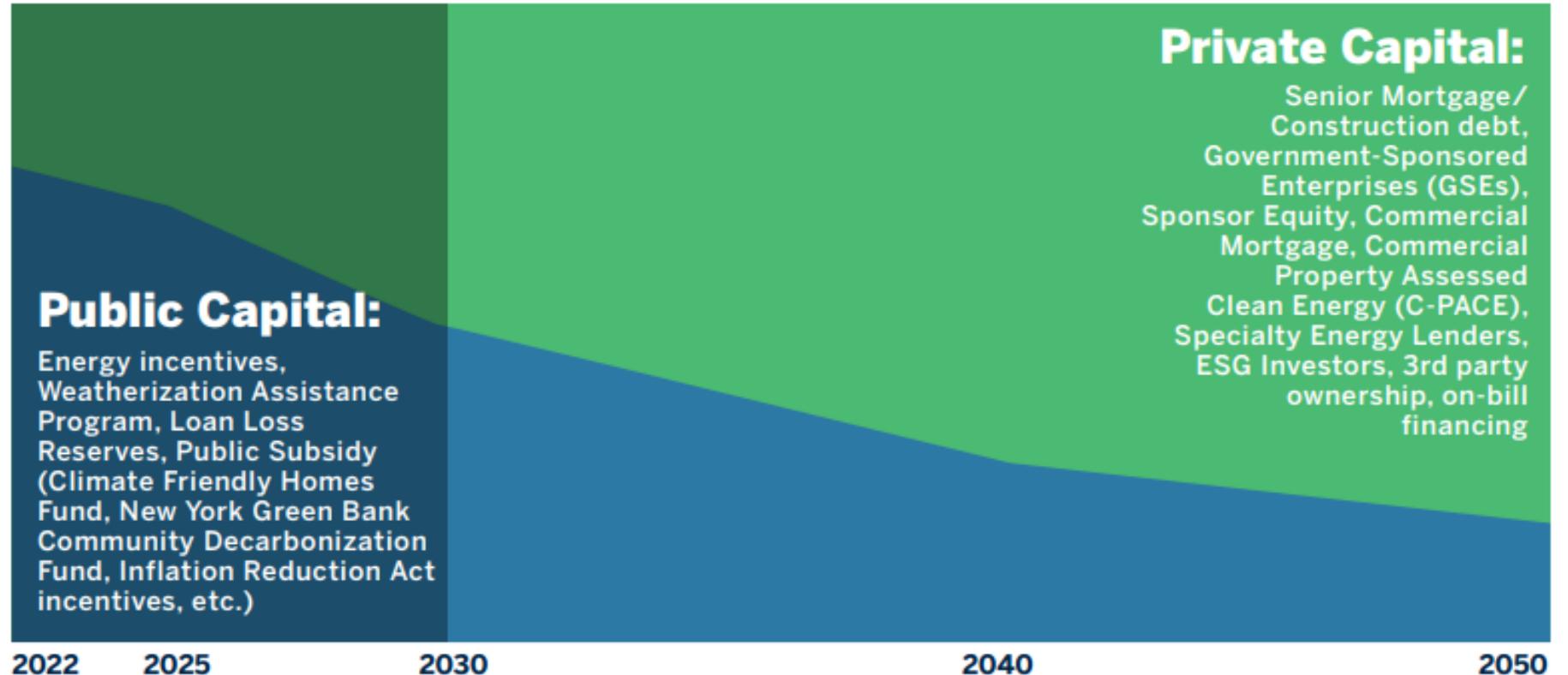
- Built 2002; acquired 2018
- 96 units
- Energy and water efficiency upgrades
- To finance, used SET loan and utility incentives
- Estimated annual 41% water savings and lifetime energy cost savings of \$190,279



FIGURE 1

Potential capital stack to achieve climate goals for affordable housing

Public funding and support will be important for early adopters (shaded area); **private** financing will be critical for a new “business as usual”



Source:
2022 Sustainable
Affordable Housing
(NYSERDA & Federal
Reserve Bank of NY)



Inflation Reduction Act (IRA)

- **\$369B** in investments: largest climate and energy bill in U.S. history
- **\$25B** of the funding to **benefit low-income households and increase energy efficiency, water efficiency, & climate resilience of affordable housing**
 - **Programs:** EPA's Greenhouse Gas Reduction Fund (February 12th expecting guidance) & HUD's Green & Resilient Retrofit Program
 - **Loan guarantees:** U.S. Dept. of Energy LPO Loan Guarantee
 - **Tax credits:** IRS Sections 48 ITC, 45L, & 179D
 - **Rebates:** State Energy Office → two rebate programs to begin 2024



Opportunities in the IRA

- **Identify Our Values and Deepen Our Impact**
 - Ensure residents have access to the benefits of the transition to a cleaner economy
 - Scale elements of the **SET** through applying for the **Greenhouse Gas Reduction Fund** to expand funds for revolving loans and unsecured loans to MF affordable housing property owners
- Collaborate with State Energy Office and housing public funders
- Tie relevant pieces of the Commission's policies to incentives for sustainability, electrification, and energy efficiency
- Energy benchmarking for affordable multifamily properties outside of Seattle

Questions?

Lisa.Vatske@wshfc.org
Kate.DeCramer@wshfc.org





Mapping the Inflation Reduction Act - *DRAFT*

Key Areas of Intersection with Commission Priorities

January 2023

Contact:
 Kate DeCramer
 kate.decramer@wshfc.org
 Senior Sustainable Energy Analyst

Overview

The largest federal climate change bill in U.S. history -- the Inflation Reduction Act -- was signed into law in August 2022 with \$369 billion in investments in climate and clean energy programs. It includes specific funds to reduce the harmful effects of climate change in low-income communities and more equitably share the benefits of electrification among those communities, including for residents of affordable housing. It also includes new opportunities for LIHTC developers to take advantage of renewable energy tax credits and rebates.

Some of the funding is allocated to state energy offices by federal formulas, while some funding opportunities are eligible for the Commission to co-apply or directly apply to on a rolling or competitive basis. **This map tracks the provisions in the IRA most relevant to the Commission's priorities and stakeholders.**

Roles:

- Dept. of Commerce Direct Role
- Commission Direct Role
- Commission Indirect Role

	Programs		Loan Guarantees	Tax Credits			Rebates	
	Greenhouse Gas Reduction Fund	Green and Resilient Retrofit Program	Funding for Dept of Energy Loan Programs Office	Section 48 Renewable Energy Investment Tax Credit (Commercial Solar Tax Credit)	Section 45L (Energy Efficient Home Credit)	Section 179D (Commercial Building Energy Efficient Credit)	High-Efficiency Electric Home Rebate Program	HOMES Rebate program
Who is eligible?	TBD. End users of funds will likely include multifamily developers of properties of any size & single-family low-income homeowners. May include transit-oriented affordable housing.	Owners and sponsors of HUD-subsidized Section 202, 811, Project-based Section 8, and Section 236 properties that agree to an extended period of affordability	Housing Finance Agencies; other state energy financing institutions	Commercial developers, with steeper incentives for LIHTC developers	Multifamily developers of properties of any size ; residential homebuilders; owners of manufactured homes	Could potentially be used by developers or contractors in place of the property-owning partnership or LLC.	The Commission's entire existing 9% and 4% portfolio* and other multifamily building owners, developers, and homeowners	The Commission's entire existing 9% and 4% portfolio*
New Construction and/or Sustainable Preservation?	Both	Preservation	New Construction	Both	Both	Preservation	Both	Preservation
Administered by?	EPA; then to state, local govts, CDFIs, green banks, etc. via competitive application	HUD	US Dept of Energy Loan Programs Office; rolling application	IRS			State Depts of Energy (Commerce) via formula funding	
How much?	\$27 billion total. \$7 billion earmarked for states, local, tribal governments, and nonprofit financing entities via a competitive application. The other \$20 billion to nonprofit financing entities.	\$837.5M for the cost of providing grants and direct loans, including to subsidize up to \$4B in direct loans	\$40 billion added to loan authorities from the IRA	50% tax credit (30% base + 20% additional for LIHTC)	\$500 - \$5,000 for meeting the ENERGY STAR Single Family New Homes Program or DOE Zero Ready Home Requirements	Increases the deduction for properties that achieve higher levels of efficiency, offering \$2.50 to \$5 per square foot for businesses achieving 25% to 50% reductions in energy use over existing building performance standards.	80% or below AMI qualifies for up to \$14,000 per unit disseminated as point-of-sale rebates for electrification upgrades	80% or below AMI multifamily qualifies for \$4,000-\$8,000 per unit depending on energy savings achieved, up to 80% of costs
When?	Feb. 2023 - Sept. 2024	2024 anticipated rollout - 2028	2022 - Sept. 2026	2022 - 2032			2023 program design; 2024 anticipated rollout through 2031	
Notes	\$7 billion is for zero-emission projects in low-income and disadvantaged communities. We are expecting more guidance on program design in Jan/Feb 2023.	To improve energy or water efficiency, indoor air quality or sustainability; address climate resilience; implement the use of low-emission technologies; and benchmarking.	See example below.**	The ITC is earned immediately upon Placed in Service and no longer is removed from LIHTC eligible basis.	To qualify, builders and developers will need to plan for the certification at an earlier stage in the development process because of inspections needed during construction.	This provision may be of limited benefit for LIHTC properties due to eligible basis implications.	Qualified projects include heat pump water heaters and HVAC systems, electric cooking appliances, heat pump clothes dryers and upgraded circuit panels, insulation, air sealing, ventilation and wiring.	Energy savings can be modeled or measured. HOMES rebate program cannot be combined with the HEEH rebate program, but can be combined with other tax credits and incentives.
Transferable? (tax credits only)	N/A	N/A	N/A	Yes	No	Yes	N/A	N/A

Additional Notes

* Multifamily building owners and aggregators with half or more units occupied by households with incomes at 80% or below AMI

** Example: A developer builds residential housing projects to high energy efficiency standards. As a result, the state HFA provides grants and credit enhancement for the construction, potentially making the developer's projects eligible for a loan from LPO under Title 17. The developer mentions this to the state HFA, which also supports dozens of other developers. The HFA decides to bundle projects from multiple developers into a single application to LPO. The HFA seeks a loan guaranteed by LPO to further incentivize developers to prioritize energy efficiency in new buildings. Source: <https://www.energy.gov/lpo/articles/lpo-offers-new-opportunities-projects-funded-state-energy-financing-institutions>

Selected Sources

<https://www.energy.gov/lpo/articles/lpo-offers-new-opportunities-projects-funded-state-energy-financing-institutions>

<https://www.irs.gov/pub/taxpros/fs-2022-40.pdf>

<https://www.mossadams.com/articles/2022/08/inflation-reduction-act-irc-section-45l>

<https://www.ncsha.org/wp-content/uploads/NCSHA-IRA-101122-FINAL-002.pdf>

<https://www.novoco.com/periodicals/articles/benefits-inflation-reduction-act-affordable-housing>

<https://www.rewiringamerica.org/policy/inflation-reduction-act>

<https://seia.org/initiatives/solar-investment-tax-credit-itc>

<https://cicpac.com/construction-blog/the-inflation-reduction-act-impact-on-%c2%a745l-tax-credit/#>

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

December 8, 2022

The Commission meeting was called to order by Chair Bill Rumpf at 1:02 p.m. in the 28th Floor Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Seattle, Washington 98104 and via Zoom teleconference. Those Commissioners present via Zoom were: Albert Tripp, Alishia Topper, Corina Grigoras, Ken Larsen (participated after 2 p.m.), Lowel Krueger, and Nicole Bascomb-Green. Chair Rumpf, Mike Pellicciotti (participated via Zoom until about 1:30 p.m., then in-person afterwards), and Pedro Espinoza were present in-person in the 28th Floor Board Room.

**Approval of the
Minutes**

The November 17, 2022 Commission Meeting minutes were approved as distributed.

**Public Hearing:
Via7, OID # 22-83A**

The Chair opened a public hearing for Via7, OID #22-83A, at 1:04 p.m.

Ms. Claire Petersky, Manager of the Multifamily Housing and Community Facilities (“MHCF”) Division, said this was a public hearing for the proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to finance a portion of the costs for the acquisition, construction and equipping of a nonprofit development, including 221-units of housing and approximately 11,000 square feet of community facilities, located at 8600 Rainier Avenue S., Seattle, WA 98118, to be owned by Mount Baker Housing Association, a Washington nonprofit corporation and organization described under Section 501(c)(3) of the IRS Tax Code (the “Code”). 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 \$55,000,000.

Ms. Petersky then introduced Mr. David Tan, Executive Director, Mt. Baker Housing Association.

Mr. Tan stated that 27% of the total units are 2 and 3 bedroom units as a result of a community engagement process, with all units currently offered to persons who make 60% or less of local area median income (AMI). He added that Via7 is a six-story facility with two commercial units on the ground floor, both for community-based organizations, is located in South Seattle, at the southeast corner of Rainier Avenue & Cloverdale, next to the campus of Mount Baker High School and its baseball/softball fields.

Mr. Tan stated further that in addition to the Commission's bond financing, the City of Seattle will award \$15 million, along with Amazon's Equity Fund which will fund a loan for \$27 million into the project as well, plus an equity contribution by Mt. Baker Housing for \$2.5 million. He added that this facility is just ½ mile away from the Rainier Beach Station on Sound Transit's Link Light Rail 1 Line.

Chair Rumpf commended Mr. Tan and Mt. Baker Housing for their loan from Amazon and asked what their terms of the loan are. Mr. Tan replied that Via7 would be the third multifamily project of Mt. Baker Housing that has received funds from Amazon. The loan from Amazon would be a 50-year loan at 3.5% interest, with the affordable housing restrictions staying with the property for 100 years.

There were no other comments from members of the public and the hearing was closed at 1:11 p.m.

**Action Item:
Resolution No. 22-
88, Eastern & NP
Hotels
Rehabilitation, OID
#22-35A-B**

Ms. Lisa Vatske, Director, MHCF Division stated that this was 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, rehabilitation and equipping of two multifamily housing facilities, each to be owned by NP and Eastern 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 Eastern Hotel will include 47 units and the NP Hotel will include 62 units. The project addresses, project costs, and estimated maximum bond amounts are listed below:

Project:	Eastern Hotel
Project Address:	506 Maynard Avenue S. Seattle, WA 98104
Total Estimated Project Cost:	\$14,445,494
Estimated Maximum Bond Amount:	\$8,000,000

Project:	NP Hotel
Project Address:	306 - 6th Avenue S. Seattle, WA 98104
Total Estimated Project Cost:	\$18,363,949
Estimated Maximum Bond Amount:	\$10,000,000

The public hearing was held on November 17, 2022 and a bank commitment letter issued by Heritage Bank for \$16,750,000.

Mr. Krueger moved to approve the resolution. Mr. Espinoza seconded. The resolution was approved unanimously, with Ms. Bascomb-Green abstaining, as her employer is the fiscal agent/trustee.

**Action Item:
Resolution No. 22-
87, Millworks
Family Housing,
OID #22-39A**

Ms. Vatske, stated that this was a resolution approving the issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the acquisition, construction and equipping of 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. The public hearing was held on October 27, 2022 and a bank commitment letter was issued by Capital One for \$18,863,275.

Mr. Krueger moved to approve the resolution. Mr. Espinoza seconded. The resolution was approved unanimously, with Ms. Bascomb-Green abstaining, as her employer is the fiscal agent/trustee.

**Action Item:
Resolution No. 22-
89, Pointe by
Vintage
Supplemental, OID
#19-132A**

Ms. Vatske stated that this was a resolution approving the issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the construction and equipping of a 161-unit mixed use multifamily housing facility located at 22837 Pacific Highway S., Des Moines, WA 98198, owned by Pointe by Vintage, LP, a Washington 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 \$4,450,000. The public hearing was held November 22, 2022, and a commitment letter issued by Citibank for \$4,450,000.

Ms. Vatske specifically noted that for this particular resolution and the two resolutions that follow for Quinn by Vintage Supplemental & Station by Vintage Supplemental, are all supplemental bond issuance resolutions, which were needed due to additional project costs and to meet the 50% test for the Low-Income Housing Tax Credits. In addition the supplemental issues will leverage more equity with the recent 4% fix. The Commission had sufficient bond cap for these three supplemental issuances.

Mr. Tripp moved to approve the resolution. Mr. Krueger seconded. The resolution was approved unanimously, with Ms. Bascomb-Green abstaining, as her employer is the fiscal agent/trustee.

**Action Item:
Resolution No. 22-
90, Quinn by
Vintage
Supplemental, OID
#19-131A**

Ms. Vatske stated that this was a resolution approving the issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the construction and equipping of a 227-unit multifamily housing facility located at 20022 15th Avenue NE and 20057 Ballinger Way, Shoreline, WA 98155, owned by Quinn by Vintage, LP, a Washington 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 \$6,105,000. The public hearing was held November 22, 2022, and a bank commitment letter issued by Citibank for \$6,125,000.

Mr. Kruger moved to approve the resolution. Ms. Topper seconded. The resolution was approved unanimously, with Ms. Bascomb-Green abstaining, as her employer is the fiscal agent/trustee.

**Action Item:
Resolution No. 22-
91, Station by
Vintage
Supplemental, OID
#19-133A**

Ms. Vatske stated that this was a resolution approving the issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the construction and equipping of a 197-unit mixed use multifamily housing facility located at 16820 SE Wax Road and 28020 Covington Way, Covington, WA 98042, owned by Station by Vintage, LP, a Washington 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 \$5,106,000. The public hearing was held on November 22, 2022, and a bank commitment letter issued by Citibank for \$5,106,000.

Mr. Kruger moved to approve the resolution. Mr. Espinoza seconded. The resolution was approved unanimously, with Ms. Bascomb-Green abstaining, as her employer is the fiscal agent/trustee.

**Action Item:
Resolution No. 22-
92, The Lookout,
OID #20-69A**

Ms. Vatske stated that this was a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 133-unit multifamily senior housing facility located at 2401 S. Orchard Street, Tacoma,

WA 98466, to be owned by VBT The Lookout 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 \$25,000,000. The public hearing was held on November 17, 2022, and a bank commitment letter issued by Banner Bank for \$22,000,000.

Mr. Krueger moved to approve the resolution. Mr. Tripp seconded the motion. The resolution was unanimously approved, with Ms. Bascomb-Green abstaining, as her employer is the fiscal agent/trustee.

**Action Item:
Resolution No. 22-
93, Village at 47th,
OID #21-120A**

Ms. Vatske stated that this was a resolution approving the issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 272-unit multifamily housing facility located at the intersection of South 47th Avenue and South Ryan Way, Tukwila, WA 98178, to be owned by Vintage at Tukwila, LP, a Washington 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 \$85,000,000. The public hearing was held on November 17, 2022, and a commitment letter issued by Citibank for \$58,058,500, which includes \$4,558,500 in recycled volume bond cap.

Mr. Krueger moved to approve the resolution. Mr. Espinoza seconded the motion. The resolution was unanimously approved, with Ms. Bascomb-Green abstaining, as her employer is the fiscal agent/trustee.

**Action Item:
Resolution No. 22-
94, Approval of
Carryforward of
2022 Private
Activity Bond Cap**

Mr. Steve Walker, Executive Director, stated that this was a year-end annual resolution for the board approving the carryforward of unused 2022 Private Activity Volume Cap (“Bond Cap”) into 2023 for the single & multifamily programs.

Mr. Krueger asked how much total carryforward will be from 2022. Mr. Walker replied that the exact dollar amount is not known yet, but will be released by the

Department of Commerce (“Commerce”) by the end of the year in their award letter to the Commission. Ms. Vatske added that in her current estimation it would be approximately \$30-\$35 million.

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

**Action Item:
Resolution No. 22-
95, Reauthorization
of funding for
Beginner
Farmer/Rancher
Program for 2023**

Ms. Vatske stated this was also a year-end annual resolution for the board’s approval approving the allocation of up to \$2 million of bond cap for the Beginner Farmer/Rancher Program from the 2023 Bond Cap.

Mr. Krueger moved to approve the resolution. Mr. Tripp seconded the motion. The resolution was unanimously approved.

**Action Item:
Approval of
allocation from the
race/social equity
reserve for a newly
created LAP
program**

Ms. Vatske stated this is a request for board approval to approve the transfer of up to \$5 million in the board-approved Commission’s 2022-2023 Program Year Budget from the PRI (Program Related Investments) race/social equity reserve for a new statewide Land Acquisition Program (LAP).

Mr. Tripp moved to approve the transfer of up to \$5 million as noted above. Ms. Topper seconded. The motion was unanimously approved.

**Action Item:
Approval of
selection of Single-
Family Investment
Banking &
Underwriting
Services
recommendations**

Ms. Lisa DeBrock, Director, Homeownership, stated that at least every two years, pursuant to the Revised Code of Washington (RCW) section 43.180.100 and the Washington Administrative Code (WAC) section 262-01-070, the Commission conducts a request for proposals (RFP) for single family investment banking and underwriting services. She noted that investment bankers develop and structure each bond issue and purchase the Commission’s bonds for the House Key Opportunity program.

Ms. DeBrock stated further that she posted the RFP in October, with all submitted proposals due on Monday, November 21. The Commission received 11 overall responses. Eight firms applied with a preference to serve as Senior Manager including:

- Bank of America Securities
- Citigroup Global Markets Inc.
- Morgan Stanley
- Raymond James
- RBC Capital Markets
- Wells Fargo Securities
- JP Morgan
- Stifel

In addition, three firms applied as co-manager only. These firms included:

- San Blas Securities
- InspereX
- Piper Sandler

She thanked all the firms for their responses to the Commission's RFP. The first seven firms listed were interviewed and the interview panel looked at the following criteria:

- The experience and record of the applicant in selling bonds nationally or regionally to either institutional or retail investors.
- The successful participation of the applicant in a selling group on the Commission's bonds.
- The cost in fees and expenses.
- Reputation for services.

- Qualifications of the individuals assigned to represent the investment banking firm including their length of time in the industry and at that firm as well as demonstrated technical competence, expertise, and innovative ability.
- Compatibility of the individuals assigned to work with the Commission and its staff.
- Accessibility of the underwriter's personnel to the Commission and its staff.

The interview panel was impressed with all seven of the applicants and with the strong commitment for their diversity, equity, and inclusion efforts undertaken by each firm.

She added that applications were reviewed by a panel consisting of herself, Faith Pettis from Pacifica Law Group, and the following Commission staff: Steve Walker, Bob Peterson, Corinna Obar, Fenice Taylor, and Lucas Loranger.

The panel recommended retaining the current senior manager, RBC Capital Markets, who has been on the Commission's team since 2008.

She also stated that she and the panel would like to retain Wells Fargo Securities as co-manager (on the Commission's team since 2013), and Morgan Stanley as a co-manager (on the Commission's team since 2019). The panel also recommended adding a third co-manager, Citigroup, due to their strong performance in the Commission's selling.

This approval would grant authority for the Executive Director to negotiate contract terms with the firms listed above.

time.

Because the Commission has limited volume cap at the present time, it and has issued approximately \$100 million annually over the past few years and expects a

similar level of bond issuance in 2023. In the last fiscal year, the Commission assisted 544 homebuyers under the House Key program as compared to 5,094 homebuyers under the Home Advantage program.

She concluded that the House Key program remains a critical part of the Commission's mission by mainly serving families at 80% and below of AMI. As prices continue to rise in the state, the House Key program helps reach underserved communities with the Commission's below market interest rate and keeps homeownership within reach for homebuyers. In addition, having a Finance Team who is deeply familiar with the Commission's single-family programs and the needs of borrowers remains critical.

Ms. Bascomb-Green moved to approve the panel's recommendations for selection, and for approval of the Executive Director to negotiate/execute contracts with both the Single-Family Senior Manager, RBC Capital Markets; and also for the three Single-Family Co-Managers: Wells Fargo Securities, Morgan Stanley, and Citigroup. Mr. Krueger seconded the motion. The motion was approved unanimously.

**Action Item:
Approval of
proposed WSHFC
Legislative Agenda
for 2023**

Mr. Walker stated for 2023 and for years after that, the Commission will support legislation that seeks to end systemic racism and to advance equity. The Commission will also advocate for as much public investment as possible to be equitably directed to a range of affordable housing initiatives; as well as for legislation that makes our state taxing system more equitable and combats climate change.

He noted that the Legislative Session this year in 2023 is a longer session (105 days in odd-numbered years) and is also a biennium state budget year for Fiscal Years 2023 through 2025. He mentioned that the Commission does not have any lead priorities this year, but has a support agenda consisting of the following items:

Increasing Rental Housing Supply

- Fund the state Housing Trust Fund at a historically high level in the biennial capital budget
- Seek a permanent source of funding for the Housing Trust Fund
- Support efforts and legislation to allow counties and cities to establish housing benefit districts (HBD) for the acquisition of land for affordable homes fund

Other Housing Programs and Supportive Services

- Support state authorization of new local options to fund affordable housing, such as a new Real Estate Excise Tax (REET) for affordable housing and operations.
- Support efforts to ensure that any proposed cuts to the budget do not negatively impact affordable housing programs and related services.

Close Racial Gaps in Homeownership

- Support implementation of the Coalition for Housing Choices' Seven Point Plan for Increasing Black Homeownership in the Puget Sound Region. These points are: Supporting Existing Owners, Marketing/Outreach, Pre-/Post Purchase Counseling, Purchase Supports/Tools, Credit/Lending, Housing Production, and Policies/Practices.
- Support the Washington Future Fund legislation creating a pathway to home ownership for low-income Washingtonians. This legislation is sponsored by Mr. Pellicciotti, the State Treasurer.
- Support new programs that expand homeownership opportunities for BIPOC households
- Support legislation to amend lending and real-estate systems built on structural racism Tenant Protection
- Seek increased funding for statewide Right to Counsel program to meet statutory requirements

Mr. Walker also stated that the last support item is to seek increased funding for the Tenancy Preservation Program (TPP) and the Landlord Mitigation Fund.

Mr. Walker then asked the board for their approval of the proposed 2023 WSHFC Legislative Agenda. He along with Chair Rumpf encouraged all Commissioners to be as active as possible and assist when needed on any potential legislation mentioned.

Mr. Tripp moved to approve the proposed 2023 WSHFC Legislative Agenda. Mr. Espinoza seconded. The motion was approved unanimously.

**Action Item:
Approval of the
2023 Commission
Meeting Calendar**

Mr. Walker stated that this is yet another traditional year-end action item, the approval of dates for the monthly Commission Board Meetings for 2023. All meetings will be hybrid (in-person & via Zoom teleconference), and at certain meetings, there will be morning Work Sessions for in-person participation by as many Commissioners as possible. He added that he welcomes any feedback from Commissioners on this current format. He also mentioned the Calendar included the tentative dates for the NCSHA conferences (NCSHA Legislative Conference in Washington DC, NCSHA Housing Credit Connect, and the NCSHA Annual Conference & Tradeshow) and the 2023 Housing Washington Conference in Tacoma.

Mr. Walker noted the proposed meeting dates for 2023 are as follows: January 26, February 23, March 23, April 27, May 22-23 for the annual budget/planning meeting, June 22, July 27, August 24, September 28, October 26, November 16, and December 7.

Mr. Pellicciotti stated for the record that one of the meeting dates conflicts with a State Investment Board meeting, and thus will be voting no on the motion to approve the 2023 Commission Meeting Calendar.

Ms. Topper asked if the Commission meeting start times will be 1 p.m. Mr. Walker replied that they would be and that if meetings have an accompanying Work Session, the start time for that would be announced, typically 10 a.m. until 12 noon.. Also the May Budget/Planning Session start times would be announced as well.

**Report on
Department of
Commerce
Activities**

Ms. Faith Pettis, counsel from Pacifica Law Group, reminded everyone that all Commission Meetings are Special Meetings, and that only a minimum of 24 hours notice is needed to call a meeting(s). Also unlike other agencies, boards & commissions that have Regular Meetings, the date(s) for which are published in the State Register; Special Meetings are not so published, which provides flexibility.

Ms. Bascomb-Green moved to approve the 2023 WSHFC Commission Meeting Calendar as proposed/distributed. Mr. Krueger seconded. The motion was approved by a vote of 7 to 1, with Mr. Pellicciotti voting no, and all other Commissioners participating in today's meeting, voting yes.

Ms. Grigoras gave the report on Department of Commerce ("Commerce") activities as follows:

Housing Division - Multifamily Housing Unit

Traditional HTF Funding Round

Commerce may be able to fund just 15 out of 60 traditional applications this round and waitlist another 30 projects that could proceed if funding were available. Commerce is working diligently with WSHFC to align funding this round, but there will be a significant impact on the timeliness of projects able to proceed.

Apple Health and Homes

The Apple Health and Homes Capital Program guidelines are being drafted. The plan is to release an initial addendum to fund projects on the Traditional HTF waitlist and/or those seeking Rapid Capital Housing Acquisition funds.

Housing Division - Homeownership Unit

Capital programs

Staff will host webinar number two of three for the \$25 million homeownership capital programs at 1 p.m., December 14, 2022. Topics covered include

application forms review, prioritization, and frequently asked questions. The third and final webinar will be at 9 a.m. on January 3, 2023.

Technical assistance for mobile home community conversions

Commerce executed a \$90,000 contract with Northwest Cooperative Development Center (NWCDC) to provide technical assistance for manufactured home community organizations and learn more about converting their community to resident ownership. NWCDC will provide direct technical assistance to several communities and give a general overview of the process for people interested in exploring the purchase of their communities.

Housing Division - Policy Unit

Rights-of-Way Initiative

Since the \$145 million Right-of-Way (“ROW”) Safety Initiative was launched last spring, more than 170 individuals living in 12 encampments in five counties were transitioned to housing or shelter. Most remain housed, thanks to extensive efforts to connect individuals to appropriate services. The first ROW property acquisition, the Catalyst, began housing people in Spokane this week.

Local Government Division - Growth Management

House Bill 1220 update

Draft future housing need numbers for every county in Washington are available based on projection methodology in the Housing for All Planning Tool. Final housing need numbers using 2022 OFM population projections will be available in February. Housing need numbers are divided by income bracket: 0-30% AMI, >30-50% AMI, >50-80% AMI, >80-100% AMI, >100-120% AMI, and >120% AMI. They include separate projected emergency housing/emergency shelter needs. Housing need numbers are provided at the county level to be consistent with how populations are projected from OFM. Commerce has developed draft guidance for counties to allocate the housing needs from the county level to cities, towns and unincorporated counties, as well as an allocation tool in the Housing for All Planning Tool.

State draft housing needs indicate that >50% of state housing needs *over the next 20 years* will be below 50% AMI. Significant funding, planning and coordination

will be needed to achieve these housing needs in the future. Fully planning cities and counties will be required to plan for sufficient land capacity at densities that may accommodate housing at the various income brackets and identify barriers and funding gaps to achieving these housing needs as part of their comprehensive plan periodic updates, which are due starting in December 2024. Draft guidance on land capacity and identifying barriers to achieving housing needs will be available by January 2023. All guidance for this work, final housing need numbers, and a webinar should be complete by April 2023.

Coming soon:

Late December: Final guidance and webinar on assessing and beginning to undo racially disparate impacts in housing.

January: Final projections of housing needs; Legislative report on the MFTE program, along with a deed restriction for a 20-year property tax exemption and auditing program (by June 2023).

February: Updated policy recommendations for accessory dwelling units

April: Guidance to help communities adopt middle housing.

Private Activity Bond Cap Program

We anticipate the carryforward of unused bond capacity to occur on December 20. It will ensure the ability to make bond issues of approximately \$103 million over the next three years.

The calculation used to determine the 2023 bond capacity is still in process, but the IRS has determined that the multiplier will increase from \$110 to \$120 per capita. We are anticipating annual population growth of 1 to 1.5 percent leading to a preliminary estimate of about \$940 million for 2023. The US Census Bureau will finalize the population estimates used to determine the final amount in the last week of 2022.

**Executive
Director's Report**

Mr. Walker gave the Executive Director's report as follows:

Multifamily Housing & Community Facilities (MHCF):

Lisa Vatske attended the Novogradac tax credit conference and presented on our bond and recycling program on a panel with several other bond structuring experts.

There is a year-end push underway to have any year-end legislation include the two biggest priorities from the Affordable Housing Improvement Act – reinstating the 12.5% increase to the 9% program and the lowering of the 50% test on tax-exempt bonds.

Continued coordination and staff review of the 9% applications is underway. Some unprecedented complications with different funding buckets and timing of availability of funds with Commerce, may delay some of the announcements and allocations.

Jackie Moynihan has joined the Commission's MHCF Division as its new Senior Policy Analyst as of December 1 – welcome, Jackie!

Homeownership:

Homeownership Assistance Fund (HAF):

As of November 30, 2022, there have been over 1,100 applications to the system. Of those, 284 grants have been funded totaling nearly \$5.2 million dollars in grant assistance. For the same period there are over sixty-one applications with funding reserved totaling over \$2.5 million and many continue to be processed.

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.

We continue to fine-tune the program based upon feedback received from our counseling and civil legal aid network, as well as others that can benefit from the program, and we are finalizing the program procedures for those with non-traditional financing to participate in the program. In December we will start a “small lender” program with our partner, HomeSight, to expand the HAF program’s reach. The small lender program is being designed with the input of our civil legal aid partner, Northwest Justice Project.

We continue our bi-weekly meetings with our counseling network to talk through program ideas, concerns, and best practices to make sure that the entire network is supported and working towards a common goal.

Outreach to underserved communities regarding the HAF Program continues to reach all areas of the state and in multiple languages. Advertising in social media, along with local publications and radio stations, has shown results through the steady traffic to our HAF Program landing site (WashingtonHAF.org) as well as the “Hotline” at the Washington Homeownership Resource Center.

We look forward to the conclusion of the fourth quarter of 2022 to provide us with sufficient data to be able to analyze trends, distribution, and the effectiveness of our outreach program.

Other:

Homeownership staff will be attending the NAREB Gala on December 10.

The Homeownership Division re-opened their seller servicer RFP. Proposals are due on December 30.

Asset Management & Compliance (AMC):

Portfolio analysts are closing out the remaining 2021 tax credit annual reports reviews and sending out 2022 Bond reports.

Lanakay is working with Finance on Annual Compliance fee billing.

RFPs for new inspection vendors for 2023 is out. The goal is to make the process flow smoother and find a vendor that would provide us with a customized service to meet our needs.

Staff is working on amending Average Income Test (“AIT”) policies per IRS Final Rule and working with MHCF to encourage owners to embrace variable AMIs allowed by AIT to make LIHTC housing open to broader spectrum of renters while allowing projects to better support lower set-asides (20/30) with a higher set-aside rent offset (70/80).

There has been an influx of Property Transfer requests which need to be completed by 12/31. So far this year Mary worked on twenty-five transfers; seven of which were in the last 30 days.

Finance:

Eide Bailly LLP has issued a draft Independent Auditor’s Report on the Commission’s Financial Statements for fiscal year 2022 with an unqualified opinion. The draft report is included in the board packet. The final report is expected to be essentially the same as the draft with no change to the substance from the draft version.

Franchesca Cornelio has joined the Commission as of this Monday 12/5 as Grant Accountant to support the efficient and effective implementation of Commission’s federal grant programs, including HAF. Welcome, Franchesca!

Other news from Steve:

He complimented Margret Graham and Pacifica Law Group for the excellent Q&A handout regarding the current situation with the residents being displaced from the Nooksack Homes by the Nooksack Indian Tribe and their housing

authority.

He participated in the following events and meetings:

WCRA Criticized Credit Committee Meeting; Condo Conversion Meeting; Housing Benefit Webinar; CAHD Meeting, Sound Communities Steering Committee; WCRA Board of Directors Meeting; BHI Policy Group Meeting; Microsoft Check-in Meeting; NCSHA/WSHFA H3C Check-in; Meeting with HUD re: Nooksack; Rent Increases, Evictions and 2023 priorities; NCSHA Recommended Practices in Housing Credit Administration Task Force; Legislative Discussion with Rep Ramel; AHAB; and Traveled to DC to attend the NCSHA Executive Directors Forum/Board Meeting.

Commissioners' Reports

Mr. Krueger reported that the Audit Committee consisting of himself and Mr. Larsen (and Ms. Topper, who chairs this committee, was absent for this particular meeting) met with the auditors from Eide Bailly LLP (Eide) along with Mr. Walker; and Fenice Taylor and Lucas Loranger from the Commission's Finance Division on November 29. He stated that Eide presented a draft independent financial audit report from Fiscal Year 2022 with an unqualified opinion, a clean audit, with no findings, and no other issues. The report is awaiting final sign-off, but the language in the draft report is expected to be included in the final draft with no changes. He added that this was Eide's first audit of the Commission, and they wanted to commend Mr. Loranger and Ms. Taylor and the entire Finance Division for their diligent work and their cooperation. Finance Division staff commented that Eide was professional, knowledgeable, and easy to work with.

Mr. Krueger noted that the Commission's net position increased by \$39.6 million the past year. Cash and cash-related investments increased by \$205.5 million over the past year due to receipt of HAF funds that came in from the U.S. Treasury. Bonds and bonds payable were reduced over the past year by \$48.2 million due to principal payments outperforming bond issuance amounts. Last, PRI and grant revenue fees decreased by \$24.8 million due to reduced activity in the Home Advantage Program during the first half of the year. He concluded by

saying that Eide's reply to Mr. Larsen's question regarding the Commission's allowance for mortgage loans, is very adequate, about 2%, well above industry standards!

Ms. Bascomb-Green mentioned the National Board of Real Estate Brokers - Realtists of Western Washington is having their annual gala dinner this Saturday, December 10. She proudly announced that the Commission and a number of stakeholders will be attending this sold-out event. Also a scholarship will be awarded by the Realtists of Western Washington to one real-estate broker who needs financial aid. Also they will establish a program to recruit new young real estate brokers from high school and community colleges. She will give a report on the gala at the January meeting.

Mr. Tripp complimented Ms. Tera Ahlborn and staff for the Nooksack Q&A handout and distribution. He also complimented Ms. Grigoras and Commerce on their work reducing homelessness in state ROWs in the Spokane area, especially with Camp Hope locations.

Consent Agenda

The consent agenda was approved as distributed.

Public Comment

Ms. Michele Roberts, a resident of the Nooksack Homes Low-Income Housing Tax Credits property on the Nooksack Indian Reservation near Deming commented that she wanted to thank Mr. Walker and the Commission for all of their efforts and understanding regarding the possible eviction of the seven families from the Nooksack Homes Low-Income Tax Credit Housing that were disenrolled by the Nooksack Indian Tribe and their Board of Elders.

Ms. Roberts noted that one of her neighbors was not one of the tribal members that were disenrolled, but still has to be evicted out of the house sometime between December 17 and January 2. She mentioned that her neighbor had no legal representation in the eviction tribal court case. Also currently, there are eight other homes (her neighbors) on the property that are having eviction orders

being done as well with residents spanning many generations. She appreciated and thanked the Commission and Mr. Walker for listening, but was still disappointed that the Commission is not doing enough to utilize their compliance tools and resources/contacts to stop the evictions from happening. Also she mentioned that the Commission needs to uphold the terms of the Regulatory Agreement with the Tribe and Housing Authority, as the owners of the land, along with Raymond James as the syndicator of the tax credits. She wants the Commission to utilize the remedies in that Regulatory Agreement for breaching the eventual tenant ownership covenants on their end. She believes that the Commission needs to report the noncompliance to the IRS as the Tribal Housing Authority and Raymond James have been not acting in good faith. She then asked that the Commission and its partners to continue to do all they can to stop the evictions from happening.

Chair Rumpf replied that Ms. Roberts and her neighbors who are affected should keep in touch with Mr. Walker, and assured her that the Commission is doing all it can, with dialogues with the residents, HUD, and the Tribal Housing Authority, with the Commission's partners and legal counsel. He also noted that the Commissioners are fully aware of the residents' plight, and especially so with the public comment and testimony from this meeting and from the past couple of Commission meetings.

Executive Session

Chair Rumpf stated that a closed-door Executive Session is needed with Commissioners, Mr. Walker, Mr. Bob Peterson (Deputy Director), Ms. Vatske (MHCF Division Director), and Ms. Biratu (AMC Division Director), along with legal counsel from Pacifica Law Group. He stated that this Executive Session is needed to discuss the status of potential litigation with respect to a possible future action taken against the Commission. He added the approximate length of the Executive Session is 20 minutes, but it could go longer than that. Also he noted that no action items would be considered or voted on in Executive Session.

Chair Rumpf then adjourned the meeting into Executive Session at 2:22 p.m.

**Re-convening of the
Special Meeting &
Adjournment**

The meeting was re-convened from Executive Session and opened to the public at 2:52 p.m. The meeting was adjourned at the time above.

Signature

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 and/or taxable revenue obligations (the “Notes”) to finance and refinance the acquisition and rehabilitation of an existing facility owned and to be owned and operated by Bellwether The BLVD LLC, a Washington limited liability company, the sole member of which is Bellwether Housing, 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 Notes 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, January 26, 2023, 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” or “Join,” and enter:

**Webinar/Meeting ID: 890 7895 1468
Passcode: 028354**

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 of the Revised Code of Washington for the purpose of financing an exempt facility under Section 145 of the Code.

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

Project:	The BLVD
Project Address:	2136 S. 272nd Street Kent, WA 98032
Total Estimated Project Cost:	\$36,574,546
Estimated Maximum Note Amount:	\$25,000,000

Proceeds of the Notes may be used to refinance all or a portion of existing taxable debt used by the Borrower to finance the acquisition of an existing 136-unit facility (the “Project”), to finance a portion of the costs of the rehabilitation of the Project, and to pay all or a portion of the costs of issuing the Notes.

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 plan of financing with respect to the Notes 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 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, January 25, 2023. 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 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	The BLVD
Developer	Bellwether Housing
Description	The BLVD is a 136-unit new acquisition and rehabilitation of a market rate apartment complex. Bellwether Housing was able to use a taxable loan from Citibank and investment from Amazon's Housing Equity Fund to purchase the property in 2021. The Commission's nonprofit bond will be used to pay off the taxable loan and provide proceeds for capital expenditures.
Location	2136 S. 272nd Street Kent, WA 98032
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 existing debt.
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$25,000,000
Bond Structure	Private Placement
Lender	Citi Community Capital
Action	Public Hearing for OID # 22-97A
Anticipated Closing Date	March 2023

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 and/or taxable revenue obligations (the "Bonds") to finance a portion of the costs for the acquisition, construction and equipping of a new multifamily housing facility in Seattle, Washington, to be owned by El Centro de la Raza at Columbia City LLLP, a Washington limited liability limited partnership. The Bonds may be issued as one or more series issued from time to time and may include one or more series of refunding obligations. The public hearing will be held starting at 1:00 p.m., Thursday, January 26, 2023, 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” or “Join,” and enter:

**Webinar/Meeting ID: 890 7895 1468
Passcode: 028354**

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 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 Bonds will be used to provide financing for the following project:

Project:	El Centro de la Raza at Columbia City
Project Address:	3818 South Angeline Street Seattle, WA 98118
Total Estimated Project Cost:	\$52,015,484
Estimated Maximum Bond Amount:	\$35,000,000 (a portion of which may be taxable).

Proceeds of the Bonds will be used to provide all or a portion of the financing for the acquisition, construction and equipping of an 87-unit multifamily housing facility in Seattle, Washington, and to pay all or a portion of the costs of issuing the Bonds. 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 Bonds may be mailed or faxed to the attention of Dan Schilling, WSHFC, MHCF 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,

January 25, 2023. 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	El Centro de la Raza at Columbia City								
Developer	El Centro de la Raza								
Description	<p>El Centro de la Raza is developing the new construction of a seven-story building. Five stories of residential units will sit above two, non-residential condominium units on the ground floor of the building.</p> <p>The residential component of El Centro de la Raza Columbia City will consist of 87 apartments of affordable housing for families.</p> <p>The two, non-residential components of the project will consist of space for a child development center and a community church. The child development center will be approximately 6,600 square feet. The center will have four classrooms, a commercial grade kitchen, restrooms, offices for staff, and outdoor play space. The second unit will be a 2,600 square foot community church for the Church of Hope, financed separately.</p>								
Location	3818 South Angeline Street Seattle, WA 98118								
Project Type	New Construction								
Units	<table><tr><td>One Bedroom</td><td>40</td></tr><tr><td>Two Bedroom</td><td>29</td></tr><tr><td>Three Bedroom</td><td>18</td></tr><tr><td>Total</td><td>87</td></tr></table>	One Bedroom	40	Two Bedroom	29	Three Bedroom	18	Total	87
One Bedroom	40								
Two Bedroom	29								
Three Bedroom	18								
Total	87								
Housing Tax Credits	Yes								
Income Set-Aside	70% at 50% AMI 30% at 60% AMI								
Regulatory Agreement Term	Minimum 40 years								
Evaluation Plan Scoring	Additional Low-Income Housing Commitments								

Commitments for Priority Populations	2
Systemic Barrier	8
CBO Ownership	8
CBO Inclusion	5
Community Engagement Process	2
Application of Community Engagement	3
Donation in Support of Local Nonprofit Programs	2
Energy Efficiency, Healthy Living, & Renewable Energy – New Construction	10
Total Points	46

Estimated Tax-Exempt Bond Amount (Not to exceed) \$35,000,000

Bond Structure Private Placement

Lender Heritage Bank

Development Budget

Acquisition Costs	\$5,203,056
Construction	\$37,169,640
Soft Costs	\$5,866,131
Capitalized Reserves	\$620,165
Other Development Costs	\$2,887,528
Total Development Costs	\$51,746,520

Permanent Sources

Heritage Bank - 1st mortgage	\$10,613,084
City of Seattle - Office of Housing	\$11,610,233
State of WA - Housing Trust Fund	\$2,077,478
Amazon - sponsor loan	\$3,500,000
Deferred developer fee	\$1,912,310
Federal HOME/NHTF	\$4,573,184
CMF Funds	\$750,000
Solar Energy Tax Credit Equity	\$54,906
Tax Credit Equity at \$0.9525 per credit x 10 years	\$16,655,325
Total Permanent Sources	\$51,746,520

Total Development Cost Limit

Project's Total Development Cost Limit	\$34,773,400
Total Development Cost (minus land and reserves)	\$45,939,407
Waiver	Approved

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$2,100	\$616- \$1,267
Two Bedroom	\$2,685	\$731- \$1,513
Three Bedroom	\$3,535	\$822- \$1,725

Action

Public Hearing for OID # 22-36A

Anticipated Closing Date

March 2023



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

WSHFC Staff Use Only

Project Name: El Centro de la Raza at C

Reviewed by: Dan Rothman

Date: 1/23/2023

Recommendation: Approve as Requested

Rationale:

El Centro Columbia City was approved for a TDC waiver in March of 2022. The project exceeded the 2022 Seattle limit by 5.19%, or ~\$2.1M. The project now exceed the 2023 Seattle limit by 16.25%, or \$6.4M (TDC has increased by 10%), primarily due to market escalation. El Centro de la Raza/Beacon Development Group identified the following cost drivers that have caused total project costs to exceed the limit: poor soil conditions and space constraints require extensive site work and underground electrical service, structured parking; significant concrete work driven by building code related to the non-residential space; the sales tax, overhead, profit and general conditions associated with the additional costs; and market escalation.

1. Poor soil conditions require pin piles, which while more costly, are a cost-efficient alternative to further excavation. Additionally, sufficient right-of-way is not available to rely on lower cost, overhead electrical service. The development requires an underground vault, which is significantly more costly. Overall, site-related cost drivers are estimated to add \$1.9M to the development budget.
2. The development's focus on serving large families requires residential parking. Due to space limitations, structured parking was deemed necessary to accommodate the needs of future residents. Structured parking is estimated to add \$617k to the budget.
3. The development will include a child development center on the second floor. City land use and building code requirements requires significant concrete work (both in the foundation and the concrete slab separating the residential and non-residential portion of the building). Additionally, the outdoor rooftop space will require an elevated deck system and additional waterproofing. This is all estimated to cost an additional \$1.9M.
4. The sales tax, overhead, profit, and general conditions on all of the above is estimated to cost \$508k.

Almost half of the amount this project is over the limit is related to the inclusion of a childcare center and residential parking, both of which were carefully considered and intend to further benefit the residents. I believe the cost drivers listed are reasonable and I recommend approval of this cost waiver.

Approved by:

Lisa Vatske

Signature:

Date:

Total Development Cost Limit Waiver Request (2022)

Date of Waiver Request:	1/17/2023	Program Type:	4% Credit
Project Name:	El Centro de la Raza at Columbia City		
Project City, County:	Seattle, King County		
Sponsor Organization:	El Centro de la Raza		
Project Contact:	Shantell Rice		
Development Phase:	Closing - Final Bids		

1. Has this project received a TDC Waiver in the past? If so:

Approval Date: 3/8/2022 Approved TDC: \$41,574,998

2. Please attach the following forms from the Combined Funder's Application:

- Form 2B: Square Footage Details
- Form 6C: LIHTC Budget
- Form 6D: LIHTC Calculation
- Form 7A: Financing Sources

3. Description of Project

Briefly describe the project, the location and population to be served. If project is considered an "Urban Type Project" for purposes of the TDC limit, explain how it qualifies for that determination.

El Centro Columbia City (ECCC) will be the redevelopment of three parcels of land located at 3728, 3808 and 3740 South Angeline Street in Columbia City. The site will be redeveloped with a single, elevator serviced, six-story mixed use building of Type 5A over 1 story Type 1A concrete construction. Five stories of residential units will sit above two, non-residential condominium units on the ground floor of the building.

The residential component of ECCC will consist of 87 apartments of affordable housing for families. There will be 39 one-bedroom, 30 two-bedroom, and 18 three-bedroom apartments, offered at 30%, 50% and 60% AMI. On site amenities for residents will include a management office, community room, rooftop open space, bicycle racks, trash and recycling chutes, and laundry rooms. There will also be 17 parking stalls in a parking garage.

The two, non-residential components of the project will consist of space for a child development center and community church. The child development center will be approximately 6,500 square feet. The center will have four classrooms, a commercial grade kitchen, restrooms, offices for staff, and outdoor play space.

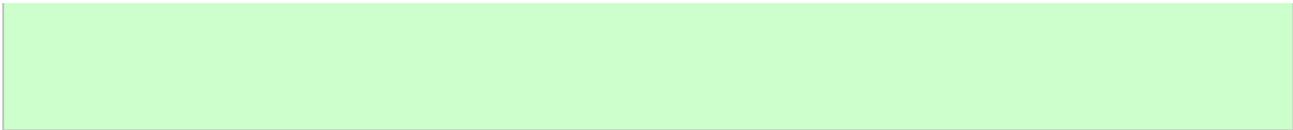
The second unit will be a 2,600 square foot community church for the Church of Hope. This space will have a double - height ceiling and entry on Angeline Street. The church will also have 18 surface parking spots on the north side of the project.

The project will be located in Seattle and will be subject to Seattle TDC limits.

4. Explain what this cost estimate is based on (bids, drawings, etc).

Where are you in the design/bidding process? Is a contingency or cost escalator included? If so, please explain what the assumptions are.

The cost estimate for ECCC was completed by Walsh Construction. The estimate was based on 100% DD drawings produced by SMR Architects. The project team is on track to receive a building permit before the scheduled March 2, 2023 closing date.



5. Calculation of Project's Total Development Cost*

Total Residential Project Cost	\$51,746,522
- Land	\$5,186,950
- Offsite Infrastructure	
- Capitalized Reserves	\$620,165
Total Development Cost	\$45,939,407

6. Calculation of Project's TDC limit:

Which limits is this project subject to? Seattle

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
Number of Units**	0	40	29	18	0
Average Square Feet of Units		480	720	960	
Appropriate Cost/Unit Limits	\$ 339,900	\$ 388,700	\$ 461,500	\$ 588,200	\$ 588,200
Max Cost by Unit Type	\$0	\$15,548,000	\$13,383,500	\$10,587,600	\$0

Project's Total Development Cost Limit:	\$39,519,100
\$ Amount Above TDC Limit	\$6,420,307
% Above TDC Limit	16.25%

7. Cost Drivers

Select from drop down list to identify which cost drivers have caused the project to exceed the TDC Limit. What elements are unique to the project that cause it to exceed the Limit? The total amount in the cost column must

	Category	Cost	Abbreviated description
1.	Site-related	\$1,921,887	The project's site has grading, slope challenges as well as soils conditions that will make site preparation more expensive, including needed retaining/shoring/piling systems. The delivery of power to the site will require an underground vault.
2.	Structured Parking	\$617,462	Structured parking is needed to meet project needs - site and building constraints require structured parking in lieu of other options.
3.	Structural	\$448,000	Additional raised paver system and waterproofing for 6th floor amenity deck - space limitations and building design constraints, mixed use building in City of Seattle
4.	Structural	\$1,447,549	Concrete structure including foundation and post-tension concrete slab on level 2 related to construction of a mixed-use building in City of Seattle. L3 PT Deck.
5.	Other	\$525,000	Estimated cost for additional sustainability measures to be part of the building
6.	Other	\$508,390	Washington State sales tax (10.25%) on the above items
7.	Other	\$495,990	Additional overhead, profit and general conditions (10%) on the above items.
8.	Market Escalation	\$456,030	Significant cost increases across the majority of trades.

9.			
	Total		\$6,420,307
	Amount Project exceeds Limit		\$6,420,307

8. Narrative explanation of each cost driver listed above.

Include reasons why higher cost items have been included in the project. Also identify and quantify steps that have been taken to mitigate costs. If the project includes long term sustainability components beyond the Evergreen Sustainable Development Standards (ESDS), identify each item, why the decision was made to include it, and quantify the upfront costs and long term benefits.

If project already has a current TDC Waiver Approval and this is an **additional** waiver request above that, clearly explain the cost differences between the approved Total Development Cost in the original request and the Total Development Cost in this waiver request.

The current TDC limits reflect State Prevailing Wages - Residential as well as Davis Bacon - Residential Wages.

Site-related - The soils conditions on much of the site will require pin piling in order to be suitable to support the building. The site's space limitations and City of Seattle's requirements necessitate the need for the electrical service to arrive at the site by way of an underground vault below the entry to the structured parking garage. Normally we would plan to service the building from overhead with a pad-mounted transformer.

Structured parking - Some residential parking is needed to accommodate large families' needs. The only alternative is to provide structured parking due to site and space limitations while still maximizing the number of apartment units.

Structural - The project is a mixed use development consisting of non-residential space on the 2nd floor above structured parking and ground floor, with four floors of residential apartments on floors 3 through 6. Per City land use and building code requirements for a mixed-use building, significant concrete is required to separate the residential and non-residential spaces. This requires extensive additional concrete work compared to a building with a more simplified slab on grade that may be developed in a less urban environment. The non-residential space is an important element of the project that will become an early learning child development center. There will be a significant amount of foundation and concrete work required to support this building type, both in foundations to support the structure as well as a post-tension concrete slab to create the necessary separation between the parking/non-residential floor and the upper residential floors. Having the residential outdoor amenity areas on the 6th floor increases costs for a raised paver system and the necessary waterproofing costs.

There is additional cost for our commitment to incorporate additional sustainability options into the building.

While the market has experienced some stabilization with respect to certain trades, such as lumber, there have been significant cost increases to the project as a result of market escalation and labor shortages.

9. Complete the following:

Number of Units by Building Type:

	Single Family Detached
	Townhouse/Duplex
	Walk-Up/Garden Style Apartments
	Low-Rise (2-3 stories with elevator)
1	Mid-Rise (4-6 stories with elevator)
	High Rise (7+ stories with elevator)

X	New Construction
	Rehabilitation
X	State Prevailing Wages - Residential
	State Prevailing Wages - Commercial
	Davis Bacon Wages - Residential

Parking

17 Number of Structured Parking† Stalls
(Residential Only)

Davis Bacon Wages - Commercial
 No wage requirements

*The Total Development Cost submitted in the Application may not exceed the Total Development Cost in the waiver request. Please see Chapter 3.2 of the 9% Housing Credit Policies for the full Total Development Cost Limit Policy.

** Include Low-Income, Market Rate and Common Area Units.

† Structured parking is defined as an above-grade or underground structure specifically designed for vehicle parking.

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 and/or taxable revenue obligations (the "Notes") to finance a portion of the costs for the acquisition, construction and equipping of a new senior housing facility in Tacoma, Washington, to be owned by KWA 15th & Tacoma LLLP, a Washington limited liability limited partnership. The Notes may be issued as one or more series issued from time to time and may include one or more series of refunding obligations. The public hearing will be held starting at 1:00 p.m., Thursday, January 26, 2023 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.

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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:	KWA 15TH & Tacoma
Project Address:	1353 Tacoma Avenue S. Tacoma, WA 98402
Total Estimated Project Cost:	\$43,754,485
Estimated Maximum Note Amount:	\$22,000,000 (a portion of which may be taxable).

Proceeds of the Notes will be used to provide all or a portion of the financing for the acquisition, construction and equipping of an 88-unit senior housing facility in Tacoma, Washington, and to pay all or 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, January 25, 2023. 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

KWA 15TH & Tacoma

Developer

Korean Women's Association

Description

KWA 15th & Tacoma, located in downtown Tacoma, will provide housing for seniors in an environment structured to support residents' ability to age in place and will specifically target underserved seniors with limited English proficiency. The building will include 87 units for seniors who are at or below 50% of AMI with 48 studios and 39 1-bedroom units. There will be one unrestricted manager's unit. Twenty units will be set-aside as HUD 202 units and 18 units will be set-aside for seniors who are homeless with fifteen of these units specifically for veterans through the VA-VASH program.

The building's common areas are located on the main street level of the building and include an open common area living room for residents to relax and socialize. This main area also includes three staff offices for the community manager, resident services coordinator and visiting service providers. This floor also includes a 2,200-sf multipurpose room called the Learning Center that will be operated by Korean Women's Association to provide programs and services for both residents and members of the community. An adjacent kitchen will support the activities and functions of the Learning Center space and will include a meal program for seniors. There will also be an exercise room on the top floor of the building and a small outdoor deck. Residential amenities are included throughout the building that will support residents as they navigate aging. These include accessible, clear lines of sight into the building, slip resistant flooring, 42-inch hallways with hand-rails, enhanced lighting, and visible signage. In unit amenities include open floor plans, 32-inch interior doors, emergency two-way call system, strobe light smoke detectors, enhanced lighting, accessible light switches and window openings, and kitchen task lighting.

Location

1353 Tacoma Avenue S.
Tacoma, WA 98402

Project Type

New Construction

Units	Studio	48
	One Bedroom	39
	Two Bedroom	1
	Total	88
Housing Tax Credits	Yes	
Income Set-Aside	100 at 60% AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Commitments for Priority Populations	2
	Systemic Barrier	5
	CBO Ownership	8
	CBO Inclusion	5
	Community Engagement Process	2
	Application of Community Engagement	3
	Donation in Support of Local Nonprofit Programs	2
	Energy Efficiency, Healthy Living, & Renewable Energy – New Construction	10
	Total Points	37
Estimated Tax-Exempt Note Amount (Not to exceed)	\$22,000,000	
Note Structure	Private Placement	
Construction Lender	Key Bank	
Permanent Lender	Heritage Bank	
Development Budget		
	Acquisition Costs	\$527,040
	Construction	\$34,442,194
	Soft Costs	\$5,181,910
	Financing Costs	\$2,557,719
	Capitalized Reserves	\$339,523
	Other Development Costs	\$706,100
Total Development Costs		\$43,754,486

Permanent Sources

City of Tacoma	\$4,198,594
Pierce County	\$3,713,997
State of Washington	\$6,412,423
Federal Home Loan Bank	\$750,000
HUD 202	\$3,150,000
Heritage Bank	\$2,990,000
Korean Women's Association	\$900,000
Deferred Developer Fee	\$509,291
Tax Credit Equity at \$1.00 per credit x 10 years	\$21,130,181
Total Permanent Sources	\$43,754,486

Total Development Cost Limit

Project's Total Development Cost Limit	\$34,482,290
Total Development Cost (minus land and reserves)	\$41,387,962
Waiver	Approved

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$1,425	\$211 - \$785
One Bedroom	\$1,655	\$215 - \$840

Action Public Hearing for OID # 22-38A

Anticipated Closing Date March 2023



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

WSHFC Staff Use Only

Project Name: KWA 15th & Tacoma

Reviewed by: Dan Rothman

Date: 1/23/2023

Recommendation:

Rationale:

See memo.

Reviewed by:

Approved by:

Signature: _____

Date: _____

To: Steve Walker
From: Lisa Vatske and Dan Rothman
Date: 1/23/2023
Re: KWA's 15th & Tacoma TDC Waiver

Approved - 1/23/2023



KWA 15th & Tacoma, a Bond/Tax credit project sponsored by Korean Women's Association (KWA), exceeds the 2023 Balance of King County TDC limit by 20.03%, or \$6.9M.

Of the cost drivers identified by the KWA, a majority (62% of the amount this project is over the TDC limit) was attributed to Davis-Bacon Commercial Wage rates and non-residential space.

- Davis-Bacon Commercial Wage rates, which is a requirement driven by the height of the building, is estimated to add \$2.1M to the total development budget. This amount represents the difference between this rate and the Davis-Bacon Residential Wage rate.
- The project includes a 2,200 SF Learning Center that will provide space for daytime and evening classes and programming operated by KWA and its partners. The classes and events will be open to community members and to residents. The Learning Center is technically non-residential space but as a community facility operated by a nonprofit in a QCT, the space is eligible to be counted in tax credit basis and is therefore being included in the residential cost category. If the non-residential space was not included in our calculation, then the project would be 14% over the TDC limit.

The balance of the amount this project is over the TDC limit was attributed to design choices/requirements and structured parking.

- The project includes design amenities that are specifically made to enhance seniors' livability as they age in place (\$496k). There will be 42" wide hallways with handrails on both sides, a small top floor outdoor deck with raised gardening beds, a small fitness room, and a resident services office with a hand sink for third-party service providers to provide onsite services. Each unit will have 60" diameter entryways, 30 x 60 showers, rocker-pad light switches, and kitchens with task lighting on all counter areas. Additionally, the project will include heat pump hot water heating (\$982k).
- The City of Tacoma requires a minimum of 4 accessible parking spaces. The building covers the entire site, so this parking must be built on the lowest level of the structure (\$828k).

We recommend that KWA's request is approved as requested. The costs detailed in KWA's request were either design features that provide direct benefit for residents or were necessary for project feasibility.

Total Development Cost Limit Waiver Request (2022)

Date of Waiver Request:	1/23/2023	Program Type:	4% Credit
Project Name:	KWA 15th & Tacoma		
Project City, County:	Tacoma, WA		
Sponsor Organization:	Korean Women's Association		
Project Contact:	Beth Boram		
Development Phase:	Pre Application		

1. Has this project received a TDC Waiver in the past? If so:
 Approval Date: NO Approved TDC:

2. Please attach the following forms from the Combined Funder's Application:
 Form 2B: Square Footage Details
 Form 6C: LIHTC Budget
 Form 6D: LIHTC Calculation
 Form 7A: Financing Sources

3. Description of Project
 Briefly describe the project, the location and population to be served. If project is considered an "Urban Type Project" for purposes of the TDC limit, explain how it qualifies for that determination.

Korean Women's Association plans to develop 87 units of affordable housing in downtown Tacoma at 15th and Tacoma. The project will include a 48 studio and 39 1-bedroom units and one manager's unit. Units will be regulated at 50% of area median income. Twenty units will receive operating subsidy through the HUD 202 program and residents will pay 30% of their actual income for rent and utilities. Eighteen units will be set-aside for seniors leaving homelessness. Onsite services and programs will be provided through a resident services coordinator. Residents will also benefit from access to the full array of KWA programs and services, as well as a 2,200SF square foot Learning Center/Kitchen where residents and community members can benefit from events and programming.

The project meets the Urban Type Project limit by being located near the downtown Tacoma commercial core, having over 4 stories, two elevators and being required by COT to provide structured parking.

4. Explain what this cost estimate is based on (bids, drawings, etc).
 Where are you in the design/bidding process? Is a contingency or cost escalator included? If so, please explain what the assumptions are.

The project is in the design development phase. The architect, Environmental Works, in the process of preparing permit applications. Marpac Construction was selected as GC for the project in November 2021. The cost estimates are from MarPac based on schematic design drawings and specification. The schematic design and cost estimate have been developed with MEPP subconsultant input as well as with input from City of Tacoma permitting and utilities. A contingency cost escalator of 5% is included in the cost estimate to capture the uncertainty in today's market pricing.

5. Calculation of Project's Total Development Cost*

Total Residential Project Cost	\$43,754,485
- Land	\$527,000
- Offsite Infrastructure	\$1,500,000
- Capitalized Reserves	\$339,523
Total Development Cost	\$41,387,962

6. Calculation of Project's TDC limit:
 Which limits is this project subject to? Balance of King

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
Number of Units**	48	39	1	0	0
Average Square Feet of Units					
Appropriate Cost/Unit Limits	\$ 365,355	\$ 422,970	\$ 449,420	\$ 484,900	\$ 519,900
Max Cost by Unit Type	\$17,537,040	\$16,495,830	\$449,420	\$0	\$0
Project's Total Development Cost Limit:	\$34,482,290				
\$ Amount Above TDC Limit	\$6,905,672				
% Above TDC Limit	20.03%				

7. Cost Drivers
 Select from drop down list to identify which cost drivers have caused the project to exceed the TDC Limit.
 What elements are unique to the project that cause it to exceed the Limit? The total amount in the cost column

Category	Cost	Abbreviated description
1. Commercial Wage Rates	\$2,153,918	Required commercial wages, both State and Federal
2. Structured Parking	\$828,334	Required structured parking of 4 spaces
3. Other	\$981,649	Heat Pump Hot Water, Sustainability Features, Radon Mitigation
4. Design	\$495,966	Required design features for aging in place
5. Service Space/Community	\$2,155,298	Project includes a 2,200sf Learning Center/Kitchen
6. Select from List		
7. Select from List		
8. Select from List		
9. Select from List		
Total	\$6,615,165	
Amount Project exceeds Limit	\$6,905,672	

8. Narrative explanation of each cost driver listed above.

Include reasons why higher cost items have been included in the project. Also identify and quantify steps that have been taken to mitigate costs. If the project includes long term sustainability components beyond the Evergreen Sustainable Development Standards (ESDS), identify each item, why the decision was made to include it, and quantify the upfront costs and long term benefits.

If project already has a current TDC Waiver Approval and this is an **additional** waiver request above that, clearly explain the cost differences between the approved Total Development Cost in the original request and the Total Development Cost in this waiver request.

The current TDC limits reflect State Prevailing Wages - Residential as well as Davis Bacon - Residential Wages.

Commercial Wage Rates
 The project is HUD 202 financed and is subject to Davis Bacon wage rates. Because of the building height of six stories, it is subject to Davis Bacon Commercial wage rates.

Structured Parking
 The City of Tacoma requires a minimum of 4 accessible parking spaces. The project is including just this minimum number of spaces. The building covers the entire site, so this parking must be built on the lowest level of the structure. If these spaces were not required, this portion of the garage level attributable to the parking spaces would not need to be built.

Other: Heat Pump HW and HVAC
 The project will include electric heat pump hot water. The electric heat pump hot water allows the building to be built without natural gas.

Design
 The project includes design amenities that are specifically made to enhance seniors' livability as they age in place. These design features were also specified in the project's successful HUD 202 application. These building wide features include 42" wide hallways with handrails on both sides, a small top floor outdoor deck with raised gardening beds, a small fitness room, and a resident services office with a hand sink for third-party service providers to provide onsite services. Further, each unit will have 60" diameter entryways, 30 x 60 showers, rocker-pad light switches, and kitchens with task lighting on all counter areas.

Community Facility/Kitchen
 The project includes a 2,200 SF Learning Center that is modeled after a successful program KWA operates in other locations. The Learning Center will provide space for daytime and evening classes and programming operated by KWA and its partners. The classes and events will be open to community members and to residents. The Learning Center is technically non-residential space but as a community facility operated by a nonprofit in a QCT, the space is eligible to be counted in tax credit basis and is therefore being included in the residential cost category.

9. Complete the following:

Number of Units by Building Type:

- Single Family Detached
- Townhouse/Duplex
- Walk-Up/Garden Style Apartments
- Low-Rise (2-3 stories with elevator)
- Mid-Rise (4-6 stories with elevator)
- High Rise (7+ stories with elevator)

- New Construction
- Rehabilitation

- State Prevailing Wages - Residential
- State Prevailing Wages - Commercial
- Davis Bacon Wages - Residential
- Davis Bacon Wages - Commercial
- No wage requirements

Parking

Number of Structured Parking[†] Stalls
 (Residential Only)

*The Total Development Cost submitted in the Application may not exceed the Total Development Cost in the waiver request. Please see Chapter 3.2 of the 9% Housing Credit Policies for the full Total Development Cost Limit Policy.

** Include Low-Income, Market Rate and Common Area Units.

[†] Structured parking is defined as an above-grade or underground structure specifically designed for vehicle parking.

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

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

Percentage of Goal reached YTD - 28.6%

HOME ADVANTAGE			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	95	\$ 32,867,892	34.7%
Conventional FHLMC	12	\$ 4,062,092	33.3%
Government	1049	\$ 383,066,655	32.9%
Energy Spark	0	\$ -	0.0%
Total	1156	\$ 419,996,639	33.2%

HOUSE KEY OPPORTUNITY			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	139	\$ 36,762,503	41.0%
Conventional FHLMC	22	\$ 6,049,959	50.0%
Government	116	\$ 35,392,834	37.1%
Total	277	\$ 78,205,296	40.1%

DOWNPAYMENT ASSISTANCE			
	Loans	\$ Volume	% Households of Color
Home Adv 0%	1118	\$ 15,527,411	32.7%
Home Adv Needs Based 1%	9	\$ 87,120	55.5%
Opportunity	246	\$ 3,429,248	39.8%
HomeChoice	13	\$ 180,290	15.4%
Bellingham	0	\$ -	0.0%
East King County	4	\$ 118,953	75.0%
Pierce County	1	\$ 54,000	0.0%
Seattle	2	\$ 110,000	0.0%
Tacoma	3	\$ 90,000	33.3%
University of WA	0	\$ -	0.0%
Veterans	0	\$ -	0.0%
CLT	0	\$ -	0.0%
Social Justice DPA	16	\$ 160,000	100.0%
Total	1412	\$ 19,757,022	34.1%

Washington State Housing Finance Commission/Homeownership Division
 Counseling & Grants:
 Default Counseling, Pre-Purchase and Other Homeowner Assistance
Report for December 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	1,300	\$510,864 2020/2022	\$433,992	\$76,872	3/31/2023 Extended
HAF Counseling Pay- Per-Service Grant Default Housing Counseling. Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS; ECDLR	1,574	\$5,411,060 Jan 2022	\$53,115	\$5,357,945	6/30/2024
Foreclosure Fairness Act Default Housing Counseling and Mediation. Service Area: Statewide	Department of Commerce	WHRC; AFS; NJP; Parkview; RRCA; SNAP; ULMS	3,928	\$3,400,000 July, 2019-2023	\$1,188,510	\$2,211,490	6/30/2023
HAF Counseling Sustainability Grant Default Housing Counseling. Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS; ECDLR	3,524	\$2,000,000 Jan 2022	\$2,000,000	\$0.00	9/30/2022 Closed

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 - December 31, 2022

HOMEBUYER CLASS

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

Percentage of goal reached YTD: 119%

	Classes	Participants
Virtual:	1,088	6,029
In-Person:	355	1,614
Online Classes:	1,932	1,932
Total:	3,375	9,575

Classes not yet reporting participation: 708

Data lags 3 months due to data collection process

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

Classes:	28,784
Participants	220,395

PROGRAM TRAINING ATTENDEES

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

Percentage of goal reached YTD: 60%

Month	Classes	Attendees
July	1	49
August	1	50
September	1	50
October	1	59
November	1	58
December	1	50
January		
February		
March		
April		
May		
June		
Total:	6	316

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	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

Total 2023 Credit Authority for Geographic Credit Pool Division	\$	21,281,403
2023 Unused Credit	\$	-
Returned Credit from King County	\$	-
Returned Credit from Metro Pool	\$	-
Returned Credit from Non-Metro Pool	\$	-
Total 2023 Credit Authority for QNP Requirement	\$	21,281,403
Credit Allocated to QNPs		
Percent allocated to QNPs		0%

Forward Commitment RACs of 2023 Credit

Summary for 8610

2023 Per Capita Credit	\$	21,281,403
2023 National Pool Credit	\$	-
2023 Returned Credit	\$	-
Less forward Commitment from 2022	\$	(4,572,892.00)
TOTAL credit to allocate	\$	16,708,511
2023 credit allocated (all pools)	\$	-
Forward commitment of 2023 credit	\$	33,417,022

WASHINGTON STATE HOUSING FINANCE COMMISSION
9% Housing Tax Credit Program
2023 Allocation List

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

King County Pool (November 2022 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		
King County Credit Allocated:									\$0	0										
King County Credit Available:									\$5,371,084											
Balance:									TBD											

King County Waiting List

23-08		*Fifth & Seneca	YWCA Seattle King Snohomish	Seattle	King	188	\$27,640	\$3,150,960	114	57	29	0	28	0	0	0	0	0	86
23-18		*DESC 15th Avenue	Downtown Emergency Service Center	Seattle	King	185	\$20,604	\$2,163,396	105	53	0	52	0	0	0	0	0	0	79
23-10		*MHA Homeless Supportive Housing Project	Muckleshoot Housing Authority	Auburn	King	182	\$28,309	\$1,415,458	50	25	13	0	12	0	0	0	0	0	38
23-20		*Kenmore Supportive Housing	Plymouth Housing	Kenmore	King	181	\$21,638	\$2,163,800	100	50	0	50	0	0	0	0	0	0	75
23-04		*Pacific Apartments Rehabilitation	Plymouth Housing	Seattle	King	180	\$14,201	\$1,235,483	87	44	0	43	0	0	0	0	0	0	66
King Waiting List Balance:									\$10,129,097	456									344

Metro Pool (November 2022 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	

New Production

23-05		Lincoln Place II	Vancouver Housing Authority	Vancouver	Clark	170	\$27,640	\$1,105,600	40	20	0	20	0	0	0	0	0	0	20
23-14		Lincoln District Senior Housing	Asia Pacific Cultural Center	Tacoma	Pierce	168	\$27,640	\$2,128,280	77	39	0	38	0	0	0	0	0	0	39
23-12		Hifumi-en	Spokane Housing Authority	Spokane	Spokane	167	\$25,158	\$2,163,557	86	22	43	0	21	0	0	0	86	18	53
23-06		Scriber Place	Housing Hope	Lynnwood	Snohomish	158	\$28,803	\$1,497,756	92	26	0	26	0	0	0	0	0	0	26
Total Metro Credit Allocated:									\$6,895,193	255									85
Metro Credit Available:									\$6,720,901										
Metro Balance (Total):									(\$164,292)										

Metro Wait List

23-15		Salish Family Haven	Catholic Housing Services of Eastern Washington	Spokane	Spokane	171	\$27,990	\$1,959,280	70	35	7	0	28	0	0	0	0	0	35
Metro Waiting List Balance:									\$1,959,280	70									35

Non-Metro Pool (November 2022 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

New Production

23-22		Clarkston Family Housing	Horizon Housing Alliance	Clarkston	Asotin	186	\$27,515	\$1,926,069	70	35	7	0	28	0	0	0	0	0	35
23-07		Rocky Point Housing Development	Othello Housing Authority	Othello	Adams	184	\$27,521	\$1,100,851	40	4	20	16	0	30	0	0	0	0	0
23-16		The Cape at Interlake	Trillium Housing Services	Moses Lake	Grant	184	\$25,499	\$1,784,920	70	7	35	28	0	53	0	0	0	0	0
23-11		Sunrise Village	Longview Housing Authority DBA Housing Opportunities of S	Longview	Cowlitz	181	\$28,289	\$1,131,560	40	20	4	0	16	0	0	0	0	0	20
Non-Metro Credit Allocated:									\$5,943,400	220									55
Non-Metro Credit Available:									\$4,606,526										
Non-Metro Balance:									(\$1,336,874)										

Non-Metro Wait List

23-09		Colville Homes V	Confederated Tribes of the Colville Reservation	Omak	Okanogan	169	\$28,456	\$711,400	25	13	3	0	9	0	5	0	0	0	5
Non-Metro Waiting List Balance:									\$711,400	25									5

Non-Metro Non-Fully Funded - Unranked

23-13		CCHS Casa de la Mora (Yakima East)	Catholic Charities Housing Services	Yakima	Yakima	183	\$27,848	\$2,005,040	72	18	36	0	18	0	0	0	0	0	36
23-17		Alderwood Apartments	Trillium Housing Services	Yakima	Yakima	176	\$25,344	\$1,774,082	70	7	35	28	0	53	0	0	0	0	0
23-19		CCHS Grant County Preservation	Catholic Charities Housing Services	Quincy	Grant	175	\$17,237	\$1,603,018	93	10	47	36	0	70	0	0	0	0	0
23-21		Camas Flats	Opportunity Council	Oak Harbor	Island	173	\$27,810	\$444,960	16	8	0	8	0	0	0	0	0	0	8
23-01		Farmview Village	Housing Authority of Skagit County	Burlington	Skagit	171	\$29,302	\$879,053	30	0	8	22	0	23	0	0	0	0	0
Non-Metro Unranked Balance:									\$6,706,153	281									44

Statewide Allocation Round Totals:		Total Project Applications: 20	Total Credit Requested:	\$32,344,523	1,307					229	5	86	18	568
		Total Projects Above Line: 8	Total Credit Above Line:	\$12,838,593	475					83	0	86	18	140
		Application Success Percentage: TBD	Total Credit Available:	\$16,708,511										
			Statewide FWD Commit:	(\$1,501,166)										

*Final King County Pool project rankings pending additional public funding award announcements
Final Allocation amounts may change if new Federal resources are made available.

9% Housing Tax Credit Program Credit Summary

State Credit Authority	Status	Population	Per Capita Rate	Credit	
2023 Per Capita Credit	Not Confirmed	*IRS Notice Pending	7,738,692	\$ 2.75000	\$ 21,281,403
2023 National Pool	Not Confirmed				\$ -
					\$ 21,281,403
King County					
35% of Total Credit Authority		35%			\$ 7,448,491.05
less 2022 KC fwd allocation of 2023 KC Credit					\$ (2,077,407.00)
plus KC Returned Credit					\$ -
Credit Allocated					\$ -
King County Balance					\$ 5,371,084
Metro Credit					
37% of Total Credit Authority		37%			\$ 7,874,119.11
less 2022 KC fwd allocation of 2023 Metro Credit					\$ (1,143,218.00)
plus Metro Returned Credit					\$ -
Credit Allocated					\$ -
Metro Balance					\$ 6,730,901
Non-Metro Credit					
28% of Total Credit Authority		28%			\$ 5,958,792.84
less 2022 KC fwd allocation of 2023 NM Credit					\$ (1,352,267.00)
plus NM Returned Credit					\$ -
Credit Allocated					\$ -
Non-Metro Balance					\$ 4,606,526
Metro Pool per County Limit 35% of Pool Authority					\$ 2,755,942
Non-Metro per County Limit 35% of Pool Authority					\$ 2,085,577
Statewide Accounting of 2023 Credit					
Total 2023 Credit Authority					\$ 21,281,403.00
2022 Unused Credit					\$ -
2022 KC Forward Commitment					\$ (2,077,407.00)
2022 Metro Forward Commitment					\$ (1,143,218.00)
2022 Non-Metro Forward Commitment					\$ (1,352,267.00)
Returned Credit from King County					\$ -
Returned Credit from Metro Pool					\$ -
Returned Credit from Non-Metro Pool					\$ -
Credit Allocated to King County					\$ -
Credit Allocated to Metro					\$ -
Credit Allocated to Non-Metro					\$ -
Balance of 2023 Credit					\$ 16,708,511.00
% of credit authority forward committed					
Qualified Nonprofit Allocations					
Total 2023 Credit Authority for Geographic Credit Pool Division					\$ 21,281,403
2023 Unused Credit					\$ -
Returned Credit from King County					\$ -
Returned Credit from Metro Pool					\$ -
Returned Credit from Non-Metro Pool					\$ -
Total 2023 Credit Authority for QNP Requirement					\$ 21,281,403
Credit Allocated to QNPs					
Percent allocated to QNPs					0%
Forward Commitment RACs of 2023 Credit					
Summary for 8610					
2023 Per Capita Credit					\$ 21,281,403
2023 National Pool Credit					\$ -
2023 Returned Credit					\$ -
Less forward Commitment from 2022					\$ (4,572,892.00)
TOTAL credit to allocate					\$ 16,708,511
2023 credit allocated (all pools)					\$ -
Forward commitment of 2023 credit					

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: December 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	16	134	130	134	74	97	75	131	140	102	1,035	1,010	102%

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	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: December 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	10	7	44	67	36	35	36	36	44	9	325	325	100%

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:
February 7-10, 2023 (Online)

The next Bond Compliance Workshop is scheduled for:
TBA



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

January 25, 2023

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 December 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

December 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
December 31, 2022
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance	
			Amount	%
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 6,644,609	\$ 6,194,845	\$ 449,764	(1) 7%
Money Market Accounts	176,725,613	45,853,648	130,871,965	(1) 285%
Investment Securities	21,806,011	4,008,192	17,797,819	(1) 444%
Interest Receivable	743,326	162,563	580,763	(2) 357%
Fees Receivables	12,746,374	14,475,277	(1,728,903)	(3) -12%
Prepaid Expenses & Other Receivable	282,087	187,038	95,049	(4) 51%
Furniture and Fixtures (net of depreciation)	418,222	235,529	182,693	(5) 78%
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>226,808,652</u>	<u>73,394,113</u>	<u>153,414,539</u>	<u>209%</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>\$ 228,769,328</u>	<u>\$ 75,732,150</u>	<u>\$ 153,037,178</u>	<u>202%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 2,916,941	\$ 5,328,552	\$ (2,411,611)	(7) -45%
Unearned Fee Income	171,228,399	15,339,014	155,889,385	(8) 1016%
Accrued Payroll Payable	1,599,062	1,445,587	153,475	(9) 11%
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>181,295,632</u>	<u>30,296,571</u>	<u>150,999,061</u>	<u>498%</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	418,223	235,529	182,694	(5) 78%
Committed - Housing Washington *	496,505	473,047	23,458	5%
Unrestricted	38,991,856	42,343,654	(3,351,798)	-8%
<i>Total Net Position</i>	<u>39,906,584</u>	<u>43,052,230</u>	<u>(3,145,646)</u>	<u>-7%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 228,769,328</u>	<u>\$ 75,732,150</u>	<u>\$ 153,037,178</u>	<u>202%</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 4.12% in the current year.
- (3) The decrease in fees receivable is primarily due to a decrease in Down Payment Assistance loans in the Homeownership program. Based on a 2-month average, the number of loans funded decreased by approximately 66%.
- (4) The increase in prepaids and other receivables balance is primarily due to slightly higher prepaid expenses for various software and services, plus, a greater balance in 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) 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 quarterly transfer of Daily Price Program income to the Commission Fund, lower accruals associated with the Idaho Master Servicing Agreement, offset by greater other payables related to the interest earned on HAF program funds.
- (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.
- (9) The increase in payroll and related costs is attributable to hiring of open positions, higher salaries, and accruals related to higher vacation and sick leave balances.

* 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: December 31, 2022
(See Accountant's Compilation Report)

	<u>Current Period</u>	<u>Current Year to Date</u>	<u>Prior Year to Date</u>	<u>Variance</u>	
				Amount	%
<i>Revenues:</i>					
Fee Income	\$ 4,105,646	\$ 16,825,725	\$ 28,352,609	\$ (11,526,884)	(1) -41%
Interest Earned & Realized Gain	960,654	4,304,225	460,066	3,844,159	(2) 836%
Other	20,819	114,566	93,240	21,326	(3) 23%
<i>Total Unadjusted Revenues</i>	<u>5,087,119</u>	<u>21,244,516</u>	<u>28,905,916</u>	<u>(7,661,400)</u>	<u>-27%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	841,113	5,042,019	4,598,704	443,315	(4) 10%
Travel & Conferences	21,468	103,659	42,432	61,227	(5) 144%
Professional Fees	166,359	912,184	764,118	148,066	(6) 19%
Office Expense	211,725	1,294,586	1,104,999	189,587	(7) 17%
<i>Total Expenses</i>	<u>1,240,665</u>	<u>7,352,448</u>	<u>6,510,254</u>	<u>842,194</u>	<u>13%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	63,715	(686,222)	(641,087)	(45,135)	7%
Grant Revenue	4,030,143	12,516,919	1,430,605	11,086,314	775%
<i>Expenses:</i>					
Grant Pass-Through	4,030,143	12,516,919	1,430,605	11,086,314	775%
<i>Total Adjustments</i>	<u>63,715</u>	<u>(686,222)</u>	<u>(641,087)</u>	<u>(45,135)</u>	<u>7%</u>
Excess of Revenues over Expenses	3,910,169	13,205,846	21,754,575	(8,548,729)	-39%
Less transfer to Commission Fund *	(8,707)	(80,509)	(3,223,857)	3,143,348	-98%
Excess of Revenues over Expenses (Net of Transfers)	<u>3,901,462</u>	<u>13,125,337</u>	<u>18,530,718</u>	<u>(5,405,381)</u>	<u>-29%</u>
<i>Net Position</i>					
Total net position, beginning of period	36,005,122	26,781,247	24,521,512	2,259,735	9%
Current Increase (Decrease) - to Net position	3,901,462	13,125,337	18,530,718	(5,405,381)	-29%
Total net position, end of year	<u>\$ 39,906,584</u>	<u>\$ 39,906,584</u>	<u>\$ 43,052,230</u>	<u>\$ (3,145,646)</u>	<u>-7%</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 4.12% in the current period.
- (3) The increase in other income is primarily due to the increase in fee revenue from training sessions held by the Homeownership and Asset Management & Compliance divisions and from additional transfers in the Asset Management & Compliance division.
- (4) The increase in salaries and benefits is attributable to the increase in salaries, primarily from the 3% cost of living increase received at the beginning of the fiscal year, greater accruals related to higher leave balances, and additional health insurance fees.
- (5) The increase in travel and conference expense is primarily due to greater out-of-state travel expenses related to the NCSHA conference in Houston and in-state travel expenses related to the Housing WA Conference held in Spokane.
- (6) Professional fees increase is due to higher legal expenses, primarily related to the Nooksack matter, plus greater property inspection fees in the Asset Management & Compliance Division.
- (7) The increase in office expenses is primarily due to higher database design, research, and support fees for projects related to the organization's intranet, Homeownership's website, and Multifamily Housing's 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: December 31, 2022
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to Actual	
	%	Amount	Actual	Actual	Budget	Amount	%
<i>Revenues:</i>							
Program Fees	10.1%	\$ 969,961	\$ 9,570,950	\$ 10,540,911	\$ 10,352,990	\$ 187,921	1.8%
Issuance, Application, and Servicing Fees	-66.5%	(12,496,845)	18,781,659	6,284,814	6,234,006	50,808	0.8%
Interest Earned & Realized Gain	835.6%	3,844,159	460,066	4,304,225	618,029	3,686,196	596.4%
Other Income	22.9%	21,326	93,240	114,566	336,400	(221,834)	-65.9%
Total Unadjusted Revenues	-26.5%	(7,661,399)	28,905,916	21,244,515	17,541,425	3,703,091	21.1%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	8.6%	305,346	3,540,814	3,846,160	4,569,413	(723,253)	-15.8%
Employee Benefits - Staff	13.0%	137,971	1,057,889	1,195,860	1,377,584	(181,724)	-13.2%
Conference, Education & Training	-24.8%	(7,671)	30,884	23,213	53,674	(30,461)	-56.8%
Travel out of state - Staff	536.1%	50,448	9,410	59,858	107,450	(47,592)	-44.3%
Travel in state - Staff	863.0%	18,450	2,138	20,588	53,568	(32,980)	-61.6%
Accounting Fees	10.8%	12,579	116,699	129,278	111,500	17,778	15.9%
Legal Fees	40.8%	81,390	199,580	280,970	315,500	(34,530)	-10.9%
Financial Advisor Fees	3.3%	5,000	150,000	155,000	176,900	(21,900)	-12.4%
Investment Management Fees	9.1%	7,416	81,590	89,006	100,000	(10,994)	-11.0%
Office Rent/Conf. Room Rentals	0.1%	381	461,988	462,369	471,092	(8,723)	-1.9%
Furniture & Equipment Rental	41.2%	3,862	9,373	13,235	11,110	2,125	19.1%
Advertising	2.3%	669	29,499	30,168	214,702	(184,534)	-85.9%
Publications/ Subscriptions/ Dues	11.6%	4,556	39,361	43,917	53,460	(9,543)	-17.9%
Deliveries	-20.5%	(308)	1,505	1,197	2,885	(1,688)	-58.5%
Insurance	6.7%	1,859	27,578	29,437	30,500	(1,063)	-3.5%
Meeting Expense	1076.6%	4,102	381	4,483	57,250	(52,767)	-92.2%
Equipment & Building Maintenance	-76.9%	(20,997)	27,320	6,323	46,416	(40,093)	-86.4%
Software Maint. Support & Other Info Svcs	44.1%	176,279	400,015	576,294	601,233	(24,939)	-4.1%
Non-capitalized Equipment/Supplies	77.9%	14,120	18,132	32,252	57,019	(24,767)	-43.4%
Postage	-73.4%	(2,005)	2,730	725	3,735	(3,010)	-80.6%
Printing	-55.6%	(1,696)	3,051	1,355	9,733	(8,378)	-86.1%
State Services	-77.9%	(1,956)	2,510	554	7,485	(6,931)	-92.6%
Supplies	92.7%	8,880	9,577	18,457	17,300	1,157	6.7%
Telephone	-34.5%	(11,984)	34,699	22,715	39,838	(17,123)	-43.0%
Contract Services	19.3%	41,681	216,249	257,930	591,250	(333,320)	-56.4%
Depreciation	37.1%	13,826	37,280	51,106	71,243	(20,137)	-28.3%
Total Expenses	12.9%	842,198	6,510,255	7,352,450	9,151,840	(1,799,390)	-19.7%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	7.0%	(45,135)	(641,087)	(686,222)	-	(686,222)	NA
Grant Revenue	774.9%	11,086,314	1,430,605	12,516,919	24,517,262	(12,000,343)	-48.9%
<i>Expenses:</i>							
Grant Pass-Through	774.9%	11,086,314	1,430,605	12,516,919	24,517,262	(12,000,343)	-48.9%
	7.0%	(45,135)	(641,087)	(686,222)	-	(686,222)	NA
Excess of Revenues over Expenses- adjusted	-39.3%	(8,548,732)	21,754,574	13,205,843	8,389,585	4,816,259	57.4%
Less transfer to Commission Fund	-97.5%	3,143,348	(3,223,857)	(80,509)	-	(80,509)	NA
Excess of Revenues over Expenses (Net of Transfers)	-29.2%	\$ (5,405,383)	\$ 18,530,717	\$ 13,125,334	\$ 8,389,585	\$ 4,735,750	56.4%



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

December 6, 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 November 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

November 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
November 30, 2022
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance	
			Amount	%
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 6,161,870	\$ 3,554,205	\$ 2,607,665	(1) 73%
Money Market Accounts	187,423,868	40,064,675	147,359,193	(1) 368%
Investment Securities	12,984,581	10,253,715	2,730,866	(1) 27%
Interest Receivable	577,147	164,054	413,093	(2) 252%
Fees Receivables	10,818,158	13,604,710	(2,786,552)	(3) -20%
Prepaid Expenses & Other Receivable	311,243	279,544	31,699	(4) 11%
Furniture and Fixtures (net of depreciation)	371,362	219,494	151,868	(5) 69%
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>226,090,639</u>	<u>70,417,418</u>	<u>155,673,221</u>	<u>221%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	<u>1,960,676</u>	<u>2,338,037</u>	<u>(377,361)</u>	<u>-16%</u>
<i>Total Assets and Deferred Outflows</i>	<u>\$ 228,051,315</u>	<u>\$ 72,755,455</u>	<u>\$ 155,295,860</u>	<u>213%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 2,452,409	\$ 5,866,907	\$ (3,414,498)	(7) -58%
Unearned Fee Income	174,861,325	15,400,064	159,461,261	(8) 1035%
Accrued Payroll Payable	1,614,069	1,539,963	74,106	5%
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>184,479,033</u>	<u>30,990,352</u>	<u>153,488,681</u>	<u>495%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	<u>7,567,112</u>	<u>2,383,349</u>	<u>5,183,763</u>	<u>217%</u>
NET POSITION				
Invested in Capital Assets	371,363	219,494	151,869	(5) 69%
Committed - Housing Washington *	496,505	473,047	23,458	5%
Unrestricted	35,137,302	38,689,213	(3,551,911)	-9%
<i>Total Net Position</i>	<u>36,005,170</u>	<u>39,381,754</u>	<u>(3,376,584)</u>	<u>-9%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 228,051,315</u>	<u>\$ 72,755,455</u>	<u>\$ 155,295,860</u>	<u>213%</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 3.76% in the current year.
- (3) The decrease in fees receivable is primarily due to a decrease in Down Payment Assistance loans in the Homeownership program. Based on a 2-month average, the number of loans funded decreased by approximately 65%.
- (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 quarterly transfer of Daily Price Program income to the Commission Fund and accruals associated with the Idaho Master Servicing Agreement, offset by greater other payables related to the interest earned on HAF program funds.
- (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: November 30, 2022
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 2,944,413	\$ 12,720,079	\$ 23,075,448	\$ (10,355,369)	(1) -45%
Interest Earned & Realized Gain	1,019,047	3,343,572	452,015	2,891,557	(2) 640%
Other	30,607	93,746	79,555	14,191	(3) 18%
Total Unadjusted Revenues	3,994,067	16,157,397	23,607,019	(7,449,622)	-32%
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	850,988	4,200,857	3,863,072	337,785	9%
Travel & Conferences	450	82,191	37,198	44,993	(4) 121%
Professional Fees	228,288	745,826	660,978	84,848	(5) 13%
Office Expense	222,504	1,082,861	910,783	172,078	(6) 19%
Total Expenses	1,302,230	6,111,735	5,472,032	639,703	12%
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	379,337	(749,937)	(553,748)	(196,189)	35%
Grant Revenue	2,139,293	8,486,775	719,321	7,767,454	1080%
<i>Expenses:</i>					
Grant Pass-Through	2,139,293	8,486,775	719,321	7,767,454	1080%
Total Adjustments	379,337	(749,937)	(553,748)	(196,189)	35%
Excess of Revenues over Expenses	3,071,174	9,295,725	17,581,239	(8,285,514)	-47%
Less transfer to Commission Fund *	(3,264)	(71,802)	(2,720,997)	2,649,195	-97%
Excess of Revenues over Expenses (Net of Transfers)	3,067,910	9,223,923	14,860,242	(5,636,319)	-38%
Net Position					
Total net position, beginning of period	32,937,260	26,781,247	24,521,512	2,259,735	9%
Current Increase (Decrease) - to Net position	3,067,910	9,223,923	14,860,242	(5,636,319)	-38%
Total net position, end of year	\$ 36,005,170	\$ 36,005,170	\$ 39,381,754	\$ (3,376,584)	-9%

- (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 3.76% in the current period.
- (3) The increase in other income is primarily due to the increase in the number of transfer fees in the Asset Management & Compliance division and fee revenue from training sessions held by the Homeownership and Asset Management & Compliance divisions.
- (4) The increase in travel and conference expense is primarily due to greater out-of-state travel expenses related to the NCSHA conference in Houston and in-state travel expenses related to the Housing WA Conference held in Spokane.
- (5) The increase in professional fees is due to higher legal expenses, primarily related to the Nooksack matter, plus slightly greater property inspection fees in the Asset Management & Compliance Division, offset by a decrease in consultant fees related to executive professional search.
- (6) The increase in office expenses is primarily due to higher database design, research, and support fees for projects related to the organization's intranet, Homeownership's website, and Multifamily Housing's 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: November 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	9.3%	\$ 739,903	\$ 7,943,562	\$ 8,683,465	\$ 8,627,492	\$ 55,973	0.6%
Issuance, Application, and Servicing Fees	-73.3%	(11,095,274)	15,131,887	4,036,613	5,195,005	(1,158,392)	-22.3%
Interest Earned & Realized Gain	639.7%	2,891,557	452,015	3,343,572	515,024	2,828,548	549.2%
Other Income	17.8%	14,191	79,555	93,746	280,333	(186,587)	-66.6%
Total Unadjusted Revenues	-31.6%	(7,449,623)	23,607,020	16,157,395	14,617,854	1,539,542	10.5%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	7.9%	235,841	2,981,205	3,217,046	3,807,844	(590,798)	-15.5%
Employee Benefits - Staff	11.6%	101,945	881,866	983,811	1,147,987	(164,176)	-14.3%
Conference, Education & Training	-36.4%	(10,631)	29,210	18,579	44,728	(26,149)	-58.5%
Travel out of state - Staff	654.9%	38,463	5,873	44,336	89,542	(45,206)	-50.5%
Travel in state - Staff	811.4%	17,161	2,115	19,276	44,640	(25,364)	-56.8%
Accounting Fees	10.3%	10,079	98,199	108,278	84,667	23,611	27.9%
Legal Fees	25.5%	45,089	176,856	221,945	262,917	(40,972)	-15.6%
Financial Advisor Fees	4.0%	5,000	125,000	130,000	147,417	(17,417)	-11.8%
Investment Management Fees	8.9%	6,037	68,048	74,085	83,333	(9,248)	-11.1%
Office Rent/Conf. Room Rentals	0.1%	303	385,024	385,327	392,576	(7,249)	-1.8%
Furniture & Equipment Rental	41.1%	2,975	7,234	10,209	9,258	951	10.3%
Advertising	3.3%	967	29,201	30,168	178,918	(148,750)	-83.1%
Publications/ Subscriptions/ Dues	5.2%	1,694	32,725	34,419	44,550	(10,131)	-22.7%
Deliveries	-65.6%	(987)	1,505	518	2,404	(1,886)	-78.5%
Insurance	6.7%	1,549	23,116	24,665	25,417	(752)	-3.0%
Meeting Expense	NA	2,126	-	2,126	47,708	(45,582)	-95.5%
Equipment & Building Maintenance	-84.2%	(22,141)	26,302	4,161	38,680	(34,519)	-89.2%
Software Maint. Support & Other Info Svcs	49.9%	161,674	324,032	485,706	501,027	(15,321)	-3.1%
Non-capitalized Equipment/Supplies	203.9%	18,335	8,992	27,327	47,516	(20,189)	-42.5%
Postage	-73.4%	(1,750)	2,384	634	3,113	(2,479)	-79.6%
Printing	-48.9%	(1,202)	2,458	1,256	8,111	(6,855)	-84.5%
State Services	-78.1%	(1,956)	2,504	548	6,238	(5,690)	-91.2%
Supplies	114.9%	8,357	7,273	15,630	14,417	1,213	8.4%
Telephone	-38.4%	(9,976)	25,975	15,999	33,198	(17,199)	-51.8%
Contract Services	9.7%	18,644	192,874	211,518	492,708	(281,190)	-57.1%
Depreciation	37.8%	12,112	32,058	44,170	59,369	(15,199)	-25.6%
Total Expenses	11.7%	639,708	5,472,032	6,111,737	7,618,283	(1,506,546)	-19.8%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	35.4%	(196,189)	(553,748)	(749,937)	-	(749,937)	NA
Grant Revenue	1079.8%	7,767,454	719,321	8,486,775	20,431,051	(11,944,276)	-58.5%
<i>Expenses:</i>							
Grant Pass-Through	1079.8%	7,767,454	719,321	8,486,775	20,431,051	(11,944,276)	-58.5%
	35.4%	(196,189)	(553,748)	(749,937)	-	(749,937)	NA
Excess of Revenues over Expenses- adjusted	-47.1%	(8,285,520)	17,581,240	9,295,721	6,999,571	2,296,151	32.8%
Less transfer to Commission Fund	-97.4%	2,649,195	(2,720,997)	(71,802)	-	(71,802)	NA
Excess of Revenues over Expenses (Net of Transfers)	-37.9%	\$ (5,636,324)	\$ 14,860,243	\$ 9,223,919	\$ 6,999,571	\$ 2,224,349	31.8%

PROGRAM OBJECTIVES
QUARTERLY STATUS REPORT
for period ending December 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%

2nd Quarter:

2nd Quarter	Number	Amount	% Minority Borrowers
House Key	153	\$ 44,379,953	39.20%
MCC	0	\$ -	0.00%
Home Advantage	492	\$ 176,447,095	32.70%
HK Opportunity DPA	138	\$ 1,892,750	38.40%
Home Advantage DPA	481	\$ 6,515,976	32.20%
Home Advantage DPA Needs Based 1%	4	\$ 40,000	50.00%
Homechoice	7	\$ 101,295	28.50%
House Key Schools	0	\$ -	0.00%
House Key Veterans	0	\$ -	0.00%
Seattle DPA	2	\$ 110,000	0.00%
Tacoma DPA	1	\$ 30,000	0.00%
Bellingham DPA	0	\$ -	0.00%
Pierce County	0	\$ -	0.00%
Bremerton DPA	0	\$ -	0.00%
HK+ Arch	1	\$ 30,000	0.00%
HK+ CLT	0	\$ -	0.00%
University of WA DPA (non-Commission funds)	0	\$ -	0.00%

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.

2nd Quarter:

- The division finalized our Safe Space Principles and continue to actively engage 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.

2nd Quarter:

- Ongoing. We 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

2nd Quarter:

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

Total for Quarter: 3
Total for Fiscal Year: 6

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

2nd Quarter:

- Emily Northrup presented our HAF program via live interview with Tony B at Rainier Ave Radio on October 7, 2022.*
- Lisa DeBrock presented the HFA perspective in partnership with Fannie Mae and NAREB regarding Building Generational Wealth to Fannie Mae fellows and various colleges on October, 13, 19 and 26, 2022.*
- Lisa DeBrock presented our programs in conjunction with Freddie Mac to Washington Realtors on October 13, 2022.

- Lisa DeBrock presented our programs to the Clark County Realtors Diversity Equity & Inclusion committee and also discussed our DEI efforts on October 14, 2022.*
- Emily Northrup presented our HAF program in a live interview with Trae at Converge Media on October 17, 2022*.
- Jenni Davidson held a backoffice training with 113 attendees on October 18, 2022.
- Emily Northrup presented our HAF program via live radio interview with Chris Bennett at The Seattle Medium on October 21, 2022.*
- Lisa DeBrock moderated a panel at the NCSHA annual conference regarding down payment assistance on October 24, 2022.
- Jenni Davidson held a backoffice training with 65 attendees on November 9, 2022.
- Robin Denning held a backoffice training for SWBC Mortgage with 33 attendees on December 5, 2022.
- Kat Komin presented HAF program via live interview with Trae at Converge Media on December 9, 2022.*
- Emily Northrup presented the HAF program via interview with Chris Bennett at The Seattle Medium on December 9, 2022.*

Total for Quarter: 14
Total for Fiscal Year: 18

*Indicates outreach to minority group.

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

2nd Quarter:

- Members of the homeownership division attended Housing Washington in Spokane on October 3, 2022.
- Lisa DeBrock, Fenice Taylor, Lucas Loranger, Steve Walker, Bob Peterson and Faith Pettis visited with various members of our finance team in New York on October 11-12, 2022.
- Emily Northrup and Rich Zwicker met with representatives of the Homeless Policy Task Force to discuss HAF program on October 13, 2022.
- Carla Vanderpool and Krystina Gillen manned a booth at the WAMP event on October 19, 2022.
- Lisa DeBrock, Corinna Obar, Kat Komin, Rich Zwicker and Emily Northrup attended the NCSHA annual conference in Houston, TX on October 24-25, 2022.
- Lisa DeBrock attended a meeting with NAMMBA to help form a Pacific Northwest Chapter on October 26, 2022.*
- Lisa DeBrock participated in 4 HFAST meeting in conjunction with NCSHA to discuss the development of a common product across HFAs.

- Lisa BeBrock met with members from HomeSight and leadership from Almoor mosque to discuss our Halal lending product on November 9, 2022.
- Emily Northrup and Rich Zwicker met with representatives at Volunteers of America to discuss partnership and HAF program on November 19, 2022.
- Corinna Obar and Lisa DeBrock met with homebuyer education instructors from the DiBello group and Lisa Pearce to discuss best practices on November 18, 2022.
- Corinna Obar and Lisa DeBrock met with representatives from Umpqua Bank to discuss further partnership on November 28, 2022.
- Lisa DeBrock, Corinna Obar and Dietrich Schmitz met with DFI and other partnership regarding boosting DPA programs on December 1, 2022.
- Corinna Obar manned a booth at the University of Washington Employee Resource fair on December 5, 2022.
- Krystina Gillen and Carla Vanderpool manned a booth at the WAMP event on December 7, 2022.
- Members of the homeownership and admin division attended the NAREB Gala on December 10, 2022.*
- Emily Northrup and Kathleen Komin met with representatives of the Homeless Policy Task Force to discuss the HAF program on December 14, 2022.
- Lisa DeBrock attended the Black Homeownership Initiative meeting in conjunction with Civic Commons on December 15, 2022. *
- Lisa DeBrock met with representatives from KeyBanc regarding further partnership on December 22, 2022.

Total for Quarter: 21
Total for Fiscal Year: 43

*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

2nd Quarter:

- Dietrich Schmitz conducted 2 HomeChoice webinars on October 28 and December 2, 2022 with a total of 27 attendees.

Total for Quarter: 2
Total for Fiscal Year: 5

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.

2nd Quarter:

- Extensions received. Lakeview contract completed. IHFA extension completed with finalizing to contract in third quarter.

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

1st Quarter:

- Completed.

2nd Quarter:

- Completed.

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

1st Quarter:

- RFP or contract extension in second quarter.

2nd Quarter:

- Single-Family Investment Bankers hired and Letter of Engagement completed.

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.

2nd Quarter:

- RFP for seller servicer consultant reopened. Approval for new consultant going forward to Commission in third 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

2nd Quarter:

- Out of 492 Home Advantage files, 489 or 99.40% were reviewed within 3 business days of receipt, 3 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.

2nd Quarter:

- As of November 10, 2022, according to the Mortgage Bankers Association, the national delinquency rate is at 3.45%. For the state of Washington, the FHA delinquency rate is 7.28%. During the same period, the rate of delinquency for the House Key/Home Advantage programs is at 8.70% in the US Bank portfolio, 13.93% in the Lakeview portfolio, which includes loans in forbearance and 3.86% 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.

2nd Quarter:

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

QUARTERLY STATUS REPORT

for period ending December 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.

2nd Quarter:

- Ongoing. We continue to advocate that any new counseling programs be mindful of racial and social justice goals. We 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

2nd Quarter: Date range 7/1/2022-12/31/2022 Data pull date 1/17/2023

• Classes:	1,443	Participants:	7,643
• Non-English:	10	Participants:	8
• Tri-County:	14	Participants:	80
• Rest of State:	1,429	Participants:	7,563
• eHomeAmerica Online	1,932	Participants:	1,932
		Total:	9,575

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.

2nd 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.

2nd 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.

2nd Quarter:

- Completed 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.

2nd Quarter:

- Ongoing.

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.

2nd Quarter:

- Out of 739 trainees, 95 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.

2nd Quarter:

- Required reporting for 2nd quarter was completed on time.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
DOWNPAYMENT ASSISTANCE PRODUCTION (ACTIVE/INACTIVE)
July 1, 2022 - December 31, 2022**

Active Programs - Current FY totals
Active Programs - Historical totals
Inactive Programs - Historical totals
Active/Inactive Combined totals

ACTIVE PROGRAMS							
		July 1, 2022 - December 31, 2022		Historical Totals - Active Programs			
DPA PROGRAM	Launch Date	Number of Loans	Dollars Lent	Number of Loans Total	Total Dollars Loaned	Average Loan Amount	
Bellingham DPA	February 2016	0	\$ -	37	\$ 1,354,887	\$ 36,619	
Home Advantage DPA	July 2012	1118	\$ 15,527,411	49,074	\$ 521,705,501	\$ 10,631	
Home Advantage Needs Based	July 2014	9	\$ 87,120	2,257	\$ 21,083,652	\$ 9,341	
HomeChoice	June 1997	13	\$ 180,290	1,555	\$ 19,736,814	\$ 12,692	
House Key Opportunity	August 2012	246	\$ 3,429,248	3,418	\$ 34,478,042	\$ 10,087	
East King County (ARCH) DPA	September 2005	4	\$ 118,953	81	\$ 2,339,891	\$ 28,888	
Community Land Trust DPA	September 2004	0	\$ -	124	\$ 1,550,721	\$ 12,506	
Seattle DPA	June 2004	2	\$ 110,000	422	\$ 21,605,651	\$ 51,198	
Pierce County DPA	July 2015	1	\$ 54,000	19	\$ 447,300	\$ 23,542	
Tacoma DPA	June 2014	3	\$ 90,000	67	\$ 1,302,601	\$ 19,442	
Veterans DPA	December 2006	0	\$ -	71	\$ 501,942	\$ 7,070	
Univ of WA DPA (non-Commission funds)	May 2019	0	\$ -	11	\$ 934,445	\$ 84,950	
Total		1396	\$ 19,597,022	57,136	\$ 627,041,447		

INACTIVE PROGRAMS						
DPA PROGRAM	Launch Date	Loans	Dollars	Average Loan Amount	End Date	Column1
House Key Plus	June 1999	6,301	\$ 26,735,036	\$ 4,243	June 2012	
House Key Extra	April 2000	27	\$ 165,075	\$ 6,114	July 2005	
House Key Rural	January 2001	193	\$ 1,760,117	\$ 9,120	December 2011	
House Key Schools	December 2006	195	\$ 1,477,698	\$ 7,578	March 2016	
House Key King County	September 2008	38	\$ 1,124,256	\$ 29,586	June 2010	
House Key Real Estate Owned	March 2009	893	\$ 6,448,429	\$ 7,221	July 2012	
House Key Federal Way	August 2009	11	\$ 314,213	\$ 28,565	December 2010	
New Home for You	February 2010	145	\$ 1,073,081	\$ 7,401	December 2014	
Home Advantage Rebound	January 2013	359	\$ 3,162,673	\$ 8,810	May 2014	
House Key Bremerton	July 2015	6	\$ 56,916	\$ 9,486	August 2016	
Total		8,168	\$ 42,317,494			

Active and Inactive DPA Totals 65,304 \$ 669,358,941

**WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
HOME ADVANTAGE LOAN PRODUCTION
July 1, 2022 - December, 2022**

COUNTY	HOME ADV LOAN AMOUNT	NUMBER OF HA LOANS	AVERAGE LOAN AMOUNT	AVERAGE PURCHASE PRICE	AVERAGE HOUSEHOLD INCOME	AVERAGE FAMILY SIZE	PROGRAM MINORITY %	# HA DPA LOANS 0% INT RATE	HA DPA LOAN AMOUNT	AVERAGE HA DPA LOAN	# HA NEEDS BASED DPA 1% INT RATE	# HA NEEDS BASED LOAN AMOUNT	AVE NEEDS BASED DPA AMOUNT
Adams	\$ 869,185	3	\$ 289,728	\$ 295,073	\$ 75,259	5.3	66.6%	2	\$ 28,483	\$ 14,242	1	\$ 9,833	\$ 9,833
Asotin	\$ 685,747	3	\$ 228,582	\$ 232,800	\$ 62,732	3.0	0.0%	3	\$ 25,116	\$ 8,372			
Benton	\$ 21,776,246	67	\$ 325,019	\$ 331,412	\$ 99,538	2.7	49.3%	66	\$ 846,318	\$ 12,823			
Chelan	\$ 1,627,557	4	\$ 406,889	\$ 440,325	\$ 123,278	2.5	0.0%	3	\$ 42,970	\$ 14,323			
Ciallam	\$ 4,233,767	12	\$ 352,814	\$ 360,733	\$ 89,824	2.5	16.6%	12	\$ 151,742	\$ 12,645			
Clark	\$ 23,071,791	58	\$ 397,790	\$ 405,717	\$ 110,933	2.8	29.3%	58	\$ 878,926	\$ 15,154			
Columbia	\$ -												
Cowlitz	\$ 21,806,276	70	\$ 311,518	\$ 317,793	\$ 89,899	2.5	20.0%	70	\$ 842,427	\$ 12,035			
Douglas	\$ 1,402,034	4	\$ 350,509	\$ 356,975	\$ 102,639	4.5	50.0%	4	\$ 49,954	\$ 12,489			
Ferry	\$ 179,550	1	\$ 179,550	\$ 189,000	\$ 57,970	3.0	0.0%				1	\$ 10,000	\$ 10,000
Franklin	\$ 12,089,032	36	\$ 335,806	\$ 344,288	\$ 95,763	2.8	69.4%	35	\$ 458,598	\$ 13,103			
Garfield	\$ -												
Grant	\$ 10,287,159	35	\$ 293,919	\$ 303,155	\$ 87,293	2.6	45.7%	33	\$ 375,281	\$ 11,372	1	\$ 9,587	\$ 9,587
Grays Harbor	\$ 13,854,408	48	\$ 288,634	\$ 294,405	\$ 91,595	2.6	16.7%	48	\$ 541,819	\$ 11,288			
Island	\$ 4,688,528	12	\$ 390,711	\$ 400,250	\$ 112,489	2.2	33.3%	12	\$ 180,682	\$ 15,057			
Jefferson	\$ 1,830,041	5	\$ 366,008	\$ 372,760	\$ 98,296	2.4	20.0%	5	\$ 73,199	\$ 14,640			
King	\$ 29,038,650	69	\$ 420,850	\$ 430,219	\$ 119,168	2.5	49.3%	64	\$ 988,849	\$ 15,451	1	\$ 10,000	\$ 10,000
Kitsap	\$ 20,074,398	50	\$ 401,488	\$ 409,371	\$ 107,755	2.8	16.0%	49	\$ 756,221	\$ 15,433			
Kittitas	\$ 1,103,094	3	\$ 367,698	\$ 376,333	\$ 112,679	4.3	66.7%	3	\$ 39,669	\$ 13,223			
Klickitat	\$ 699,102	3	\$ 233,034	\$ 237,333	\$ 103,476	1.3	0.0%	3	\$ 23,250	\$ 7,750			
Lewis	\$ 9,722,800	31	\$ 313,639	\$ 319,781	\$ 93,349	2.6	19.4%	30	\$ 352,608	\$ 11,754			
Lincoln	\$ 676,371	4	\$ 169,093	\$ 172,700	\$ 54,602	2.3	0.0%	3	\$ 21,533	\$ 7,178	1	\$ 10,000	\$ 10,000
Mason	\$ 11,721,682	35	\$ 334,905	\$ 342,463	\$ 94,140	2.9	22.8%	35	\$ 461,306	\$ 13,180			
Okanogan	\$ 1,027,477	4	\$ 256,869	\$ 264,125	\$ 91,027	4.0	0.0%	4	\$ 38,011	\$ 9,503			
Pacific	\$ 2,892,655	10	\$ 289,266	\$ 295,650	\$ 93,602	2.3	30.0%	10	\$ 112,579	\$ 11,258			
Pend Oreille	\$ 883,698	3	\$ 294,566	\$ 300,000	\$ 78,303	1.7	0.0%	3	\$ 35,347	\$ 11,782			
Pierce	\$ 94,733,212	224	\$ 422,916	\$ 433,620	\$ 113,797	2.7	37.5%	215	\$ 3,489,907	\$ 16,232			
San Juan	\$ -												
Skagit	\$ 10,072,935	25	\$ 402,917	\$ 411,198	\$ 108,342	2.5	32.0%	25	\$ 373,810	\$ 14,952			
Skamania	\$ -												
Snohomish	\$ 28,201,170	62	\$ 454,858	\$ 467,033	\$ 117,288	2.5	33.8%	60	\$ 1,017,529	\$ 16,959			
Spokane	\$ 36,111,497	114	\$ 316,768	\$ 325,492	\$ 91,818	3.2	20.2%	112	\$ 1,370,206	\$ 12,234	1	\$ 10,000	\$ 10,000
Stevens	\$ 1,066,998	4	\$ 266,750	\$ 270,250	\$ 71,610	2.0	25.0%	4	\$ 37,859	\$ 9,465			
Thurston	\$ 22,142,473	57	\$ 388,464	\$ 400,041	\$ 110,378	2.8	28.1%	54	\$ 778,097	\$ 14,409			
Wahkiakum	\$ 505,672	1	\$ 505,672	\$ 515,000	\$ 154,059	2.0	100.0%	1	\$ 20,226	\$ 20,226			
Walla Walla	\$ 2,842,262	9	\$ 315,807	\$ 322,105	\$ 97,234	3.1	33.3%	9	\$ 112,861	\$ 12,540			
Whatcom	\$ 7,060,161	18	\$ 392,231	\$ 405,078	\$ 98,953	2.6	22.2%	17	\$ 256,777	\$ 15,105			
Whitman	\$ 1,877,709	7	\$ 268,244	\$ 274,478	\$ 96,162	3.0	0.0%	6	\$ 60,618	\$ 10,103			
Yakima	\$ 19,141,302	65	\$ 294,482	\$ 301,092	\$ 91,931	2.8	56.9%	60	\$ 684,633	\$ 11,411	3	\$ 27,700	\$ 9,233
TOTAL	\$ 419,996,639	1156	\$ 363,319	\$ 372,082	\$ 102,739	2.7	33.2%	1118	\$ 15,527,411	\$ 13,889	9	\$ 87,120	\$9,680

*Primary Mortgagor.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
HOUSE KEY OPPORTUNITY/CASH WINDOW/OPEN MARKET AND OPPORTUNITY DPA PRODUCTION
July 1, 2022 - December 31, 2022**

COUNTY	HOUSE KEY LOAN AMOUNT	% OF TOTAL LOAN AMOUNT	NUMBER OF HK LOANS	AVERAGE LOAN AMOUNT	AVERAGE ACQUISITION COST	AVERAGE HOUSEHOLD INCOME	AVERAGE FAMILY SIZE	PROGRAM MINORITY %	GENERAL MINORITY POPULATION**	NUMBER OF OPPORTUNITY DPA LOANS	OPPORTUNITY DPA LOAN AMOUNT	AVERAGE OPPORTUNITY DPA LOAN	HUD AREA MEDIAN INCOME LIMIT
Adams	\$ 142,500	0.18%	1	\$ 142,500	\$ 150,000	\$ 22,269	2.0	0.0%	59.60%	1	\$ 15,000	\$ 15,000	\$ 47,900
Asotin									6.08%				\$ 60,100
Benton	\$ 1,624,789	2.08%	7	\$ 232,113	\$ 239,829	\$ 61,655	2.4	42.8%	23.70%	7	\$ 97,567	\$ 13,938	\$ 70,300
Chelan									30.33%				\$ 56,700
Clallam	\$ 474,567	0.61%	2	\$ 237,284	\$ 260,000	\$ 66,569	1.5	50.0%	15.02%	2	\$ 27,428	\$ 13,714	\$ 56,300
Clark	\$ 3,905,673	4.99%	12	\$ 325,473	\$ 350,333	\$ 80,670	2.3	33.3%	15.99%	11	\$ 162,821	\$ 14,802	\$ 73,900
Columbia									11.71%				\$ 60,000
Cowlitz	\$ 1,242,603	1.59%	5	\$ 248,521	\$ 260,500	\$ 55,567	1.8	0.0%	12.65%	5	\$ 64,799	\$ 12,960	\$ 58,100
Douglas									29.51%				\$ 56,700
Ferry									26.76%				\$ 43,600
Franklin	\$ 483,155	0.62%	2	\$ 241,578	\$ 252,500	\$ 66,476	1.0	100.0%	60.00%	2	\$ 29,228	\$ 14,614	\$ 70,300
Garfield									5.27%				\$ 69,700
Grant	\$ 890,019	1.14%	4	\$ 222,505	\$ 250,902	\$ 63,327	2.0	75.0%	43.18%	4	\$ 60,000	\$ 15,000	\$ 56,900
Grays Harbor	\$ 1,298,894	1.66%	6	\$ 216,482	\$ 237,000	\$ 50,923	3.5	16.7%	19.20%	6	\$ 82,776	\$ 13,796	\$ 56,800
Island	\$ 309,244	0.40%	1	\$ 309,244	\$ 314,950	\$ 82,371	6.0	0.0%	17.79%	1	\$ 12,369	\$ 12,369	\$ 74,200
Jefferson									10.32%				\$ 65,200
King	\$ 18,368,081	23.49%	65	\$ 282,586	\$ 356,618	\$ 81,724	2.1	56.9%	31.50%	51	\$ 703,383	\$ 13,792	\$ 89,600
Kitsap	\$ 4,394,508	5.62%	15	\$ 292,967	\$ 318,113	\$ 71,061	2.3	20.0%	20.33%	15	\$ 212,625	\$ 14,175	\$ 74,600
Kittitas									13.18%				\$ 65,800
Klickitat									17.83%				\$ 46,900
Lewis	\$ 710,645	0.91%	3	\$ 236,882	\$ 243,625	\$ 65,762	2.7	33.3%	12.39%	3	\$ 40,465	\$ 13,488	\$ 57,800
Lincoln	\$ 201,286	0.26%	1	\$ 201,286	\$ 205,000	\$ 59,652	2.0	100.0%	6.67%				\$ 60,300
Mason	\$ 574,668	0.73%	2	\$ 287,334	\$ 294,450	\$ 59,906	2.5	50.0%	15.82%	2	\$ 29,400	\$ 14,700	\$ 60,800
Okanogan	\$ 418,399	0.54%	2	\$ 209,200	\$ 214,200	\$ 69,720	2.0	0.0%	33.58%	2	\$ 16,544	\$ 8,272	\$ 51,900
Pacific	\$ 435,584	0.56%	2	\$ 217,792	\$ 227,500	\$ 64,253	1.0	0.0%	15.57%	2	\$ 30,000	\$ 15,000	\$ 53,500
Pend Oreille									10.46%				\$ 49,100
Pierce	\$ 12,982,620	16.60%	39	\$ 332,888	\$ 355,651	\$ 78,583	2.7	48.7%	27.50%	32	\$ 471,626	\$ 14,738	\$ 71,000
San Juan									6.62%				\$ 68,200
Skagit	\$ 348,962	0.45%	1	\$ 348,962	\$ 355,400	\$ 99,136	4.0	100.0%	22.10%	1	\$ 15,000	\$ 15,000	\$ 68,200
Skamania									10.34%				\$ 73,900
Spokane	\$ 11,259,523	14.40%	30	\$ 375,317	\$ 401,067	\$ 96,172	2.7	40.0%	20.27%	26	\$ 387,525	\$ 14,905	\$ 89,600
Spokane	\$ 10,170,887	13.01%	45	\$ 226,020	\$ 256,218	\$ 62,011	2.3	24.4%	11.97%	41	\$ 569,132	\$ 13,881	\$ 64,500
Stevens	\$ 1,235,911	1.58%	5	\$ 247,182	\$ 253,680	\$ 62,874	3.8	0.0%	11.91%	5	\$ 72,829	\$ 14,566	\$ 54,700
Thurston	\$ 759,862	0.97%	2	\$ 379,931	\$ 390,000	\$ 79,328	4.0	0.0%	19.59%	2	\$ 30,000	\$ 15,000	\$ 71,500
Wahkiakum									8.14%				\$ 54,500
Walla Walla	\$ 255,290	0.33%	1	\$ 255,290	\$ 260,000	\$ 53,688	4.0	0.0%	26.91%	1	\$ 15,000	\$ 15,000	\$ 62,900
Whatcom	\$ 1,135,860	1.45%	4	\$ 283,965	\$ 318,921	\$ 72,241	1.8	50.0%	16.27%	4	\$ 57,918	\$ 14,480	\$ 67,600
Whitman	\$ 1,521,749	1.95%	8	\$ 190,219	\$ 198,125	\$ 52,277	3.0	0.0%	15.48%	8	\$ 77,183	\$ 9,648	\$ 67,600
Yakima	\$ 3,060,017	3.91%	12	\$ 255,001	\$ 267,742	\$ 63,159	2.5	75.0%	52.36%	12	\$ 148,630	\$ 12,386	\$ 53,200
TOTAL	\$ 78,205,296	100.00%	277	\$ 282,330	\$ 308,370	\$ 71,212	2.4	40.1%	25.19%	246	\$ 3,429,248	\$ 13,940	\$ 62,933

*Primary Mortgagor.

Multifamily Housing & Community Facilities

Business Objectives Quarterly Report

Lisa Vatske, Director

Multifamily Housing Program

Period Ending: 12/31/2022

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.

2nd Qtr: Undergoing reset of 9% allocation process and developing value-based outcome approach

- 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.

2nd Qtr: Ongoing work on H3H grant as well as deep dive into Inflation Reduction Act opportunities.

- 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

2nd Qtr: reviewed ENR data and analysis is not indicating a need to change cost limits as of the end of the 2nd qtr. Development of policy survey for the 9% program has been underway.

- 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.

2nd Qtr: Build out and testing of both Commission and Non-Commission Bond/Tax Credit Online Applications.

- 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.

2nd Qtr: Current Governor’s proposed budget does include additional resources for LAP and a new accelerator subordinate loan program which may necessitate the need for additional staff.

- 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.

2nd Qtr: new policy staff person started December 1 and this is part of the work plan.

- 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

2nd Qtr: Ongoing engagement in strategic planning, brainstormed and build out of action items for the goals identified.

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

2nd Qtr:

Project Name	Location	Tax-Exempt Bonds	Units
Samma Senior Apartments	Bothell	\$15,550,000	76
Bryant Manor Redevelopment Phase I	Seattle	\$32,750,000	101
Englewood Gardens	Yakima	\$25,349,000	257
Redondo TOD Phase I (Rehab)	Federal Way	\$22,500,000	132
Redondo TOD Phase II (New Construction)	Federal Way	\$52,500,000	202
Pointe by Vintage Supplemental	Des Moines	\$4,450,000	0
Quinn by Vintage Supplemental	Shoreline	\$6,125,000	0
Station by Vintage Supplemental	Covington	\$5,106,000	0
Village at 47th	Tukwila	\$53,500,000	272
Eastern and NP Hotel Rehab	Seattle	\$16,750,000	109
Millworks Family Housing	Bellingham	\$18,863,275	83
Total		\$253,443,275	1,232

- 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

2nd Qtr:

Project Name	Issuer	Location	Tax-Exempt Bonds	Units
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North Lot Building A	SCIDpda	Seattle	\$54,500,000	160
Housing Hilltop	Tacoma Housing Authority	Tacoma	\$60,000,000	231
Total			\$114,500,000	391

- 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.

2nd Qtr: Attended Novogradac event in December. Worked to support year-end push to include key provisions in budget bill to no avail.

- d. Seek additional and alternative methods of financing multifamily
- i. Model additional financing structures with EIHF 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.

2nd Qtr: Committed \$5 million from Community based organization reserve to specifically target LAP program resources to socially disadvantaged communities. Continue to work with potential investors to expand EIHF geographic distribution.

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.

2nd Qtr: RAC contracts for all 2022 9% projects, and 2021 Forward Commitment projects, have been executed.

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.

2nd Qtr: Internal 9% policy meetings are progressing. Work groups to discuss values and goals for the program have been meeting regularly.

- b. 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 8.

2nd Qtr: The THA Housing Hilltop application was reviewed and processed. The project closed on November 15.

Performance Measures:

1. Approximately 3,000 low and moderate-income households will have affordable rental housing because 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 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 12/31/23.

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: 12/31/2022

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.

2nd Qtr: Met with the UW Student Team and kicked off the work.

- 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.

2nd Qtr: No activity.

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

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.

2nd Qtr: Continued to build up a network of trusted messengers by making connections to BIPOC-led community-based organizations, as noted throughout this report.

- d) 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

2nd Qtr: Lisa Vatske, Claire Petersky, and/or Keri Williams established or strengthened connections with:

- Communities of Concern Commission
- The Spokane Alliance
- The Ridpath Center
- Transitions
- Humanities Washington
- Department of Commerce Early Learning Facilities Advisory Group
- Issaquah/Sammamish Coalition of Congregations
- Apple Health and Homes Capacity Grant and PSH technical assistance coordination group

e) 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)
- Washington State Department of Agriculture (FarmPAI)

2nd Qtr: Claire Petersky and/or Keri Williams established new relationships with:

- Roots Community School (Chelan)
- The Hawk Foundation (Olympia)
- Shalom Ministries (Spokane)
- The Carl Maxey Center (Spokane)
- Bezos Academy (Washington State Locations)
- Team 40 (Washington State Locations)

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

1st Qtr: No activity.

2nd Qtr: Claire Petersky toured Horizon House and Providence Mount St. Vincent.

a) Seek 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. Claire manned a booth at the North Central Housing Summit June 1.

2nd Qtr: Keri Williams spoke to a group of stakeholders organized by Veterans' Village at a senior facility in Tukwila Washington. Williams also participated in CDFA's Equity Summit in Denver Colorado, sharing the Commission's programs with lenders and investors interested in racial-equity based programs.

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

1st Qtr: No activity.

2nd Qtr: Staff clarified CapitalPlus application process originates with WCRA and will no longer provide applications.

- 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.

2nd Qtr: Keri Williams attended the CDFA Equity Summit, including roundtable discussions on minority business lending, working with Native American CDFIs, and other sessions focused on this topic.

- d) Seek 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.

2nd Qtr: Claire and Lisa worked with Mercy Housing and the City of Bellingham to preserve the affordability of Evergreen Ridge, a 143-unit project in Bellingham that was reaching the end of its 30-year regulatory agreement, using the Commission's Critical Preservation program.

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	

Housing

Project Name	Location	Tax-Exempt Bonds	Units	Type
Mirabella Refunding	Seattle	\$72,115,000	0	Elderly
Marina Club Apartments	Des Moines	\$13,837,350	77	General
Horizon House	Seattle	\$40,000,000	378	Elderly
Franke Tobey Jones Series 2022 Bonds	Tacoma	\$25,138,000	0	General
Total		\$151,090,350	455	

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

1st Qtr: No activity.

2nd Qtr: Working with Bellwhether Housing on energy retrofit loans through SET

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

1st Qtr:

Facilities

No activity.

2nd Qtr:

Facilities

Project Name	Location	Tax-Exempt Bonds
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Giddens School	Seattle	\$10,700,000
Lake Washington Girls Middle School	Seattle	\$9,750,000
<hr/>		
Total		\$20,450,000

Multifamily Housing & Community Facilities

Business Objectives Quarterly Report

Lisa Vatske, Director

Specialty Programs - MHCF

Period Ending: 12/31/2022

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.

2nd Qtr: Currently working on strategic plan action items to incorporate and plan out steps to look at all our programs and proposing a full racial equity assessment through the strategic planning process.

- 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.

2nd Qtr: Continued work with private capital investors looking at investing in LAP and EIHF. Heavily involved in assessing opportunities through the Inflation Reduction Act.

- 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.

2nd Qtr: Proposed Gov's budget does include additional resources for Commission which may necessitate additional staffing.

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.

2nd Qtr: Closed the Views at Madison-Bellwether loan. Received the funds from PSE for the Lummi-PSE solar loan, anticipating the draw request from Lummi early Q3.

- 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 Multifamily Housing Program

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.

2nd Qtr: Continued to accrue funds from developers and explore program design with legal counsel. Currently the fund does not have sufficient funds to deploy solar, so we are designing the program while waiting for more funds to accrue.

- 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.

2nd Qtr: Held conversations with Verity Credit Union to explore a potential partnership on an interest rate buy down for solar for multifamily buildings in Washington.

- 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.

2nd Qtr: Led a deep dive into the 9% health and energy points to identify our values and integrate them into our energy efficiency policies.

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

2nd Qtr: No activity.

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

1st Qtr: No activity.

2nd 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. Allocated funds to two land trusts. Closed one FarmPAI loan with Whidbey Camano Land Trust for the conservation of a 156-acre farm in Island County.

2nd Qtr: Allocated funds to two additional land trusts for the conservation of farms in Klickitat County and Lewis County. Expect to close both loans in the third quarter.

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

1st Qtr: No activity.

2nd Qtr: Developed RFP for engagement process.

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.

2nd Qtr: Financed the 63-unit Bob's and Jamestown MHC community in Lakewood.

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.

2nd Qtr: Met with ROC USA to discuss the Commission's involvement in the refinancing of two communities. Met with WCRA, ROC NW, Impact Capital, and Dept of Commerce staff to discuss/brainstorm potential ideas for development of a new Manufactured Housing Community in Airway Heights.

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.

2nd Qtr: Ongoing discussion about strategic framework. Met with a private company to structure a subset of the LAP program targeting funds for BIPOC developers. Staff hope to secure a \$50M commitment.

PROGRAM OBJECTIVES

QUARTERLY STATUS REPORT

SECOND FISCAL QUARTER, FY23

October – November – December

Ending December 31, 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.
 - 2nd Quarter: 100% 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 onsite are done.
 - 2nd Quarter: 100% of all physical inspections have been completed.
- 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.
 - 2nd Quarter: Online tax credit compliance and bond-only workshops were presented in November. Electronic newsletters were sent out each month. Duane worked with Bob Woodard to select a vendor for the Learning Management System.

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.
- 2nd Quarter: Multifamily successfully hired a policy coordinator started at the end of the quarter.MHCF is creating a work group to coordinate and develop a framework by the beginning of next quarter

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.
- 2nd Quarter: AMC continues to work with current owners to assist them in their ETO implementation plans. AMC and Multifamily continue to work on drafting an ETO policy – Multifamily’s new policy coordinator has begun researching and outlining an ETO draft.

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.
- 2nd Quarter: AMC intern and staff are engaged in research concerning rent burdens. WBARS developer has started scoping creation of new fields to track move-out reasons in annual reporting database. *Owner’s Annual Certification* form currently includes questions on Fair Housing and evictions. AMC and MFHC are engaging in conversations with

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.
- 2nd Quarter: First quarter activities continue. At this stage AMC will be creating actions steps to the goals recommended by the SP consultant and accepted by the Commission.

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.
- 2nd Quarter: AMC staff are on the subcommittee and have been working on the draft RFP this past quarter. Draft RFP is scheduled to be complete as of 1/31/23.

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.
- 2nd Quarter: Division staff and contractors have completed all CY22 production goals.

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.
- 2nd 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.
- 2nd Quarter: The average score was 4.5.

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.
- 2nd 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
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2nd Quarter:

Total Low Income Projects & Units Monitored			
Housing Programs	Projects	Total Low Income Units	Total Units
Bond	87	2,073	8,017
Tax Credit	1,099	101,957	105,335
RTC	1	68	193
TOTALS	1,187	104,098	113,545

**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.

Second Quarter: We are currently underway with our Strategic Plan based on Dr. Phelps' findings. A committee has been established, a Racial Equity tool formulated and a 3-year plan has been established.

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.

Second Quarter: The Governor transitioned agencies like the Commission to a discretionary vaccination requirement. We are still under a Federal State of Emergency but are having discussions about next steps in anticipation of that too being lifted. Otherwise, we continue to operate as we have for the last several months.

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.

Second Quarter: The Governor transitioned agencies like the Commission to a discretionary vaccination requirement. We are still under a Federal State of Emergency but are having discussions about next steps in anticipation of that too being lifted. Otherwise, we continue to operate as we have for the last several months.

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.

Second Quarter: Leadership has planned an NCO for 1/27/2023. We have held all scheduled monthly HFC meetings as scheduled year to date. A Planning Session is scheduled for May 2023.

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.

Second Quarter: The Board approved the 2023 legislative agenda at its November meeting.

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.

Second Quarter: Based on our current Strategic Plan priorities, this is still in development and has been postponed until later in 2023.

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.

Second Quarter: The conference was a success and we have closed out final invoices for the year and have start planning for the 2023 conference.

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.

Second 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 in October. For our first in-person award ceremony (and conference) since 2019, we held Friend of Housing during the opening reception of the conference. Nancy Nash-Mendez and Bremerton Housing Authority in the category of Community Crisis Response; Antonia Medrano as Emerging Leader; Representative Frank Chopp in the category of Housing Intersection; Terry Britt in the category of Unsung Hero; and Maureen Howard with the Margaret Sevy Lifetime Achievement Award. 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 also held two popular post-conference “coffee talk” sessions in which Steve Walker interviewed the awardees. The videos of these sessions remain available for viewing.

9. Coordinate, schedule and complete the annual revisions to the Business Resumption Plan by February 15, 2023.
First Quarter: No work this quarter.
Second Quarter: The plan will be postponed until next year until we redevelop a new plan.

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.
Second Quarter: We are in the process of determining if there will be a staff planning session for this year.

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.
Second Quarter: The DocuSign integration we thought was completed. We are in the process of integrating Laserfiche with the new Homeownership website and the new Intranet website.

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.
Second 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).

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

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.

Second Quarter: The Commission is continuing development of our strategic plan. A Racial Equity Strategic Plan committee was formed and is working closely with our Racial Equity consultant, Dr. Carmen Phelps as well as RJET.

- 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.

Second Quarter: The Commission implemented a "Safe Space" policy that is incorporated into all internal meetings. We are also full steam ahead with our Strategic Plan to address these policies and anticipate having a detailed plan in summer 2023.

- 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 (OPM) and business practices will continue to be identified and revised.

Second Quarter: The OPM and business practices continue to be identified and revised as we work with our consultants.

- By December 31, 2022, continue to assist the Homeownership Division in creating a marketing plan targeting identified underrepresented borrower households of color our homebuyer down payment 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.

Second Quarter: The Homeowner Assistance Fund marketing campaign is in full swing, encompassing a range of digital, print, earned, and other media outreach. It also includes outreach to community-based organizations serving disadvantaged communities. Communications also continues to work closely with the division's marketing manager on efforts to reach homebuyers.

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

First Quarter: No activity this quarter.

Second 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.

Quarter 2: This quarter, the service desk completed 150 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.

Quarter 2: 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.

Quarter 2: The DocuSign integration we thought was completed. We are in the process of integrating Laserfiche with the new Homeownership website and the new Intranet website.

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.

Quarter 2: 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.

Quarter 2: 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.

Quarter 2: 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).

Quarter 2: 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.

Quarter 2: 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.

Quarter 2: 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.

Quarter 2: 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.

Quarter 2: 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.

During this period, bond proceeds were disbursed on behalf of bonds where the project purpose meets our objectives as follows:

- 1 ***New Construction for multifamily and nonprofit housing solutions with units set aside for low to moderate incomes (up to 60% of median income) and set asides for individuals with disabilities. Also Washington Works program as noted***

<u>Issue/Project Name</u>	<u>Project Location</u>
Station by Vintage Supplemental	Covington
Quinn by Vintage Supplemental	Shoreline
Pointe by Vintage Supplemental	Des Moines
Samma Senior Apartments	Bothell
Grand Street Commons	Seattle
Mirabeau Townhomes	Spokane Valley
Evergreen Ridge Apartments	Bellingham
Bryant Manor Redevelopment Phase I	Seattle
Ovation at Paine Field	Everett
Village at 47th	Tukwila
Millworks Family Housing	Bellingham

- 2 ***Acquisition and Rehabilitation for multifamily and nonprofit housing solutions with units set aside for low to moderate incomes (up to 50% of median income) and set asides for individuals with disabilities. Also Washington Works program as noted***

<u>Issue/Project Name</u>	<u>Project Location</u>
Redondo TOD - Phase I	Federal Way
Pine Ridge Apartments	SeaTac
Marina Club Apartments	Des Moines
Redondo Heights TOD - Phase II	Federal Way
Eastern and NP Hotel Rehabilitation	Seattle

- 3 ***Acquisition or Refunding and rehabilitation or Construction Project for the Elderly with set asides for low to moderate income households***

<u>Issue/Project Name</u>	<u>Project Location</u>
Englewood Gardens	Yakima

- 4 ***Acquisition & rehabilitation or expansion and renovation Project of Nonprofit community based facilities***

<u>Issue/Project Name</u>	<u>Project Location</u>
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- 5 ***New construction of Nonprofit community based facilities***

<u>Issue/Project Name</u>	<u>Project Location</u>
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- 6 ***Rehabilitation and/or Refunding of bonds issued for Nonprofit community based facilities, may include additional acquisition***

<u>Issue/Project Name</u>	<u>Project Location</u>
Mirabella Refunding	Seattle
Lake Washington Girls Middle School	Seattle
Giddens School	Seattle
Franke Tobey Jones	Tacoma
Horizon House	Seattle

- 7 ***Single Family bond issues used to fund the purchase of loans for first time home buyers and provide a current refunding of several older issues to reduce bond yield.***

SF 22 1A & 1N	Various
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- 8 ***Beginning Farmer Rancher Loans***

James and Kristin L	Farmington
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Quarter 2: 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.

Quarter 2: 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.

Quarter 2: 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.

Quarter 2: We have not added any servers to the Azure cloud . We needed to concentrate on the installation of the Rubrik device.

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.

Quarter 2: We will be launching the 9% app this month.

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, 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.

Quarter 2: The DocuSign integration we thought was completed. We are in the process of integrating Laserfiche with the new Homeownership website and the new Intranet website

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.

Quarter 2: 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 backup system. This will improve our ability to recover from a network disaster.

Quarter 2: Deploying Laptops and other equipment.

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.

Quarter 2: We have enhanced our 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.

Quarter 2: 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).

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

Quarter 2: All issues were resolved under our service level agreement.

Assumptions:

1. No significant 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 December 31, 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.

Quarter 2: All appropriate transactions were completed by the 17th business day for the month-end close of September, the 10th business day for October, and the 4th business day for November 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.

Quarter 2: Commission-wide and divisional financial reports to management and Commissioners were provided by the 18th business day for the month-end close of September, the 11th business day for October, and the 5th business day for November 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
Q2	\$44,638,702	\$112,132	\$(1,060)	\$80,196	\$30,876	0.28%	\$319,640	\$44,989,218

- 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.

Quarter 2: 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.

Quarter 2: Reconciliations through Q4 FY 2022 have been completed, with the reconciliation for Q2 of FY 2023 expected to be complete the first week of January.

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.*

Quarter 2: There is currently no scheduled audit by the 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.

Quarter 2: There is no new relevant policy or procedure to report.

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

Quarter 1: No activity this quarter.

Quarter 2: 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.

Quarter 2: 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 purchase of timely purchase of mortgage loan participations. Manage the process receiving funds and returning the loan participations, maintaining appropriate control. Reconcile all activity and ensure correct revenue is received.**

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

Quarter 2: 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.

Quarter 2: PRI financial statements for the 1st quarter of FY 2023 were distributed October 31st, 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.

Quarter 2: A final draft of the audit was presented to the Audit Committee November 29th. The audit was completed and issued with an unmodified or “clean” opinion on December 14th. **Complete, no additional activity for the fiscal year.**

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.

Quarter 2: There is currently no scheduled audit by the SAO.

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.

Quarter 2: General operations financial reports were completed by the 17th business day for the month-end close of September, the 10th business day for October, and the 4th business day for November 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.

Quarter 2: Financial information was available by the 26th, 16th, and 7th day of the following month for the months of September, October, and November 2022, respectively.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

PROGRAM SUMMARY
Fiscal year ending June 30, 2023

Report for the quarter ended December 31, 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 on 7/26/2022, and for July and August, transactions are all completed and ready for posting.

Quarter 2: Single-family bond portfolio transactions for September were posted on 11/20/2022, while transactions for October and November were completed and posted on 1/03/2023.
 - 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.

Quarter 2: The quarterly Single-Family Disclosures were posted on 11/22/2022. The parity reports and Plains Capital compliance reporting were distributed on 10/28/2022.
 - 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.

Quarter 2: These reports were completed and distributed within the timeframe specified.
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.

Quarter 2: 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, no arbitrage payments were due; reports were reviewed and confirmed.

Quarter 2: There were no arbitrage payments due this quarter; 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
Quarter 2	1	\$3,133,140	0	\$0	\$12,212,784	

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.

Quarter 2: A final draft of the audit was presented to the Audit Committee November 29th. The audit was completed and issued with an unmodified or “clean” opinion on December 14th. **Complete, no additional activity for the fiscal year.**

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

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

Quarter 2: No updates nor changes to program policies & procedures were noted for this quarter.

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.

Quarter 2: A final draft of the audit was presented to the Audit Committee November 29th. The audit was completed and issued with an unmodified or “clean” opinion on December 14th. **Complete, no additional activity for the fiscal year.**

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.

Quarter 2: 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.

Quarter 2: There were no arbitrage payments due this quarter; reports were reviewed and confirmed.

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.

Quarter 2: All Home Advantage MBS sales were reconciled, and distributions identified, within the given timeframe.

**Washington State Housing Finance Commission
2023 Board Meeting Schedule**

- All Commission Board meetings will be conducted as hybrid meetings.
- In person participation is strongly encouraged for the extended meetings that include a work session followed by a business meeting.
- Work Sessions will typically run from 10am-Noon followed by lunch.
- Business meetings will begin at 1pm.
- In person attendance is also encouraged for the May budget planning meeting.
- In person participation is always welcomed and the board room will always be set up to accommodate accordingly.

Date	Type
January 26 th	Work Session and Business Meeting
February 23 rd	Business Meeting Only
March 23 rd	Business Meeting Only
April 27 th	Business Meeting Only
May 22-23	Budget Planning Session and Business Meeting
June 22 nd	Business Meeting Only
July 27 th	Business Meeting Only
August 24 th	Business Meeting Only
September 28 th	Work Session and Business Meeting
October 26 th	Business Meeting Only
November 16 th	Work Session and Business Meeting
December 7 th	Business Meeting Only



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Bill Rumpf
Chair

Steve Walker
Executive Director

memorandum

To: Commissioners, Steve Walker

From: Fenice Taylor; Lucas Loranger

Date: December 16, 2022

Re: Final FY 2022 (as of June 30, 2022) Independent Auditor's Report

The Audit Committee met on November 29, 2022 and heard a presentation of the draft audit report and the auditor's required communications from Eide Bailly, LLP, our independent audit firm. They issued the final audit report December 14, 2022 with an unqualified or 'clean' opinion.

A copy of the report is attached. Please contact us if you have any questions.

Thank you for your ongoing support of the Commission!



Financial Statements
June 30, 2022 and 2021

Washington State Housing Finance Commission

Washington State Housing Finance Commission

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June 30, 2022 and 2021

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Independent Auditor's Report

To the Board of Commissioners
Washington State Housing Finance Commission
Seattle, Washington

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of the Washington State Housing Finance Commission (the Commission), a component unit of the State of Washington, as of and for the years ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Washington State Housing Finance Commission as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matter

The financial statements of the Commission for the year ended June 30, 2021, were audited by another auditor, who expressed an unmodified opinion on those statements on November 22, 2021.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the net pension liability, contributions to the pension plan, net OPEB liability, and contributions to the OPEB plan be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the management's discussion and analysis, the schedules of the net pension liability, contributions to the pension plan, net OPEB liability, and contributions to the OPEB because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The combining statements of net position, combining statements of revenues, expenses, and changes in net position, combining statements of cash flows, and schedule of notes and bonds payable, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements of net position, combining statements of revenues, expenses, and changes in net position, combining statements of cash flows, and schedule of notes and bonds payable are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Boise, Idaho
December 13, 2022

As management of the June 30, 2022 and 2021 (the Commission, we, or our), we offer readers of the Commission's financial statements this narrative overview and analysis of our financial activities for the year ended June 30, 2022. This overview and analysis is required by accounting principles generally accepted in the United States of America for governmental entities.

Financial Highlights

During the fiscal year ended, or as of June 30, 2022 (FY 2022):

Net position increased \$38.0 million to \$848.4 million primarily due to the \$85.4 million increase in net position of Program-Related Investments (PRI) offset by the \$48.5 million decrease in the Single-Family Bond Program. The increase in the PRI resulted from an excess of revenues over expenses totaling \$57.6 million, mostly from the down payment assistance revenues from Homeownership's Home Advantage daily-priced mortgage program (Home Advantage) coupled with the operating transfer from the General Operating Fund (GOF) of \$27.8 million. The decrease in the Single-Family Bond Program resulted primarily from an unrealized loss on mortgage-backed securities.

During the fiscal year, cash, cash equivalents, and investments increased by \$205.5 million due to proceeds received for the US Department of Treasury's Homeowner Assistance Fund ("HAF") grant (\$167.2 million) coupled with PRI fee revenue and mortgage loan repayments, and other receipts. Mortgage loans increased by \$48.6 million as new loans were issued through PRI. Assets and deferred outflows of resources increased by \$206.4 million, largely due to these factors.

Total bonds payable of \$516.9 million were outstanding, net of premiums and discounts, \$48.2 million below the prior year balance. This decrease resulted from the net issuance of bonds (\$84.6 million) and the net payment of principal (\$132.8 million). Total notes payable of \$232.4 million were outstanding, an increase of \$45.1 million from the prior year. This increase was primarily due to borrowing with PRI for the issuance of mortgage loans. Unearned revenue and other liabilities increased by \$169.2 million to \$184.4 million at year end, primarily due to the aforementioned Treasury HAF grant. Liabilities and deferred inflows of resources increased by \$168.5 million, largely due to these factors.

PRI and GOF program fees and grant revenue decreased by \$24.8 million due primarily to a decrease in program fees associated with Home Advantage as new loan production slowed in the second half of the year. Bond program revenues (mortgage interest, unrealized loss on MBSs, investment earnings and other) decreased by \$53.2 million due to a \$58.0 million net decrease in the unrealized gain (loss) on MBSs and decreased interest revenue from a lower balance of MBSs.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements consist of three parts: Management's Discussion and Analysis, the financial statements, and the notes to the financial statements. The basic financial statements include the statements of net position, the statements of revenues, expenses, and changes in net position, and the statements of cash flows. The financial statements are presented in a manner similar to that of a private business using the economic resources measurement focus and the accrual basis of accounting.

The financial statements report information for all Commission programs and operations. The statements of net position include all Commission assets, liabilities and deferred inflows and outflows of resources. All revenues and expenses of the Commission are accounted for in the statements of revenues, expenses, and changes in net position. Program financial statements are presented as supplemental schedules. These schedules separate the financial statements into General Operating Fund, Program-Related Investments, and Bond Fund.

Economic Outlook

During the fiscal year, the 10-year Treasury note yield, the benchmark often used to price mortgage rates, rose to 2.98% on June 30, 2022 from its June 30, 2021 rate of 1.45%. The very low rate in 2021 was influenced by the market's uncertainty in the COVID-19 pandemic. With the increase in the 10-year Treasury yield, average 30-year mortgage rates which typically follow it rose sharply year-over-year to about 5.70% from 3.02%. Home Prices continued to increase across the US though there was deceleration in US housing prices. According to the S&P CoreLogic Case-Schiller U.S. National Home Price Index, home prices increased 18.0% nationally year-over-year, while Seattle had a 19.2% increase during the year. A tight supply of single-family homes coupled with high housing prices and rapid rising mortgage rates make purchases by the Commission's low-to-moderate income target customers more difficult.

Home loans securitized in the Home Advantage program, which uses traditional, taxable mortgage funding, were 5,386 down 34.4% from fiscal year 2021. The dollar value of the loans purchased was \$1.9 billion, down 26.8% from the prior year. We generated approximately \$84.6 million in lendable proceeds for our House Key Opportunity program through the issuance of tax-exempt bonds in fiscal year 2022. The program targets first-time homebuyers in lower-income households, generally providing a lower interest rate and additional down payment options.

Demand for the 9% Low-Income Housing Tax Credit (LIHTC) for Multifamily housing continues to significantly outstrip supply. Therefore, many developers of affordable housing are using the 4% LIHTC program in conjunction with tax-exempt bonds. That program is constrained by the amount of private-activity bond volume cap available for such projects and has been substantially oversubscribed.

Short-term interest rates represented by 1-month LIBOR saw a significant increase to 1.79% on June 30, 2022 from 0.10% a year earlier. This index is used to evaluate the cost of variable-rate debt and correlates to rates earned on short-term investments. Based upon indications of the Federal Reserve Board (the Fed), we believe interest rates will continue to rise in the near future, while inflation has recently reached a 40-year high. Any continued increase in short-term rates would increase the carrying cost of the Commission's unhedged variable-rate debt in its Single-family program. However, there would be an offsetting increase in the return on the Commission's short-term investments effectively creating a natural interest-rate hedge. We do not expect a significant effect on the Commission's conduit bond production.

FINANCIAL ANALYSIS OF THE COMMISSION

Statements of Net Position

The following table summarizes the changes in assets and deferred outflows of resources, liabilities, deferred inflows of resources, and net position between June 30, 2022 and 2021, (in millions):

	<u>2022</u>	<u>2021</u>	<u>Change</u>	
Assets				
Cash and cash equivalents	\$ 747.7	\$ 497.5	\$ 250.2	50.3%
Investments	88.2	132.9	(44.7)	(33.6%)
Accrued interest receivable	4.8	3.6	1.2	33.3%
Fees receivable, net	10.4	11.8	(1.4)	(11.9%)
Other receivables	1.6	1.8	(0.2)	(11.1%)
Mortgage-backed securities, fair value	521.5	574.3	(52.8)	(9.2%)
Mortgage loans, net	485.2	436.6	48.6	11.1%
Prepaid fees and other	8.2	0.5	7.7	1,540.0%
	<u>1,867.6</u>	<u>1,659.0</u>	<u>208.6</u>	<u>12.6%</u>
Total assets				
Deferred Outflows of Resources	<u>1.3</u>	<u>3.5</u>	<u>(2.2)</u>	<u>(62.9%)</u>
Total assets and deferred outflows of resources	<u>\$ 1,868.9</u>	<u>\$ 1,662.5</u>	<u>\$ 206.4</u>	<u>12.4%</u>

Washington State Housing Finance Commission
Management's Discussion and Analysis
June 30, 2022 and 2021

	2022	2021	Change	
Liabilities				
Accounts payable and other liabilities	\$ 75.5	\$ 77.9	\$ (2.4)	(3.1%)
Accrued interest payable	2.7	1.4	1.3	92.9%
Unearned revenue and other	184.4	15.2	169.2	1,113.2%
Derivative instrument - interest rate swap	(0.1)	1.9	(2.0)	(105.3%)
Notes payable	232.4	187.3	45.1	24.1%
Bonds and notes payable, net	<u>516.9</u>	<u>565.1</u>	<u>(48.2)</u>	<u>(8.5%)</u>
Total liabilities	<u>1,011.8</u>	<u>848.8</u>	<u>163.0</u>	<u>19.2%</u>
Deferred Inflows of Resources	<u>8.7</u>	<u>3.2</u>	<u>5.5</u>	<u>171.9%</u>
Net Position				
Restricted				
Bond operations	118.9	168.6	(49.7)	(29.5%)
Net Pension Asset	5.9	-	5.9	100.0%
Grants and donations to PRI	0.8	0.8	-	-
Net investment in capital assets	0.5	0.1	0.4	400.0%
Unrestricted				
General operations	19.9	24.0	(4.1)	(17.1%)
Housing Washington	0.5	0.5	-	--%
Program-related investments	<u>701.9</u>	<u>616.5</u>	<u>85.4</u>	<u>13.9%</u>
Total net position	<u>848.4</u>	<u>810.5</u>	<u>37.9</u>	<u>4.7%</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,868.9</u>	<u>\$ 1,662.5</u>	<u>\$ 206.4</u>	<u>12.4%</u>

Cash, cash equivalents, and investments increased by \$205.5 million, which is the primary component of an increase in assets of \$208.6 million. The increase in unearned revenue and other of \$169.2 million is primarily due to the receipt of Treasury HAF grant funds yet to be disbursed to subgrantees.

The net position of the Commission increased \$38.0 million from the June 30, 2021 amount. This increase resulted from the net operating income, before contributions and distributions, across all funds.

The net position of the Bond Fund is classified as restricted because trust indentures direct the use of the funds. The Commission has designated its remaining net position to a General Operating Fund and to Program-Related Investments.

The General Operating Fund net position is a reserve to protect the Commission from future uncertainty. With the reserve in place, the Commission is positioned to meet its future, long-term project monitoring commitments and to independently meet unforeseen fiscal or legal challenges.

Washington State Housing Finance Commission

Management's Discussion and Analysis

June 30, 2022 and 2021

The Commission has also designated a net position for Program-Related Investments. Investments target strategic, higher-risk programs that support the financing and production of housing for low-income and special populations as well as facilities used to provide community services primarily to low-income persons. These investments complement, supplement, and enhance other Commission programs and have been a catalyst to generate \$34.9 million in investments and donations by partners who wish to support the program purpose. The Commission manages and deploys those funds in addition to its own.

Statements of Revenues, Expenses, and Changes in Net Position

The following table summarizes the changes in revenues and expenses between 2022 and 2021, (in millions):

	2022	2021	Change	
Revenues				
Bond programs mortgage interest	\$ 17.6	\$ 21.4	\$ (3.8)	(17.8%)
Bond programs investments and other income	3.6	2.5	1.1	44.0%
Bond program gain (loss) on mortgage-backed securities	(59.8)	(10.4)	(49.4)	475.0%
Other bond fees	0.3	1.1	(0.8)	(72.7%)
Program fees and grants	113.5	138.3	(24.8)	(17.9%)
General operating fund interest income	(1.4)	0.2	(1.6)	(800.0%)
Total revenues	73.8	153.1	(79.3)	(51.8%)
Expenses				
Bond programs interest expense	17.2	18.5	(1.3)	(7.0%)
Other bond programs expenses	-	1.1	(1.1)	(100.0%)
Salaries and wages	7.4	8.8	(1.4)	(15.9%)
Other general operating fund and program-related investments expenses	11.2	7.5	3.7	49.3%
Total expenses	35.8	35.9	(0.1)	(0.3%)
Change in Net Position	\$ 38.0	\$ 117.2	(79.2)	(67.6%)

The primary components of total revenues for the bond fund are mortgage-related interest earnings and the unrealized gain on MBSs. Bond interest expense is the primary component of total expense for the bond fund. Commission revenues in the General Operating and PRI Funds are mostly generated from issuer fees and the premium generated from Home Advantage mortgage-backed security sales. During fiscal year 2022, the Commission's General Operating Fund revenue and expense included \$7.8 million of housing counseling and foreclosure relief funds grants which were passed-through to qualifying counseling agencies.

DEBT ADMINISTRATION

The Commission has long-term debt obligations of \$516.9 million, net of bond premium and discounts, and short-term notes payable of \$232.4 million, at June 30, 2022. A trustee or paying agent administers monetary activities and holds all monies in the Commission's Bond Fund. They ensure that bond resolution requirements are met, including payments of debt service and funding of necessary reserves. At June 30, 2022, amounts held by the trustees and paying agents represent full funding of these requirements.

Most of the debt of the Commission is tax-exempt, issued under the Internal Revenue Code and Treasury Regulations. The Federal Tax Reform Act of 1986 imposes an annual cap on the aggregate amount of federally tax-exempt private activity bonds. Our Single-family Homeownership program relies on private activity bonds subject to this volume cap. We may also issue taxable debt to supplement our tax-exempt authority and for lending where program requirements are inconsistent with federal restrictions.

The Commission also issues bonds on behalf of multi-family housing developers and not-for-profit organizations. However, the bonds issued under these programs meet the definition of conduit debt obligations for which we have not extended any additional commitments for debt service payments beyond the collateral and payments received from the underlying mortgages. As of June 30, 2022 such bonds have an aggregate outstanding principal amount payable of \$6.8 billion. Because these bonds are considered conduit bonds, in accordance with accounting standards generally accepted in the United States of America, the Commission does not include the assets, liabilities, and related activities for these obligations. For additional information see Notes 2 and 8.

The Commissioners have adopted policies that govern the process followed to issue debt. We issue bonds in the Single-family Homeownership Program to purchase MBSs backed by Federal National Mortgage Association (Fannie Mae), Government National Mortgage Association (Ginnie Mae), or Federal Home Loan Mortgage Corporation (Freddie Mac). These securities carry a credit rating agency rating equal to that of the United States.

The Commission evaluates and uses available debt management techniques to achieve our goals of reducing interest expense and preserving the maximum amount of bonding authority in the Single-family Homeownership Program. In implementing these practices, we often retire higher interest rate debt when opportunities for economic refunding occur.

The Revised Code of Washington Section 43.180.160 limits the Commission's outstanding debt to fourteen billion dollars. We have no general obligation bonds and do not currently have an issuer credit rating.

Net bonds and notes payable as of June 30, 2022, was \$711.8 million, a decrease of about \$40.6 million from 2021. Changes enumerated by program are summarized in the following table (in millions):

	2021	Issued	Redeemed	Changes	2022
Single-family	\$ 542.6	\$ 82.2	\$ 121.5	\$ (39.3)	\$ 503.3
Home ownership (NIPB)	22.5	-	8.8	(8.8)	13.7
Short-term Notes Payable	187.3	361.5	354.0	7.5	194.8
	<u>\$ 752.4</u>	<u>\$ 443.7</u>	<u>\$ 484.3</u>	<u>\$ (40.6)</u>	<u>\$ 711.8</u>

Washington State Housing Finance Commission
Management's Discussion and Analysis
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The following table summarizes the changes in combined adjusted net position between June 30, 2021 and 2020, as restated (in millions):

	2021	2020	Change	
Assets				
Cash and cash equivalents	\$ 497.5	\$ 287.2	\$ 210.3	73.2%
Investments	132.9	71.3	61.6	86.4%
Accrued interest receivable	3.6	3.6	-	--%
Fees receivable, net	11.8	6.0	5.8	96.7%
Other receivables	1.8	3.2	(1.4)	(43.8%)
Mortgage-backed securities, fair value	574.3	681.3	(107.0)	(15.7%)
Mortgage loans, net	436.6	399.6	37.0	9.3%
Prepaid fees and other	0.5	0.5	-	-
Total assets	1,659.0	1,452.7	206.3	14.2%
Deferred outflows of resources	3.5	4.3	(0.8)	(18.6%)
Total assets and deferred outflows of resources	\$ 1,662.5	\$ 1,457.0	\$ 205.5	14.1%
Liabilities				
Accounts payable and other liabilities	\$ 77.9	\$ 60.2	\$ 17.8	29.6%
Accrued interest payable	1.4	1.8	(0.4)	(22.2%)
Unearned revenue and other	15.2	8.7	6.5	74.7%
Derivative instrument - interest rate swap	1.9	2.9	(1.0)	(34.5%)
Project equity held for borrower	187.3	70.7	116.6	164.9%
Bonds and notes payable, net	565.1	616.2	(51.1)	(8.3%)
Total liabilities	848.8	760.5	88.3	11.6%
Deferred inflows of resources	3.2	3.2	-	-
Net position				
Restricted				
Bond operations	168.5	166.6	1.9	1.1%
Grants and donations to PRI	0.9	0.9	-	-
Net investment in capital assets	0.1	0.1	-	-
Unrestricted				
General operations	24.0	23.2	0.8	3.4%
Housing Washington	0.5	0.4	0.1	25.0%
Program-related investments	616.5	502.1	114.4	22.8%
Total net position	810.5	693.3	117.2	16.9%
Total liabilities, deferred inflows of resources, and net position	\$ 1,662.5	\$ 1,457.0	\$ 205.5	14.1%

Washington State Housing Finance Commission
Management's Discussion and Analysis
June 30, 2022 and 2021

The following summarizes the changes in revenues and expenses between fiscal years 2021 and 2020, as restated (in millions):

	2021	2020	Change	
Revenues				
Bond programs mortgage interest	\$ 21.4	\$ 23.0	\$ (1.6)	(7.0%)
Bond programs investments and other income	2.5	3.8	(1.3)	(34.2%)
Bond program gain (loss) on mortgage-backed securities	(10.4)	24.7	(35.1)	(142.1%)
Other bond fees	1.1	0.4	0.7	175.0%
Program fees and grants	138.3	118.2	20.1	17.0%
General operating fund interest income	0.2	3.5	(3.3)	(94.3%)
Total revenues	153.1	173.6	(20.5)	(11.8%)
Expenses				
Bond programs interest expense	18.5	19.6	(1.1)	(5.6%)
Other bond programs expenses	1.1	1.6	(0.5)	(31.3%)
Salaries and wages	8.8	9.5	(0.7)	(7.4%)
Other general operating fund and program-related investments expenses	7.5	7.4	0.1	1.4%
Total expenses	35.9	38.1	(2.2)	(5.8%)
Return remaining contribution for closed programs	-	(0.1)	0.1	-
Change in net position	\$ 117.2	\$ 135.4	\$ (18.2)	(13.4%)

During the fiscal year ended June 30, 2021, the Commission's total assets increased by \$205.5 million largely attributable to an increase in cash and cash equivalents, net MBSs, and mortgage loans.

The Commission's \$117.2 million increase in net position resulted from the net operating income, before contributions and distributions of PRI, GOF, and the bond fund.

ADDITIONAL INFORMATION

Please direct questions and inquiries to the Senior Director of Finance or the Senior Controller at Washington State Housing Finance Commission, 1000 2nd Avenue, Suite 2700, Seattle, Washington 98104, or by telephone at 206-464-7139.

Washington State Housing Finance Commission
Statements of Net Position
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and Cash Equivalents	\$ 747,700,961	\$ 497,479,516
Investments		
U.S. government and agencies securities	44,803,375	47,619,992
Investment agreements	43,447,407	85,321,065
	88,250,782	132,941,057
Accrued Interest Receivable	4,812,178	3,638,791
Fees Receivable, Net	10,392,298	11,782,688
Other Receivables	1,578,842	1,788,020
Mortgage-Backed Securities, Cost	547,968,707	541,003,456
Cumulative unrealized gain (loss) on mortgage-backed securities	(26,466,865)	33,312,653
Mortgage-Backed Securities, Fair Value	521,501,842	574,316,109
Mortgage Loans, Net	485,226,601	436,579,018
Prepaid Fees and Other	8,202,680	498,719
Total assets	1,867,666,184	1,659,023,918
Deferred Outflows of Resources	1,257,959	3,452,856
Total assets and deferred outflows of resources	\$ 1,868,924,143	\$ 1,662,476,774

Washington State Housing Finance Commission

Statements of Net Position

June 30, 2022 and 2021

	2022	2021
Liabilities, Deferred Inflows of Resources, and Net Position		
Accounts Payable and Other Liabilities	\$ 75,538,668	\$ 77,880,055
Accrued Interest Payable	2,669,694	1,392,802
Unearned Revenue and Other	184,367,145	15,248,392
Derivative Instrument - Interest Rate Swap	(106,522)	1,907,517
Notes Payable	232,356,239	187,306,788
Bonds Payable		
Current interest bonds	457,465,000	498,220,000
Taxable bonds	46,235,290	56,281,928
Unamortized bond premium	13,240,689	10,614,772
Total bonds payable	516,940,979	565,116,700
Total liabilities	1,011,766,203	848,852,254
Deferred Inflows of Resources	8,728,477	3,248,429
Net Position		
Restricted		
Bond operations	118,936,726	168,564,329
Net pension asset	5,925,839	-
Grants and donations to program-related investments	809,424	809,424
Net investment in capital assets	411,667	80,611
Unrestricted		
General operations	19,947,236	23,967,853
Housing Washington	496,505	473,047
Program-related investments	701,902,066	616,480,827
Total net position	848,429,463	810,376,091
Total liabilities, deferred inflow of resources, and net position	\$ 1,868,924,143	\$ 1,662,476,774

Washington State Housing Finance Commission
Statements of Revenues Expenses, and Changes in Net Position
Years Ended June 30, 2022 and 2021

	2022	2021
Revenues		
Interest earned on mortgage loans and mortgage-backed securities	\$ 17,582,536	\$ 21,391,114
Other interest and investment income	2,228,539	2,757,571
Unrealized gain (loss) on mortgage-backed securities	(59,779,518)	(10,452,926)
Other fee income	106,021,160	135,733,686
Nonoperating revenues - grants	7,759,552	3,696,435
Total revenues	73,812,269	153,125,880
Expenses		
Interest on debt	17,175,809	18,518,909
Amortization of bond premium	(2,182,108)	(1,434,908)
Bond issuance costs	899,256	1,225,829
Servicing and commission fees	1,111,455	1,204,588
Salaries and wages	7,352,176	8,789,791
Communication and office expense	2,161,921	2,048,091
Professional fees	1,510,789	1,259,436
Trustee and paying agent fees	88,396	99,964
Other	(118,349)	604,703
Nonoperating expenses - grants	7,759,552	3,696,435
Total expenses	35,758,897	36,012,838
Excess of Revenues Over Expenses	38,053,372	117,113,042
Change In Net Position	38,053,372	117,113,042
Net Position, Beginning of Year	810,376,091	693,263,049
Net Position, End of Year	\$ 848,429,463	\$ 810,376,091

Washington State Housing Finance Commission

Statements of Cash Flow

Years Ended June 30, 2022 and 2021

	2022	2021
Operating Activities		
Receipts for interest on mortgages	\$ 17,560,191	\$ 21,493,556
Receipts for other fee income	287,935,099	141,022,091
Receipts for loans and mortgage prepayments	234,505,438	245,051,035
Payments for acquisition of loans and mortgages	(289,823,321)	(170,919,301)
Payments for bond program expenses	(1,867,652)	(2,613,176)
Payments to employees and suppliers	19,749,250	(13,586,504)
Net Cash from Operating Activities	268,059,005	220,447,701
Investing Activities		
Purchase of investments	(1,095,461,196)	(1,127,973,031)
Sale of investments	1,140,151,470	1,066,379,471
Interest received on investments	2,008,985	2,773,827
Net Cash from (used for) Investing Activities	46,699,259	(58,819,733)
Noncapital Financing Activities		
Proceeds from sale of bonds and notes	84,636,825	113,835,270
Proceeds from short-term loan	383,094,161	386,008,469
Repayments of collateralized loans	(386,046,611)	(269,376,720)
Interest paid on debt	(15,894,557)	(19,021,543)
Debt repayments	(130,326,637)	(162,752,915)
Net Cash from (used for) Capital Financing Activities	(64,536,819)	48,692,561
Increase in Cash and Cash Equivalents	250,221,445	210,320,529
Cash and Cash Equivalents, Beginning of Year	497,479,516	287,158,987
Cash and Cash Equivalents, End of Year	\$ 747,700,961	\$ 497,479,516

Washington State Housing Finance Commission

Statements of Cash Flow

Years Ended June 30, 2022 and 2021

	2022	2021
Reconciliation of Excess of Revenues Over		
Expenses to Net Cash from Operating Activities		
Excess of revenues over expenses	\$ 38,053,372	\$ 117,113,042
Adjustments to reconcile excess of revenues over expenses to net cash from operating activities		
Amortization of mortgage discount	(144,150)	(256,743)
Amortization of mortgage premium	22	1,041
Amortization of bond premium	(2,182,108)	(1,434,908)
Acquisition of mortgage loans	(289,823,321)	(170,919,301)
Repayments of mortgage loans	234,505,438	245,051,035
Unrealized loss on securities	59,779,518	10,452,926
Cash from changes in operating assets and liabilities:		
Interest and other receivables	(10,163,402)	(6,953,278)
Interest and other payables	238,033,636	27,393,887
	\$ 268,059,005	\$ 220,447,701
Net Cash from Operating Activities		

Note 1 - Description of Business**Organization**

The Washington State Housing Finance Commission (the Commission, WSHFC, we, or our) was created in 1983 by the legislature of the State of Washington (the State) to “act as a financial conduit which, without using public funds or lending the credit of the state or local government, can issue nonrecourse revenue bonds and participate in federal, state, and local housing programs thereby making additional funds available at affordable rates to help provide housing throughout the state.” The state legislature later authorized the Commission to issue bonds to finance or refinance nursing homes and capital facilities owned and operated by nonprofit corporations, beginning farmers/ranchers, sustainable energy and energy efficiency retrofit programs. Our debt limit is eight billion dollars.

The Commission has eleven voting members. Two commissioners, the state treasurer and the director of the Department of Commerce, serve ex officio. The chair of the Commission is appointed by and serves at the pleasure of the governor. The governor appoints the remaining eight members to four-year terms, subject to confirmation by the Washington State Senate.

The Commission is legally separate from the State and does not impose a financial burden on, nor accrue any financial benefit to, the State. Legal restrictions on the Washington State legislature’s ability to impose its will on the Commission and the inability of the governor to remove the majority of the voting members of the Commission prevent the State from being considered to be financially accountable for the Commission. However, in the State’s Annual Comprehensive Financial Report (ACFR), the Commission is presented as a discrete component unit of the State.

Program Funds

The Commission summarizes its financial activities in the General Operating Fund, Program-Related Investments, and Bond Fund.

General Operating Fund – The General Operating Fund accounts for the fiscal activities related to the administration of our ongoing program responsibilities. Revenues are derived primarily from fees earned on bond issues, homeownership daily pricing program, housing tax credit allocations, and compliance monitoring, as well as interest income on General Operating Fund and Program-Related Investments. Except for certain pass-through grants and loans, all funds we receive are generated by our activities and are not direct appropriations from the State.

The Commission adopted a General Operating Fund Reserve Policy (“Reserve Policy”) in 1989. General reserves provide income to fund current operations, help to ensure a sufficient, long-term revenue stream so we can remain independent of State funds and safeguard our ability to meet future legal and program obligations. Earnings above the reserve requirements are generally transferred to Program-Related Investments at the direction of the Commissioners, except for a portion of earnings on the homeownership daily pricing program which are transferred to the Single-Family Indenture.

Effective June 30, 2019, our Reserve Policy requires that we maintain general reserves of \$30 million based upon capital adequacy analyses, net of the impact of any deferred pension liability as required by Governmental Accounting Standards Board (GASB) No. 68 and, effective July 1, 2017, any deferred other postemployment benefit (OPEB) liability as required by GASB No. 75. Therefore, the reserves reflect \$25.9 million and \$24.0 million, respectively, for the years ending June 30, 2022 and 2021.

Program-Related Investments – The Reserve Policy dedicates the use of reserves above those needed in the General Operating Fund for Program-Related Investments (the PRI). We strategically invest the PRI in programs that support our activities such as the financing and production of low-income and special needs housing and facilities that provide community services. Investments also include resources provided by other funders for use in established down payment assistance and other programs in which our missions align. Revenues include interest on these investments and down payment assistance fees associated with the homeownership daily pricing program.

Bond Fund – A Trust, Funding Agreement, or Financing Agreement dictates the terms of each bond transaction. We record these activities in the Bond Fund and further separate them by program type as follows:

Single-Family Homeownership Program – Transactions in this program are from the sale of Single-family Homeownership Program mortgage revenue bonds, the purchase of mortgage-backed securities (MBSs) of our pooled loans and the related debt service transactions on the bonds. There are three program indentures, each of which contains multiple series indentures: the General (Single-family) Indenture; the Homeownership Bond Program (NIBP) Indenture; and the Special Single Family Program Indenture. Each indenture is a special obligation of the Commission, payable solely from the bond funds established pursuant to the indenture. Debt service comes from payments received on the MBS pools and from any other money held in the trust estate by the bond trustee. Assets of the indentures are pledged as collateral for the debt and are \$568.9 million and \$673.1 million and as of June 30, 2022 and 2021, respectively. We loan proceeds of this program to first-time homebuyers whose income does not exceed established limits. Mortgage rates for these programs range from 2.00% to 7.55%.

The supplemental schedules of program net position, results of program revenues, expenses, and changes in program net position, and program cash flows combines the results of the General (Single-family) and the Special Single-Family Program.

Conduit Financing Programs – all other bonds that we issue, are conduit debt, i.e., limited-obligation bonds issued for the express purpose of providing financing for a specific third party that is not a part of the financial reporting entity. Bonds are issued for Multifamily Housing, Beginning Farmers/Ranchers, Energy Efficiency and Nonprofit Housing and Facilities. Financing proceeds for the Conduit Financing Programs are used to purchase qualified mortgages or MBSs from mortgage lenders. The issuer of the MBSs, the mortgagor, the letter of credit provider or the lender will pay the bond trustee principal and interest in amounts calculated to meet periodic debt service payments on the bonds.

Conduit debt securities bear the name of the Commission. However, we have no obligation for payment of such debt beyond the resources provided by the loan with the third-party beneficiary.

Underwriters sell bonds in the capital market, or we privately place them with a sophisticated investor such as a financial institution. However, as of fiscal years ending June 30, 2022 and 2021, all bonds under these programs meet the accounting standard definition of conduit bonds and, as such, are not included in our financial statements. Additional information regarding the conduit bonds is included in Note 8.

Note 2 - Summary of Significant Accounting Policies

Our financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. We have applied all applicable GASB pronouncements. The remainder of this note describes our more significant accounting policies.

Measurement Focus and Basis of Accounting

We use the flow of economic resources measurement as the focus of our accounting of transactions. With this measurement focus, the statement of net position reflects all assets, deferred inflows and outflows of resources and all liabilities associated with our operations. The statements of revenues, expenses, and changes in net position for all funds present increases (e.g., revenues) and decreases (e.g., expenses) in our net total position. We use the accrual basis of accounting, recording revenue when earned and expenses when we incur the liability.

Unclassified Statement of Net Position

Our business cycle is greater than one year. As such, all assets and liabilities on the statements of net position are shown as unclassified.

Cash and Cash Equivalents

The Commission considers all highly liquid, interest-bearing instruments purchased with an original maturity of three months or less to be cash and cash equivalents. While the cash deposits in the Multifamily Recycling program are held exclusively in the Local Government Investment Pool, other cash deposits held in the Bond Fund are held in the corporate trust departments of commercial banks in the bond issue's name. As of June 30, 2022 and 2021, they held \$146.2 million \$155.1 million, respectively, in uncollateralized or uninsured cash equivalents in the bond fund, primarily in government money market funds. Cash deposits of the General Operating Fund and Program-Related Investment Funds are covered by the Federal Depository Insurance Corporation (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

Investments

We categorize investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy uses valuation inputs to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments are reported at fair value, unless they meet an exception as outlined under accounting standards generally accepted in the United States of America.

An asset management company manages some of our investments in the General Operating and Program-Related Investment Funds. Our investments include marketable securities issued or guaranteed by the U.S. government. We determine and record fair value based on quoted market prices as of June 30, 2022 and 2021.

Investments in the Bond Fund at June 30, 2022 and 2021, were short term repurchase agreements. For additional information regarding investments, see Note 3.

Mortgage-Backed Securities

Mortgage-backed securities are presented at their fair value based on quoted market prices as of June 30, 2022 and 2021.

Mortgage Loans

Mortgage loans are stated at their unpaid principal balance.

Provision for Loan Losses

The provision for loan losses is estimated for each fund.

General Operating Fund – Most fees in the General Operating Fund are billed and collected in advance, so no provision for loss is deemed to be necessary.

Program-Related Investments – We estimate losses on our loans in Program-Related Investments based on its past loan loss experience, known and inherent risks in the portfolio and current economic conditions. The allowance for loan losses is increased by charges to expense and decreased by charge-offs (net of recoveries). The loan loss reserve was \$13,358,381 and \$13,509,206 as of June 30, 2022 and 2021, respectively. No provision for loss is made on loan balances funded by partner investments because the Commission does not guarantee return of those investments.

Bond Fund – We purchase MBSs with the proceeds of non-recourse revenue bonds payable solely from the assets specifically pledged under the trust indenture for the bonds. No assets of the Commission, other than those assets held under such trust indentures, are pledged to the payment of the bonds. We do not reserve for loan loss provisions because the assets held by all the outstanding Single-family Homeownership Program indentures are MBSs guaranteed by Fannie Mae, Ginnie Mae, or Freddie Mac.

Other Assets

Furniture, fixtures, equipment and leasehold improvements are accounted for in the General Operating Fund and are stated at cost, less accumulated depreciation and amortization. Our policy is to capitalize assets with a cost of \$5,000 or more. Depreciation and amortization are charged to current operations on the straight-line method over the estimated useful lives of the assets, generally between three and ten years. See Note 6 for additional information concerning furniture, fixtures and equipment.

Unearned Revenue

Unearned revenue represents the unearned portion of the Commission's bond fees, tax credit reservation fees, and compliance monitoring fees that are received in advance. We record these fees when earned as other fee income on the statement of revenues, expenses and changes in net position.

Interfund Transfers and Balances for Single-family Program Liquidity Management

Interfund transfers may be completed for short-term program purposes and are considered loans to and from the impacted funds. At fiscal year-end, we record any balance as an interfund loan in the corresponding fund.

During the fiscal years ending June 30, 2022 and 2021, the Commission supported its Home Advantage program's Master Servicer by purchasing and holding certain loans for a short time until pooled into MBSs. Resources used from the Single-Family Program fund and the PRI were in excess of those needed for program purposes. Balances remaining outstanding are as follows:

At June 30, 2022	Single-family Bond Program	Program-related Investments	Total
Interfund loans receivable (payable)	<u>\$ (40,000,000)</u>	<u>\$ 40,000,000</u>	<u>\$ -</u>
At June 30, 2021	Single-family Bond Program	Program-related Investments	Total
Interfund loans receivable (payable)	<u>\$ (40,000,000)</u>	<u>\$ 40,000,000</u>	<u>\$ -</u>

Deferred outflow and inflow of resources – Deferred outflows of resources represent consumption of resources that are applicable to future reporting periods and deferred inflows of resources represent acquisition of resources that are applicable to future reporting periods. Deferred outflow of resources represents the year-end estimated fair value of the Commission's derivative instruments as of June 30 and the value of pension and OPEB contributions made during the fiscal year, which is after the asset and liability measurement date. The difference between actuarial projected and actual earnings on pension plan assets are represented as deferred outflows (inflows) of resources. For additional information regarding the derivative, see Note 8 and regarding pension asset, liability, OPEB and the related deferred outflows and inflows of resources, see Note 10.

Pensions – For purposes of measuring the net pension liability(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, and information about the fiduciary net position of the Public Employees' Retirement System (PERS) of the State of Washington and additions to or deductions from PERS's fiduciary net position have been determined on the same basis as PERS reports them.

Other postemployment benefits – For purposes of measuring the OPEB Liability, deferred outflows of resources and deferred inflows of resources, and expense related to OPEB, and information about any changes in the liability have been determined on the same basis as reported by the Office of Financial Management (OFM) of the State of Washington.

Conduit Bonds

Conduit bonds are defined as debt instruments where:

1. The Commission, as the issuer, is joined by an unrelated third-party obligor, and a debt holder or trustee.
2. The debt obligation is neither a parity bond of the Commission nor is it cross collateralized with other debt of the Commission.
3. Debt proceeds are intended for and received by a party other than the Commission or the third-party obligor; and
4. The Commission is not primarily obligated for the debt service payments.

Prior to bond issuance the Commission determines if the bond meets this definition. Bonds issued that meet the definition of a conduit bond are reportable in note disclosure (see Note 8).

The assets, liabilities and related activities of all other bonds are included in our financial statements.

Bonds Payable

Current interest serial and term bonds are stated at their principal amounts outstanding, net of unamortized bond premium and discount, if any. Certain bonds are variable rate bonds remarketed on a periodic basis and are subject to market rate fluctuation.

Unamortized Bond Premium and Unamortized Bond Discount

Unamortized bond premium and unamortized bond discounts are amortized using the bonds outstanding method.

Bond Issuance Costs

Bond issuance costs, including underwriter's fees, are expensed at issuance.

Compensated Absences

Permanent employees of the Commission earn annual leave, sick leave and may earn compensatory leave or exchange time. Annual leave is earned based on length of service, and an employee may accumulate a maximum of 240 hours. An employee receives compensation for their unused annual leave upon termination. Employees earn eight hours of sick leave per month. Employees receive 25% of the value of accrued sick leave upon retirement or death. Non-exempt work period employees earn compensatory time at the rate of time-and-one-half for more than 40 hours worked in a week, with a maximum accrual of 240 hours. Employees classified as exempt work period employees may earn exchange time for actual time worked beyond their work schedule, up to a maximum of 174 hours. Upon separation or transfer to another agency, the employee may use accumulated, authorized compensatory time to postpone his/her cessation of employment. In consideration of these factors, the Commission accrues all costs associated with compensated absences and 25% of sick leave, including an allowance for payroll taxes.

Net Position

We classify net position into three components:

Restricted net position has constraints placed on use by external parties such as creditors, grants, laws or regulations.

Net investment in capital assets consists of capital assets, net of accumulated depreciation. We do not hold any debt related to capital assets.

Unrestricted net position consists of the remaining assets and liabilities.

When both restricted and unrestricted resources are available in a fund, it is the Commission's policy to spend restricted funds to the extent allowed and only spend unrestricted funds when needed.

Revenue Recognition

We recognize revenue on an accrual basis. The primary source of our revenue is fee income generated on our program activities. We earn fees on bond issues, compliance monitoring, and the sale of MBSs originated in the Home Advantage Program. We record these as fee income on the statement of revenues, expenses and changes in net position and allocate them to the Bond Fund, General Operating Fund, and Program-Related Investments. Fee income by category for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Commission fees	\$ 19,744,247	\$ 16,757,481
Homeownership Program fees	74,334,024	105,210,612
Other program fees	7,771,268	9,741,830
Other income	<u>4,171,621</u>	<u>4,023,763</u>
	<u>\$ 106,021,160</u>	<u>\$ 135,733,686</u>

In addition, we earn interest on mortgage loans outstanding, MBSs and other investments.

Income Taxes

The Commission, as an instrumentality of the state of Washington, is exempt from federal and state income taxes. Accordingly, no provision for income taxes is necessary.

Arbitrage Rebate

We utilize an independent valuation specialist to calculate arbitrage earnings. We accrue any liability and make required payments to the United States Department of the Treasury.

Use of Estimates

The preparation of the statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements. We use estimates in determining the allowance for doubtful accounts, valuation of certain investments, valuation of interest rate swap, arbitrage rebate liability, loan loss provisions, accrued sick leave and other contingencies. Actual results may differ from those estimates.

Risks and Uncertainties

We are authorized to invest in securities and loans that are exposed to interest rate, market, credit and/or other risks. It is possible that changes in the values of these assets will occur in the near term, and those changes could subsequently affect the amounts reported in the statements of net position.

Adoption of a New Accounting Pronouncement

In June 2017, GASB issued Statement No. 87, *Leases*. The statement is intended to improve financial reporting for leases by establishing a single model for lease accounting based on the principle that leases are financing of the right to use an underlying asset. The impact of this statement requires the Commission to recognize a lease liability and intangible right-to-use asset at the present value of future required lease payments, discounted by the Commission's incremental borrowing rate, Prime less 85 basis points. The Commission adopted this pronouncement effective July 1, 2021 and elected to apply the guidance as of July 1, 2021. The impact of this pronouncement on prior fiscal years was a reduction in beginning net position in the current fiscal year of \$174. Due to the immaterial nature of this change, the Commission has elected not to restate prior fiscal year financials.

Note 3 - Cash, Cash Equivalents, and Investments**Cash and cash equivalents**

External entities hold our deposits, exposing them to custodial credit risk, meaning that if an institution fails, we might lose the funds. We minimize this risk by limiting deposits to those entirely covered by the Federal Depository Insurance Corporation (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). As of June 30, 2022 and 2021, cash deposits held by the General Operating Fund met these requirements.

We hold most of our deposits in money market funds or in the Local Government Investment Pool operated by the State Treasurer pursuant to RCW 43.250 in which we are a voluntary participant. We report amortized cost on these funds.

Washington State Housing Finance Commission

Notes to Financial Statements

June 30, 2022 and 2021

Cash and cash equivalents by institution at June 30:

	2022		2021	
JP Morgan Chase	\$ 3,843,882	0.91%	\$ 2,850,247	1.71%
Local Government Investment Pool	417,331,677	98.91%	163,410,882	98.16%
All others	782,966	0.19%	223,107	0.13%
	\$ 421,958,525	100%	\$ 166,484,236	100%

Investments

While RCW 43.180.080(5) grants us the authority to invest our funds, it provides no investment guidelines or restrictions. The State law limits the type and character of investment of “public funds.” Considering our authorizing legislation, Washington State court decisions, and the sources of our dedicated funds, we find that the investment limitations on public funds do not apply to us. However, as a matter of policy, we currently invest our dedicated funds in a manner generally consistent with the investment limitations on public funds. To minimize our exposure to credit risk, we have adopted an investment policy that limits investments, summarized as follows.

The Commission may invest in non-governmental investments, including certificates of deposit, banker’s acceptances, and repurchase agreements. In addition, the following governmental investments are eligible:

1. Treasury bills, notes, and other obligations issued by the United States Department of the Treasury and backed by the full faith and credit of the U.S. government.
2. Federal Home Loan Bank notes and bonds.
3. Federal Land Bank bonds.
4. Federal National Mortgage Association notes, debentures, and guaranteed certificates of participation.
5. The obligations of certain government-sponsored entities whose obligations are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System.
6. Shares of mutual funds with portfolios consisting of only U.S. government bonds or U.S. government guaranteed bonds issued by federal agencies with average maturities of less than four years.

Investments are managed to this policy through an agreement with Nuveen Asset Management.

Custodial credit risk is the risk that we could not recover the value of our investments or collateral security if a depository institution or counterparty fails. We manage this risk by prequalifying institutions that we use to place investments. As of June 30, 2022 and 2021, investment securities were registered and held in our custodian agent’s name.

Washington State Housing Finance Commission

Notes to Financial Statements

June 30, 2022 and 2021

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill their obligations. We manage this risk by limiting investments to those permitted in our investment policies, diversifying the investment portfolio, and prequalifying the institutions where we place the investments.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of our investment in a single issuer. Our policy limits the investment in any single institution (except for United States Government Securities) to no more than 20% of the portfolio.

June 30, 2022	Total Investment	Fair Value Measurements Using Quoted Prices in		
		Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
US Government and Agency Obligations				
US Treasury Notes	\$ 22,474,276	\$ 22,474,276	\$ -	\$ -
US Agencies	18,707,486	-	18,707,486	-
Other Municipal Agencies	3,621,613	-	3,621,613	-
Total General and PRI Fund Investments	<u>\$ 44,803,375</u>	<u>\$ 22,474,276</u>	<u>\$ 22,329,099</u>	<u>\$ -</u>

June 30, 2021	Total Investment	Fair Value Measurements Using Quoted Prices in		
		Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
US Government and Agency Obligations				
US Treasury Notes	\$ 27,241,003	\$ 27,241,003	\$ -	\$ -
US Agencies	17,857,424	-	17,857,424	-
Other Municipal Agencies	2,521,565	-	2,521,565	-
Total General and PRI Fund Investments	<u>\$ 47,619,992</u>	<u>\$ 27,241,003</u>	<u>\$ 20,378,989</u>	<u>\$ -</u>

Washington State Housing Finance Commission

Notes to Financial Statements

June 30, 2022 and 2021

Interest rate risk is the risk that changes in interest rates over time will adversely affect the fair value of an investment. Examining the maturities of our investment securities, listed in the following table, can reveal information about interest rate risk.

June 30, 2022

Type	Total	Maturities (In Years)		
		Less than 1	1-5	>5
US Treasury Notes	\$ 22,474,276	\$ -	\$ 22,474,276	\$ -
US Agencies	18,707,486	1,606,198	17,085,718	15,570
Other government securities	3,621,613	517,894	3,103,719	-
Total General and PRI Fund Investments	<u>\$ 44,803,375</u>	<u>\$ 2,124,092</u>	<u>\$ 42,663,713</u>	<u>\$ 15,570</u>

June 30, 2021

Type	Total	Maturities (In Years)		
		Less than 1	1-5	>5
US Treasury Notes	\$ 27,241,003	\$ 1,995,595	\$ 25,245,408	\$ -
US Agencies	17,857,424	1,961,388	15,712,678	183,358
Other government securities	2,521,565	166,005	2,355,560	-
Total General and PRI Fund Investments	<u>\$ 47,619,992</u>	<u>\$ 4,122,988</u>	<u>\$ 43,313,646</u>	<u>\$ 183,358</u>

Investment Securities – Bond Funds

Single-Family Homeownership Program – The Single-family program indentures require that investments be made with proper regard for the preservation of principal and with maturities that provide sufficient liquidity to meet obligations. During the fiscal years ending June 30, 2022 and 2021, investments held in the Single-family program indentures included non-purpose MBSs and short-term repurchase agreements.

US agencies – During the year, the Commission invests available Single-Family bond fund reserves by purchasing MBSs originated through its Single-Family Homeownership programs in advance of issuing bonds. These investments are recorded at fair market value, however no Non-Purpose MBSs were held June 30, 2022 and 2021.

Washington State Housing Finance Commission

Notes to Financial Statements

June 30, 2022 and 2021

Short-term repurchase agreements – In December 2017, the Commission entered into a Mortgage Loan purchase and sale agreement (ML Liquidity Repurchase Agreement) with our Master Servicer, Idaho Housing & Finance Association (IHFA), to provide funds to the Master Servicer to purchase approved mortgage loans originated under our Home Advantage program. The purpose of this agreement is to promote the continued success of the program by assuring timely purchase of qualified mortgage loans. We intend to hold such loans less than 90 days.

Single Family Bond Program Investments as of June 30, 2022		Fair Value Measurements Using		
Classification/Provider	Total Investment	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Repurchase Agreements Idaho Housing Finance Agency	\$ 43,447,407	\$ -	\$ -	\$ 43,447,407
Total Single Family Bond Program Investments	\$ 43,447,407	\$ -	\$ -	\$ 43,447,407

Single Family Bond Program Investments as of June 30, 2021		Fair Value Measurements Using		
Classification/Provider	Total Investment	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Repurchase Agreements Idaho Housing Finance Agency	\$ 85,321,065	\$ -	\$ -	\$ 85,321,065
Total Single Family Bond Program Investments	\$ 85,321,065	\$ -	\$ -	\$ 85,321,065

Multifamily Housing Program

Cash and cash equivalents of \$179.5 million and \$175.9 million held at June 30, 2022 and 2021, respectively, consist of funds representing collateral for a line of credit supporting our Multifamily Recycling program. This collateral is directed by the line of credit agreement to be held in an account within the Local Government Investment Pool operated by the State Treasurer pursuant to RCW 43.250.

Note 4 - Mortgage-Backed Securities

The Commission uses the proceeds of its Single-family Homeownership Program bonds to purchase mortgage-backed securities. Ginnie Mae, Fannie Mae or Freddie Mac, backed by the full faith and credit of the U.S. government, guarantee the payment of principal and interest on the MBSs.

Washington State Housing Finance Commission

Notes to Financial Statements

June 30, 2022 and 2021

For the fiscal year ended June 30, 2022, the net decrease in fair market value from that of the prior year-end based upon quoted market prices was \$59,779,519 and for the fiscal year ended June 30, 2021, the net decrease in fair market value from that of the prior year-end based upon quoted market prices was \$10,452,926. All MBSs are considered Level 2 instruments. Fair market values as of June 30, 2022 and 2021, were \$521,501,842 and \$574,316,109, respectively. The following table shows the sources of the gains and losses on MBSs on the statements of revenue, expenses, and changes in net position for 2022 and 2021 by program.

	2022			2021		
	Single Family Program Bonds	Homeownership Program Bonds	Total	Single Family Program Bonds	Homeownership Program Bonds	Total
MBS, at fair value	<u>\$ (58,037,649)</u>	<u>\$ (1,741,870)</u>	<u>\$ (59,779,519)</u>	<u>\$ (7,892,552)</u>	<u>\$ (2,560,374)</u>	<u>\$ (10,452,926)</u>

Cumulative unrealized gains (losses) at June 30, 2022 and 2021, were \$(26,466,865) and \$33,312,653, respectively, and are included in the balance of MBSs on the statements of net position.

Note 5 - Mortgage Loans

A summary of mortgage loans outstanding and due to the Commission as of June 30, 2022 and 2021, are shown in the tables below:

June 30, 2022	
Down Payment Assistance and Other Loans Supporting Homeownership	\$ 393,255,235
Multifamily Loans	120,447,168
Other Mortgage Loans Receivable	<u>24,882,579</u>
	538,584,982
Less:	
Allowance for Losses	(13,358,381)
Interfund Loan	<u>(40,000,000)</u>
Net Mortgage Loans	<u>\$ 485,226,601</u>

Washington State Housing Finance Commission

Notes to Financial Statements

June 30, 2022 and 2021

June 30, 2021	
Down Payment Assistance and Other Loans Supporting Homeownership	\$ 392,719,519
Multifamily Loans	75,819,349
Other Mortgage Loans Receivable	21,549,354
	490,088,222
Less:	
Allowance for Losses	(13,509,204)
Interfund Loan	(40,000,000)
Net Mortgage Loans	\$ 436,579,018

Other mortgage loans receivable includes amounts due to the Commission for boutique loan programs including programs to preserve farmland in the state, further energy efficiency development, and the preservation of manufactured housing communities.

Note 6 - Furniture, Fixtures and Equipment

Furniture, fixtures and equipment as shown below at June 30, 2022 and 2021, are included in prepaid fees and other on the statements of net position.

June 30, 2022	Useful Life	July 1, 2021	Increase	June 30, 2022
Furniture, fixtures and equipment	3 to 10 years	\$ 2,107,351	\$ 316,978	\$ 2,424,329
Leasehold improvements	4 to 5 years	176,058	-	176,058
Total assets		2,283,409	316,978	2,600,387
Less accumulated depreciation		(2,202,798)	(95,295)	(2,298,093)
Net book value		\$ 80,611	\$ 221,683	\$ 302,294
June 30, 2021	Useful Life	July 1, 2020	Increase	June 30, 2021
Furniture, fixtures and equipment	3 to 10 years	\$ 2,080,351	\$ 27,000	\$ 2,107,351
Leasehold improvements	4 to 5 years	176,058	-	176,058
Total assets		2,256,409	27,000	2,283,409
Less accumulated depreciation		(2,116,522)	(86,276)	(2,202,798)
Net book value		\$ 139,887	\$ (59,276)	\$ 80,611

Washington State Housing Finance Commission

Notes to Financial Statements

June 30, 2022 and 2021

Note 7 - Leases

As of June 30, 2022, the Commission recognized a total Lease Liability of \$1,407,195, and a Right-of-Use Asset of \$2,281,360. Accumulated amortization of the lease assets totaled \$764,792 at fiscal year-end. During Fiscal Year 2022, the Commission recorded \$760,453 in amortization expense, and \$54,954 in interest expense. The Commission, as a Lessee, records the Right-of-Use Asset and Lease Liability at present value of future lease payments, discounted by the Commission's incremental borrowing rate of Prime, less 85 basis points at the time the lease contract was executed.

The Commission leases an office facility and equipment for various terms under long-term, non-cancelable operating lease agreements. The leases expire at various dates through 2024 and allow for renewal terms of 1 to 5 years.

Lease Activity for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Right to use Leased Assets Being Amortized				
Right to use leased building	\$ -	\$ 2,240,029	\$ -	\$ 2,240,029
Right to use leased equipment	26,035	15,296	-	41,331
Total right to use leased assets being amortized	26,035	2,255,325	-	2,281,360
Less Accumulated Amortization for				
Right to use leased building	-	(746,676)	-	(746,676)
Right to use leased equipment	(4,339)	(13,777)	-	(18,116)
Total accumulated amortization	(4,339)	(760,453)	-	(764,792)
Net right to use leased assets	\$ 21,696	\$ 1,494,872	\$ -	\$ 1,516,568

Remaining obligations associated with these leases are as follows:

Fiscal Years June 30,	Principal	Interest
2023	\$ 696.0	\$ 33.8
2024	711.2	14.1
Total	\$ 1,407.2	\$ 47.9

Note 8 - Bonds and Notes Payable

Single-family mortgage revenue bonds issued by the Commission are limited obligations payable solely from and secured by a pledge of the MBSs (including any insurance payments made with respect thereto), restricted investments, undisbursed bond proceeds and the earnings thereon held under the indenture or financing agreement authorizing the bonds.

Default on our single-family mortgage revenue bonds, including failure to provide punctual payment of the principal amount or any interest installment due, could result in the principal and accrued interest of the outstanding bonds becoming due in full, providing the Trustee receives written consent of at least 25% of the bond owners prior to so declaring.

As of June 30, 2022, we had outstanding bonds of \$503.7 million bearing interest varying in rates as listed below:

	FYE 2022	
	Low	High
Single-family Program	0.25%	5.00%
Homeownership Program	2.45%	3.15%

In addition to the Single-family mortgage revenue bonds the Commission has issued bonds that meet the definition of conduit debt obligations. The proceeds are used by private sector borrowers for the acquisition, construction and rehabilitation of affordable multifamily housing and nonprofit facilities. We have not extended any additional commitments for the debt service payments of the bonds beyond the collateral and the payments on the underlying mortgage or promissory notes and maintenance of the tax-exempt status of the conduit debt obligations. As of June 30, 2022 and 2021, the conduit bonds have an aggregate outstanding principal amount payable of \$6.8 billion and \$6.4 billion, respectively, none of which was recognized as a liability by the Commission.

Municipal Certificates 2021-1 Series A and Series X (the Certificates) of \$571,961,262 were issued May 20, 2021 in a Fixed Income Trust to replace a single note-holding beneficiary of several of the Commission's multifamily bond transactions (the Bond Transactions) with multiple investors (the Certificate holders). The Bond Transactions did not change, and borrowers remain obligated to make all payments under such notes. All assets in each of the Bond Transaction's trust estate are pledged to and pass through to the Certificate holders as the full and complete payment of their investment. The Bond Transactions are included in the Commission's conduit debt outstanding, however, to prevent duplication, the Certificates are not again included in the Commission's conduit debt outstanding.

Derivative Instruments – Interest Rate Swaps

Single-Family Homeownership Program – The Commission has entered into interest rate swap agreements (“swaps”) in connection with issuing variable rate mortgage revenue bonds. The swaps are intended to create debt with synthetic interest rates lower than would have been attainable from long-term fixed rate bonds to achieve our goal of lending to low- and moderate-income first-time homebuyers at below market, fixed interest rates. The swaps are hedging derivative instruments. Additional information, including the fair market value of each swap, is listed below.

Using rates as of June 30, 2022, debt service requirements of the outstanding variable rate debt and associated net swap payments, assuming current interest rates remain the same for their term, are as follows. As rates change, variable rate bond interest payments and net swap payments will vary.

Fiscal Year	Principal	Interest	Interest Rate Swap, Net	Total
2023	\$ 22,500,000	\$ 328,500	\$ 430,875	\$ 23,259,375
2024	22,500,000	82,125	107,719	22,689,844

The terms and counterparty credit ratings of the outstanding swaps as of June 30, 2022, are shown below. The notional amounts of the swaps match principal amounts of the associated debt as of June 30, 2022. The notional amounts are expected to approximately follow scheduled or anticipated reductions in the principal amounts of the associated debt.

Associated Bond Series	Current Notional Amount	Current Principal Amount	Effective Date	Fixed Rate Paid	Rate Received	Fair Value	Swap Termination Date	Counterparty Credit Rating
2018 1N-MM	\$ 22,500,000	\$ 22,500,000	November 28, 2018	2.730%	SIFMA	\$ 106,522	December 1, 2048	Aa2
	<u>\$ 22,500,000</u>	<u>\$ 22,500,000</u>				<u>\$ 106,522</u>		

Our swap advisor estimated the fair values presented in the preceding table. They approximate the termination payments that would have been due had we terminated them as of June 30, 2022. A positive fair value represents the estimated amount receivable by the Commission had we terminated the swaps on June 30, 2022. The interest rate swaps do not have an observable market; therefore, the fair value classification is a Level 3 input.

The International Swap Dealers Association Master Agreement is the model for our swap agreements. They include standard termination events by either party if the other party fails to perform under the terms of the contract. Upon termination, a payment is due to one party irrespective of causality based upon the market value of the swap. We have termination risk if we become liable for termination payments to the counterparty or if we cannot find a replacement to the swaps under favorable financial terms. Our swap contracts reduce this risk by limiting the counterparty’s ability to terminate due to the following Commission actions or events: payment defaults, other defaults that remain uncured for 30 days after notice, bankruptcy, and insolvency.

The terms of the swaps expose us to credit risk with the counterparties on a termination event. The swap agreements contain collateral requirements based upon counterparty credit ratings and the fair value of the swaps. These bi-lateral requirements are established to mitigate potential credit risk exposure. There are no collateral requirements as of June 30, 2022 and 2021.

The Commission may incur amortization risk because we may receive prepayments from the mortgage loans portfolio that cannot be used to call other bonds of the same Series or to cross-call into other Series. The flexibility of our operating policy and other series of bonds, as well as the use of Planned Amortization Class (PAC) Bonds for restricted principal payments, minimizes this risk. Additionally, we may terminate the swaps at market value at any time.

The Commission bears basis risk, the risk that the variable interest payments on our bonds will not equal the variable interest receipts from our swaps. Basis risk exists because we pay a variable rate on its bonds based on a weekly remarketing rate or indexed rate provided by the calculation agent, while we receive a variable rate based upon the weekly SIFMA rate, plus a spread, where applicable, as shown in the preceding table. Basis risk will vary over time due to inter-market conditions. As of June 30, 2022, the interest rate on our variable rate debt with swaps and 1.46% (2018 1N-MM) per annum while the variable interest rate on the corresponding swaps was 0.91% per annum (SIFMA at June 30, 2022). We considered the risk when structuring the related bonds and determined it was within acceptable tolerance levels.

A change in the tax code could fundamentally alter the long-term historical relationship between taxable and tax-exempt short-term interest rates, changing the Commission's receipts under its swap contracts. We determined that it was not economically feasible to transfer this tax risk to the swap counterparties.

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Bond Refunding

The Commission refunds bonds on a current basis. Current refundings result from redemption of the prior bonds within 90 days of the issuance of the new, refunding bonds. During the fiscal year ended June 30, 2022, we refunded one series of bonds increasing debt service by \$163.1 thousand but resulting in an economic gain of \$253.7 thousand as shown in the following table:

REFUNDING ISSUE									
Fiscal Year	Date of Issue	Bond Series	Amount	Premium and Other	Effective Rate	Bond Series	Amount	Reduction in Debt Service	Economic Gain (Loss)
2022	11/30/2021	Single Family Series 2021 2N & Series 2021 2A	\$ 36,828,825	\$ -	3.344%	Series 2013 1A-R/1N-R	\$ 233,670	\$ (163,096)	\$ 253,680
						Series 2014 2A-R	342,616		
						Series 2016 1A-R/1N	745,605		
						Series 2016 2A-R/2N	861,390		
						Series 2017 1A-R 1N	9,392,117		
						Series 2017 2A-R/2N	464,982		
						Series 2017 3N/3N-R/3A-R	4,591,473		
						Series 2018 1N	14,020,000		
						Series 2019 1N	5,635,000		
						Series 2019 2N	69,915		
						Series 2020 2N	299,842		
						Series 2021 1N	172,215		

REFUNDING ISSUE																	
Fiscal Year	Date of Issue	Bond Series	Amount	Premium and Other	Effective Rate	Bond Series	Amount	Reduction in Debt Service	Economic Gain (Loss)								
2021	11/30/2020	Single Family Series 2020 2N	\$ 39,995,486	\$ -	2.305%	Series 2013 1A-R/1N-R	\$ 455,000	\$ 13,194,114	\$ 9,327,632								
						Series 2017 1A-R 1N	1,720,328										
						Series 2017 2A-R/2N	900,000										
						Series 2017 3N/3N-R/3A-R	12,895,860										
						Series 2018 1N	2,735,000										
						Series 2016 1A-R 1N	21,035,000										
						Series 2016 2A-R 2N	185,000										
						Series 2017 1A-R 1N	69,298										
						2021	5/27/2021			Single Family Series 2021 1N	\$ 43,839,784	\$ -	1.787%	Series 2010 1A-R/1N-R	\$ 1,934	\$ 13,241,933	\$ 8,031,641
														HPB Series 2009 AC3/2011 B	13,845,000		
Series 2013 1A-R/1N-R	2,219																
Series 2014 1A-R/1N-R	199																
Series 2015 1A-R/1N	1,493																
Series 2016 1A-R 1N	395,000																
Series 2016 2A-R 2N	6,700,000																
Series 2017 1A-R 1N	2,697,360																
Series 2017 2A-R/2N	7,944,258																
Series 2017 3N/3N-R/3A-R	10,312,177																
Series 2018 1N	772,378																
Series 2019 1N	1,149,923																
Series 2019 2A/2N	8,569																
Series 2020 1A/1N	9,274																

Washington State Housing Finance Commission

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Future Principal and Interest Payments and Bonds Outstanding

Bonds mature in varying amounts through 2052 based on their scheduled terms. However, some may be refinanced or redeemed early. As of June 30, 2022, future principal and interest requirements are as follows:

Fiscal Years June 30,	Total Principal Redemptions	Total Interest Payments	Total Debt Service	Direct Placements		All Other Bonds	
				Total	Total Interest Payments	Total Principal Redemptions	Total Interest Payments
2023	\$ 21,015,000	\$ 13,612,189	\$ 34,627,189	\$ -	\$ 116,455	\$ 21,015,000	\$ 13,495,734
2024	22,475,000	13,220,095	35,695,095	-	116,455	22,475,000	13,103,640
2025	21,540,000	12,772,434	34,312,434	-	116,455	21,540,000	12,655,979
2026	19,550,000	12,293,736	31,843,736	-	116,455	19,550,000	12,177,281
2027	15,310,000	11,827,811	27,137,811	-	116,455	15,310,000	11,711,356
2028–2032	90,270,000	52,213,292	142,483,292	-	582,273	90,270,000	51,631,019
2033–2037	72,195,000	40,499,152	112,694,152	-	582,273	72,195,000	39,916,879
2038–2042	91,301,938	30,694,784	121,996,722	2,451,938	447,110	88,850,000	30,247,674
2043–2047	102,228,352	17,078,513	119,306,865	2,573,352	18,794	99,655,000	17,059,719
2048–2052	47,815,000	2,437,810	50,252,810	-	-	47,815,000	2,437,810
	<u>\$ 503,700,290</u>	<u>\$ 206,649,816</u>	<u>\$ 710,350,106</u>	<u>\$ 5,025,290</u>	<u>\$ 2,212,725</u>	<u>\$ 498,675,000</u>	<u>\$ 204,437,091</u>

Changes in bonds outstanding during the fiscal year ended June 30, 2022, are summarized in the following table:

	June 30, 2021	Issued	Redeemed	June 30, 2022
Direct placement	\$ 7,901,928	\$ -	\$ 2,876,638	\$ 5,025,290
All other bonds and notes	546,600,000	79,525,000	127,450,000	498,675,000
	<u>\$ 554,501,928</u>	<u>\$ 79,525,000</u>	<u>\$ 130,326,638</u>	<u>\$ 503,700,290</u>

Warehouse facility

During the fiscal year ending June 30, 2019, the Commission entered into a repurchase agreement with PlainsCapital Bank to purchase a 100% interest in eligible mortgage loans held by the Commission. This agreement allows us to access short-term funds of up to \$40 million, to meet the liquidity needs in support of our temporary investments in Home Advantage mortgage loans, held in the Single-Family program bond fund. This credit agreement is collateralized by the underlying mortgage loans. Failure of the Commission to make required payments timely could result in immediate demand for payment, our loss of ownership of the underlying collateral and suspension of the agreement. Activity and balances for the fiscal years ending June 30, 2022 and 2021, are summarized in the following table:

	<u>2022</u>	<u>2021</u>
Beginning Balance	\$ 11,444,209	\$ 7,141,235
Draws	259,057,674	237,577,486
Principal Repayments	<u>(265,309,797)</u>	<u>(233,274,512)</u>
Ending Balance	<u>\$ 5,192,086</u>	<u>\$ 11,444,209</u>

Line of Credit Facility

During the fiscal year ending June 30, 2020, the Commission entered into a revolving loan and security agreement ("Line of Credit") with a private lender. Draws on the line are used to make qualified bond redemptions and are fully collateralized by bond prepayments received and deposited into a Local Government Investment Pool account established for this purpose. The line is repaid with proceeds from new bonds issued in conduit programs using recycled volume cap. An equal amount of monies on deposit are provided to the new bond borrower. Failure of the Commission to make required payments timely could result in immediate demand for payment, our loss of ownership of the collateral, loss of the recyclable volume cap preserved, and suspension of the agreement. Draws made during the year totaled \$124,036,487 while repayments were \$120,736,814, leaving a balance outstanding as of June 30, 2022 of \$179,162,253.

Note 9 - Commitments**Mortgage Loans**

The Commission has committed to purchase mortgage loans to the extent qualified loans are available under our Single-Family programs currently in the acquisition phase. Our commitments as of June 30, 2022, totaled \$6,496,227.

Note 10 - Employee Benefit Plans**Deferred compensation plan**

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits our employees to defer a portion of their salaries until future years. The State pays the deferred compensation to employees upon termination, retirement, death, or unforeseeable emergency. We record the funds as salary expense when paid to the State; therefore, neither an asset nor liability is recorded on our financial statements

Retirement (Pension) Plan

The Commission's employees participate in the Public Employees' Retirement System (PERS) of the State. PERS, established by the legislature in 1947, is a cost-sharing multiple-employer retirement system. Membership in the system includes elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of legislative committees; community colleges, college and university employees not in national higher education retirement programs such as TIAA/CREF; judges of district and municipal courts; noncertified employees of school districts, and employees of local government. Approximately 51.3% of PERS salaries are from State employment. Our employees are eligible to participate in Plans 2 and 3. Plan 2 is a defined benefit plan. Plan 3 includes defined benefit and defined contribution components. Each employee is responsible for their plan selection.

Commission employees may retire at the age of 65 with five years of service or at age 55 with 20 years of service. The employee's retirement benefit is the product of three factors, the PERS plan percentage (Plan 2, 2%, Plan 3, 1%), average final compensation (the greatest compensation during any consecutive 60-month period) and years of service. Retirement benefits taken before age 65 are actuarially reduced. A cost-of-living allowance on the benefit is added, based on the Seattle Consumer Price Index, capped at 3% annually. PERS Plans 2 and 3 benefits include duty and non-duty disability payments and a one-time duty-related death benefit.

A combination of investment earnings and employer and employee contributions finance PERS retirement. Employee contributions accrue interest at a rate specified by the Department of Retirement Services (DRS). The DRS-established rate of interest on employee contributions was 5.5%, compounded quarterly. Retirement benefit provisions are established in State statutes and may be amended only by the State legislature. An employee can withdraw their total contributions and interest earnings upon their termination. PERS defined benefits are vested after an employee completes five years of eligible service for Plan 2 participants. For PERS plan 3 participants, defined benefits are vested after ten years of eligible service or after five years if twelve months of that service are earned after age 44.

Each biennium the legislature establishes employer and employee contribution rates. The Office of the State Actuary determines the contribution requirements to fully fund the plan in accordance with chapters RCW 41.40 and 41.45. All employers are required to contribute at the level established by the legislature. PERS Plan 1 accepts no new enrollments, and no Commission employees participate in the plan. However, the employer rate for participants in Plans 2 and 3 includes a component to address the PERS Plan 1 unfunded, actuarial accrued liability.

Washington State Housing Finance Commission

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The Commission and employee required contribution rates and amounts to the pension plan for the fiscal years June 30, 2022 and 2021, are:

	2022		2021	
	Rate	Amount	Rate	Amount
Employer contributions				
Plan 1 component	3.71%	\$ 267,442	4.85%	\$ 347,220
Plan 2 and 3 component	6.54%	458,474	8.10%	566,864
	10.25%	\$ 725,916	12.95%	\$ 914,084
Employee Contributions				
Plan 2	6.36%	\$ 462,569	7.90%	\$ 478,833

Detailed information about the pension plan's fiduciary net position is available in the separately issued DRS financial statements, which are available from:

Washington State Department of Retirement Systems
 PO Box 48380
 Olympia, WA 98504-8380
www.drs.wa.gov

The DRS retirement plans are accounted for in pension trust funds using the flow of economic-resources-measurement focus and the accrual basis of accounting. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. DRS reports investments held by the plans at fair value. As of the most recent period available, fiscal year ended June 30, 2021, DRS reports a total net pension liability for Plan 1 of \$1.2 billion, and a total net pension asset for Plan 2 and 3 of \$10.0 billion.

At June 30, 2022, the Commission recognized its proportionate share of the net pension liability of Plan 1 of \$562,836 and included it in accounts payable and other liabilities within the General Operating Fund. The Commission recognized its proportionate share of the net pension asset of Plan 2 of \$5,925,840 and included it in the prepaid fees and other assets within the General Operating Fund. The net pension liability and asset were measured as of June 30, 2021, and the total pension liability/asset used to calculate the net pension liability/asset was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021. Plan liabilities were rolled forward using each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments. The Commission's proportion of net pension liability was based upon its contributions in relation to all other employer and non-employer contributions to the plan. The Commission's proportions used for measurement of its obligations as of June 30, 2022 and 2021, were:

	2022	2021	Change
Plan 1	0.0466%	0.0471%	-0.00050%
Plans 2 and 3	0.0599%	0.0613%	-0.00140%

The change in Commission proportions was determined to be immaterial, therefore a deferral of the impact of the change was not recognized.

Washington State Housing Finance Commission

Notes to Financial Statements

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For the years ended June 30, 2022 and 2021, the Commission recognized pension expense of \$(1,410,837) and \$139,530, respectively. For those years, we recognized deferred outflows and inflows of resources related to pension obligations from the following sources:

June 30, 2022	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments:		
Plan 1	\$ -	\$ 631,083
Plans 2 and 3	-	4,977,326
Net difference due to change in assumptions		
Plans 2 and 3	-	420,280
Net difference between expected and actual experience		
Plans 2 and 3	219,375	-
Contributions subsequent to the measurement date		
Plans 2 and 3	<u>716,068</u>	<u>-</u>
Total	<u>\$ 935,443</u>	<u>\$ 6,028,689</u>
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
June 30, 2021		
Net difference between projected and actual earnings on pension plan investments:		
Plan 1	\$ -	\$ 7,087
Plans 2 and 3	-	18,378
Net difference due to change in assumptions		
Plans 2 and 3	-	518,485
Net difference between expected and actual experience		
Plans 2 and 3	181,314	-
Contributions subsequent to the measurement date		
Plans 2 and 3	<u>897,546</u>	<u>-</u>
Total	<u>\$ 1,078,860</u>	<u>\$ 543,950</u>

The \$716,068 reported as deferred outflows of resources related to pensions resulting from the Commission's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

Washington State Housing Finance Commission

Notes to Financial Statements

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Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows for years ending June 30:

Years Ended June 30:		
2023	\$	1,527,640
2024		1,424,953
2025		1,360,891
2026		1,482,692
2027		16,798
2028		(3,660)
		\$ 5,809,314

The total pension liability in the June 30, 2019, actuarial valuation which was rolled forward to June 30, 2020, was determined using the following actuarial assumptions.

Actuarial Assumptions

Inflation

Economic	2.75%
Salary	3.50%

Investment rate of return 7.40%

Discount rate 7.40%

Mortality rates were based on the Society of Actuaries' Publication H-2010 mortality rates, and vary by member status (active, retiree, or survivor). The Office of State Actuary applied age offsets for each system and recognized future improvements in mortality by applying the long-term MP-2017 generational improvement scale. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year through his or her lifetime.

The long-term expected rate of return on pension plan investments was determined using a building-block method. The Washington State Investment Board (WSIB) used a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, including inflation) to develop each major asset class. Those expected returns make up one component of the WSIB's Capital Market Assumptions (CMAs). WSIB uses the CMAs and their target asset allocations to simulate future investment returns at various future times. The long-term expected rate of return of 7.4% approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

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The target allocation and best estimates of arithmetic real rates of return for each major asset class (as of PERS year-end June 30, 2020), including an inflation component of 2.20%, are summarized in the following table:

Asset Class	Target Allocation	% Long-Term Expected Rate of Return
Fixed Income	20%	2.20%
Tangible Assets	7%	5.10%
Real Estate	18%	5.80%
Global Equity	32%	6.30%
Private Equity	23%	9.30%
	100%	

The discount rate used to measure the total pension liability was 7.40%. The rate was determined by completing an asset sufficiency test on whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members.

Consistent with current law, the asset sufficiency test included an assumed 7.40% long-term discount rate to determine funding liabilities for calculation of future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.40% future investment rate of return on investment assets was assumed for the test. Contributions from plan members and employers are assumed to continue at contractually required rates. Based upon those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.40% was used to determine the total liability.

The following presents the Commission's proportionate share of the net pension liability calculated using the discount rate of 7.40% as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.40%) or one percentage point higher (8.40%) than the current rate:

	Discount Rate Sensitivity		
	1% Decrease (6.4%)	Current Discount Rate (7.4%)	1% Increase (8.4%)
Plan 1	\$ 969,486	\$ 562,836	\$ 219,913
Plan 2 and 3	\$ (1,699,884)	\$ (5,925,840)	\$ (9,480,979)

Other Postemployment Benefit Plan

Commission employees are eligible to participate in the single employer defined benefit other postemployment benefit (OPEB) plan administered by the State Health Care Authority (HCA). The plan, as authorized through RCW 41.05.065, is designed by the Public Employee Benefits Board (PEBB), created within HCA, and determines the terms and conditions of employee and retired employee participation and coverage, including eligibility criteria. The PEBB OPEB plan benefits are provided in accordance with a substantive plan rather than a formalized contract or plan document and, as such, rely on communication of the plan terms by HCA with employers and plan members as well as the historical practice of plan cost sharing by employers.

The PEBB OPEB plan is funded by monthly contributions with amounts established by the Legislature as a part of the biennium budget process. There are no plan assets, rather the monthly contributions are used to pay for current benefits provided. The plan does not issue a publicly available financial report.

The PEBB retiree OPEB plan is available to employees eligible for retirement electing to continue coverage and pay the administratively established health insurance premiums at the time they retire under the provisions of the retirement plan to which they belong.

Per RCW 41.05.022, retirees who are not yet eligible for Medicare benefits may continue participation in the state's non-Medicare community-rated health insurance risk pool on a self-pay basis. Retirees in this risk pool receive an implicit subsidy because the retired members pay a premium based on the claims experience for active employees and other non-Medicare retirees. The subsidy is valued using the difference between the age-based claims costs and the premium.

Retirees who are enrolled in both Parts A and B of Medicare may participate in the state's Medicare community-rated health insurance risk pool. Medicare retirees receive an explicit subsidy from the reduced premiums. The explicit subsidy is established through an annual recommendation by the HCA administrator which is included in the Governor's budget with the final amount approved by the state Legislature. In calendar year 2022, the explicit subsidy was up to \$183 per enrollee member per month and will remain at \$183 in calendar year 2023.

OPEB implicit and explicit subsidies as well as administrative costs are funded by the required contributions participating employers make. The Commission is required to make monthly contributions on behalf of all active, health care eligible employees (headcount), regardless of enrollment status. The allocation method used by the state to determine our proportionate share of the OPEB related liabilities, deferred inflows, deferred outflows, and expense is the percentage of our headcount as a percentage of the state's total headcount.

This same method is used to determine the transactions subsequent to the measurement date, specifically the retiree portion of premium payments made by agencies on behalf of active, health care eligible employees between the measurement date of June 30, 2021, and the reporting date of June 30, 2022. The portion of health care premiums attributed to retirees for both explicit and implicit subsidies is taken from the Fiscal Year 2021 4th Quarter Update in the PEBB Financial Projection Model (PFPM) from the State Health Care Authority.

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Additional information will be included in the Washington State 2022 Annual Comprehensive Financial Report on OFM's website (www.ofm.wa.gov/accounting/financial-audit-reports/comprehensive-annual-financial-report). Additional information on health care trend rates and other actuarial data is available on the Office of the State Actuary's website (leg.wa.gov/osa).

For fiscal years ending June 30, 2022 and June 30, 2021, HCA reports total OPEB liability of \$6.5 billion and \$6.1 billion, respectively. At June 30, 2022, the Commission recognized its proportionate share of the OPEB liability of \$3,581,199, which is included in accounts payable and other liabilities within the General Operating Fund. The OPEB liability was measured as of June 30, 2021, and the total liability used to calculate the OPEB liability was determined by an actuarial valuation as of June 30, 2021. The Commission's proportion was based upon our headcount in relation to the headcount of all state employees at the same date resulting in allocations of 0.0553% and 0.0568% used for the measurement of its obligations as of June 30, 2022 and 2021, a decrease between years of 0.001%. The impact of this change is included in the related deferred inflows and outflows of resources and amortized over nine years, which is equal to the average expected remaining service lives of all active and inactive members.

As of June 30, 2022, components of the change in our proportionate share of the total OPEB liability are as follows:

Beginning OPEB Liability	\$ 3,439,369
Change in proportionate share	(88,636)
Service cost	178,992
Interest cost	77,359
Differences between expected and actual experience	-
Changes in assumptions	33,052
Changes of benefit terms	-
Benefit payments	(58,937)
Other	-
	-
Ending OPEB Liability	\$ 3,581,199

For the years ended June 30, 2022 and 2021, the Commission recognized OPEB expense of \$133,916 and \$22,934, respectively. For those years recognized deferred outflows and inflows of resources related to the net OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
As of June 30, 2022	\$ 228,069	\$ 649,287
Changes in assumptions	61,258	13,863
Changes in experience	80,594	279,079
Changes in proportion	59,118	-
	-	-
	\$ 429,039	\$ 942,229
Total		

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Notes to Financial Statements

June 30, 2022 and 2021

	Deferred Outflows of Resources	Deferred Inflows of Resources
As of June 30, 2021	\$ 236,503	\$ 811,145
Changes in assumptions	75,454	16,263
Changes in experience	94,026	219,293
Changes in proportion	60,496	-
	\$ 466,479	\$ 1,046,701
Total		

The \$59,118 reported as deferred outflows resulting from transactions subsequent to the measurement date will be recognized as a reduction in the OPEB liability in the year ended June 30, 2022.

Other amounts reported as deferred inflows and deferred outflows of resources will be recognized as OPEB expense in subsequent years as follows:

Years Ended June 30,

2023	\$ (122,433)
2024	(122,433)
2025	(122,433)
2026	(122,437)
2027	(63,055)
Thereafter	(19,517)
	\$ (572,308)

The total OPEB liability at June 30, 2022, was determined using the following actuarial assumptions.

Inflation		
Economic		2.75%
Salary		3.50%
(Salaries are also expected to grow by promotions and longevity)		
Health care trend rates		
Initial rate(s)		2.3% - 11.0%
Expected by 2080		4.30%

Mortality rates were based on the Society of Actuaries' Publication H-2010 mortality rates, and vary by member status (active, retiree, or survivor). The Office of State Actuary applied age offsets for each system and recognized future improvements in mortality by applying the long-term MP-2017 generational improvement scale. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year through his or her lifetime.

Most demographic actuarial assumptions, including mortality and when members are expected to terminate and retire, were based upon the results of the 2013-2018 Demographic Experience Study Report. The post-retirement participation percentages and percentage with spouse coverage were reviewed in 2017. Economic assumptions, including inflation and salary increases, were based on the results of the 2019 Report on Financial Condition and Economic Experience Study.

Because the OPEB benefits are funded on a pay-as-you-go basis, the discount rate used to measure the OPEB liability was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index, which was 2.161% for the June 30, 2021, measurement date.

The following represents the Commission's proportionate share of the OPEB liability calculated using the discount rate of 2.21% as well as what the proportionate share of the OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current rate:

Discount Rate Sensitivity		
	Current	
1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
\$ 4,338,877	\$ 3,581,199	\$ 2,992,110

The table below represents the Commission's proportionate share of the OPEB liability calculated using the health care trend rates range of 2-11% percent reaching an ultimate range of 4.3%, as well as what our proportionate share of the total OPEB liability would be if it were calculated using health care trend rates that were one percentage point lower (1-10%) or one percentage point higher (3-12%) than the current rate:

Health Care Cost Trend Sensitivity		
	Current	
1% Decrease	Discount Rate	1% Increase
\$ 2,889,226	\$ 3,581,199	\$ 4,516,289

Note 11 - Risk Management

The Commission is subject to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters and acts of terrorism for which we carry commercial insurance. As of June 30, 2022, there were no known asserted or unasserted claims or judgments against the Commission.

The Commission may be subject to various threatened or pending legal actions, contingencies, and commitments in the normal course of conducting its business. We provide for costs or income related to a settlement of these matters when a loss or gain is probable, and the amount can be reasonably estimated. The effect of the outcome of these matters on our future results of operations and liquidity is not predictable because any such effect depends on future results of operations and the amount and timing of the resolution of any such matters. However, we believe that the ultimate resolution of any such matters will not have a material adverse or beneficial effect on our financial position.

Note 12 - Related Party Transactions

Charges for Services	2022	2021
Washington Higher Education Facilities Authority	\$ 288,274	\$ 304,420
Tobacco Settlement Authority	35,414	40,559
Receivable From		
Washington Higher Education Facilities Authority	\$ 69,396	\$ 79,396
Tobacco Settlement Authority	6,541	8,503



Required Supplementary Information
June 30, 2022 and 2021

Washington State Housing Finance Commission

Washington State Housing Finance Commission
Schedule of Proportionate Share of Net Pension Liability
Years Ended June 30, 2022

Schedule of Proportionate Share of Net Pension Liability

PLAN 1	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
WSHFC's portion of net pension liability	0.0466%	0.0471%	0.0465%	0.0462%	0.0455%	0.0439%
WSHFC's proportionate share of the net pension liability	\$ 562,836	\$ 1,646,824	\$ 1,790,818	\$ 2,052,105	\$ 2,168,328	\$ 2,361,147
WSHFC's covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
WSHFC's proportionate share of the net pension liability as a percentage of its covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	88.74	68.64%	67.12%	63.22%	61.24%	57.03%
 PLAN 2 and 3						
WSHFC's portion of net pension liability (asset)	0.0599%	0.0613%	0.0600%	0.0594%	0.0586%	0.0564%
WSHFC's proportionate share of the net pension liability	\$ (5,925,840)	\$ 820,030	\$ 604,966	\$ 1,023,732	\$ 2,030,714	\$ 2,845,451
WSHFC's covered employee payroll	\$ 7,208,684	\$ 7,175,419	\$ 6,526,599	\$ 6,157,091	\$ 5,762,602	\$ 5,293,776
WSHFC's proportionate share of the net pension liability as a percentage of its covered employee payroll	-82.20%	11.43%	9.27%	16.63%	35.24%	53.75%
Plan fiduciary net position as a percentage of the total pension liability	120.29%	97.22%	97.77%	95.77%	90.97%	85.82%

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Washington State Housing Finance Commission
Schedule of Contributions
Years Ended June 30, 2022

Schedule of Contributions

	2022	2021	2020	2019	2018	2017
PLAN 1						
Statutorily-required contributions	\$ 347,322	\$ 341,322	\$ 333,507	\$ 309,065	\$ 273,962	\$ 249,236
Contributions related to the statutorily-required contributions	347,322	341,322	333,507	309,065	273,962	249,236
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WSHFC's covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Contribution as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
PLAN 2 and 3						
Statutorily-required contributions	\$ 567,569	\$ 565,120	\$ 490,407	\$ 458,084	\$ 357,892	\$ 325,504
Contributions in related to the statutorily-required contributions	567,569	565,120	490,407	458,084	357,892	325,504
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WSHFC's covered-employee payroll	\$ 7,208,684	\$ 7,175,419	\$ 6,526,599	\$ 6,157,091	\$ 6,157,091	\$ 6,157,091
Contribution as a percentage of covered-employee payroll	7.87%	7.88%	7.51%	7.44%	6.21%	6.15%

Plan 1 – No Commission employees are eligible for PERS 1. Commission contributions are required in order to address the PERS 1 unfunded actuarial accrued liability. Therefore, covered payroll and contributions as a percentage of covered payroll is not applicable to Plan 1.

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Washington State Housing Finance Commission
Schedule of Proportionated Share of OPEB Liability
Years Ended June 30, 2022

Schedule of Proportionate Share of OPEB Liability

	2022	2021	2020	2019	2018
WSHFC's portion of OPEB Liability	0.05534%	0.05680%	0.05985%	0.05805%	0.05840%
WSHFC's proportionate share of the OPEB liability	\$ 3,581,199	\$ 3,439,369	\$ 3,473,340	\$ 2,948,312	\$ 3,399,762
WSHFC covered employee payroll	\$ 7,208,684	\$ 7,175,419	\$ 6,526,599	\$ 6,157,091	\$ 5,762,602
WSHFC's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	49.68%	47.93%	53.22%	47.88%	59.00%
	2022	2021	2020	2019	2018
Statutorily-required contributions	\$ -	\$ 161,040	\$ 148,176	\$ 132,450	\$ 130,800
Contributions related to the statutorily-required contributions	-	161,040	148,176	132,450	130,800
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -
WSHFC's covered-employee payroll	\$ 7,208,684	\$ 7,175,419	\$ 6,526,599	\$ 6,157,091	\$ 5,762,602
Contribution as a percentage of covered-employee payroll	2.19%	2.24%	2.27%	2.15%	2.27%
Total number of monthly insurance payments	864	880	882	883	872
Monthly contribution	\$ 183	\$ 183	\$ 168	\$ 150	\$ 150
Total	\$ 158,112	\$ 161,040	\$ 148,176	\$ 132,450	\$ 130,800

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



Supplementary Information
June 30, 2022 and 2021

Washington State Housing Finance Commission

Washington State Housing Finance Commission
Schedule of Program Net Position
June 30, 2022

Assets and Deferred Outflows of Resources	Restricted Bond Fund			Program-Related Investments	General Operating Fund	2022	2021
	Single-family Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program				
Cash and Cash Equivalents	\$ 143,244,342	\$ 3,000,780	\$ 179,497,314	\$ 218,053,302	\$ 203,905,223	\$ 747,700,961	\$ 497,479,516
Investments							
U.S. government and agencies securities	-	-	-	40,228,570	4,574,805	44,803,375	47,619,992
Investment agreements and other investments	38,447,407	5,000,000	-	-	-	43,447,407	85,321,065
	<u>38,447,407</u>	<u>5,000,000</u>	<u>-</u>	<u>40,228,570</u>	<u>4,574,805</u>	<u>88,250,782</u>	<u>132,941,057</u>
Accrued Interest Receivable	1,617,302	176,161	-	2,794,220	224,495	4,812,178	3,638,791
Fees Receivable, Net	-	-	-	-	10,392,298	10,392,298	11,782,688
Other Receivables	1,342,461	-	-	236,381	-	1,578,842	1,788,020
Interfund Loans	(40,000,000)	-	-	40,000,000	-	-	-
Mortgage-Backed Securities, Cost	529,951,442	18,017,265	-	-	-	547,968,707	541,003,456
Cumulative unrealized gain (loss) on mortgage-backed securities	(26,825,760)	358,895	-	-	-	(26,466,865)	33,312,653
Mortgage-Backed Securities, fair value	<u>503,125,682</u>	<u>18,376,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>521,501,842</u>	<u>574,316,109</u>
Mortgage Loans, Net	-	-	-	485,226,601	-	485,226,601	436,579,018
Prepaid Fees And Other	-	-	-	-	8,202,680	8,202,680	498,719
Total assets	<u>647,777,194</u>	<u>26,553,101</u>	<u>179,497,314</u>	<u>786,539,074</u>	<u>227,299,501</u>	<u>1,867,666,184</u>	<u>1,659,023,918</u>
Deferred Outflows Of Resources	<u>(106,522)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,364,481</u>	<u>1,257,959</u>	<u>3,452,856</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 647,670,672</u>	<u>\$ 26,553,101</u>	<u>\$ 179,497,314</u>	<u>\$ 786,539,074</u>	<u>\$ 228,663,982</u>	<u>\$ 1,868,924,143</u>	<u>\$ 1,662,476,774</u>

Washington State Housing Finance Commission
Schedule of Program Net Position
June 30, 2022

Liabilities, Deferred Inflows of Resources, and Net Position	Restricted Bond Fund			Program- Related Investments	General Operating Fund	2022	2021
	Single-family Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program				
Accounts Payable and Other							
Liabilities	\$ 30,354,262	\$ -	\$ -	\$ 34,639,734	\$ 10,544,672	\$ 75,538,668	\$ 77,880,055
Accrued Interest Payable	1,114,840	33,843	335,061	1,185,950	-	2,669,694	1,392,802
Unearned Revenue and Other	-	-	-	-	184,367,145	184,367,145	15,248,392
Derivative Instrument - Interest							
Rate Swap	(106,522)	-	-	-	-	(106,522)	1,907,517
Notes Payable	5,192,086	-	179,162,253	48,001,900	-	232,356,239	187,306,788
Bonds Payable							
Current interest bonds	457,465,000	-	-	-	-	457,465,000	498,220,000
Taxable bonds	32,573,352	13,661,938	-	-	-	46,235,290	56,281,928
Unamortized bond premium	13,240,689	-	-	-	-	13,240,689	10,614,772
Total bonds payable	<u>503,279,041</u>	<u>13,661,938</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>516,940,979</u>	<u>565,116,700</u>
Total liabilities	<u>539,833,707</u>	<u>13,695,781</u>	<u>179,497,314</u>	<u>83,827,584</u>	<u>194,911,817</u>	<u>1,011,766,203</u>	<u>848,852,254</u>
Deferred Inflows of Resources	<u>1,757,559</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,970,918</u>	<u>8,728,477</u>	<u>3,248,429</u>
Net Position							
Restricted							
Bond operations	106,079,406	12,857,320	-	-	-	118,936,726	168,564,329
Net Pension Asset	-	-	-	-	5,925,839	5,925,839	-
Grants and donations to program-related investments	-	-	-	809,424	-	809,424	809,424
Net investment in capital assets	-	-	-	-	411,667	411,667	80,611
Unrestricted							
General operations	-	-	-	-	19,947,236	19,947,236	23,967,853
Housing Washington	-	-	-	-	496,505	496,505	473,047
Program-related investments	-	-	-	701,902,066	-	701,902,066	616,480,827
Total net position	<u>106,079,406</u>	<u>12,857,320</u>	<u>-</u>	<u>702,711,490</u>	<u>26,781,247</u>	<u>848,429,463</u>	<u>810,376,091</u>
Total Liabilities, Deferred Inflow of and Net Position	<u>\$ 647,670,672</u>	<u>\$ 26,553,101</u>	<u>\$ 179,497,314</u>	<u>\$ 786,539,074</u>	<u>\$ 228,663,982</u>	<u>\$ 1,868,924,143</u>	<u>\$ 1,662,476,774</u>

Washington State Housing Finance Commission
Schedule of Program Revenues, Expenses, and Changes in Program Net Position
Year Ended June 30, 2022

	Restricted Bond Fund			Program- Related Investments	General Operating Fund	2022	2021
	Single-family Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program				
Revenues							
Interest earned on mortgage loans and mortgage-backed securities	\$ 16,658,136	\$ 924,400	\$ -	\$ -	\$ -	\$ 17,582,536	\$ 21,391,114
Other interest and investment income (loss)	2,850,121	205,614	537,533	-	(1,364,729)	2,228,539	2,757,571
Gain (loss) on mortgage-backed securities	(58,037,649)	(1,741,869)	-	-	-	(59,779,518)	(10,452,926)
Other fee income	239,322	57,745	-	58,863,511	46,860,582	106,021,160	135,733,686
Nonoperating revenues - grants	-	-	-	-	7,759,552	7,759,552	3,696,435
Total revenues	(38,290,070)	(554,110)	537,533	58,863,511	53,255,405	73,812,269	153,125,880
Expenses							
Interest on debt	14,742,023	513,798	525,659	1,394,329	-	17,175,809	18,518,909
Amortization of bond premium	(2,182,108)	-	-	-	-	(2,182,108)	(1,434,908)
Bond issuance costs	899,256	-	-	-	-	899,256	1,225,829
Servicing and commission fees	1,053,709	57,746	-	-	-	1,111,455	1,204,588
Salaries and wages	-	-	-	-	7,352,176	7,352,176	8,789,791
Communication and office expense	-	-	-	-	2,161,921	2,161,921	2,048,091
Professional fees	-	-	11,874	-	1,498,915	1,510,789	1,259,436
Trustee and paying agent fees	82,326	6,070	-	-	-	88,396	99,964
Other	55,172	-	-	(173,521)	-	(118,349)	604,703
Nonoperating expenses - grants	-	-	-	-	7,759,552	7,759,552	3,696,435
Total expenses	14,650,378	577,614	537,533	1,220,808	18,772,564	35,758,897	36,012,838
Excess (Deficit) of Revenues Over Expenses	(52,940,448)	(1,131,724)	-	57,642,703	34,482,841	38,053,372	117,113,042
Change in Net Position	(52,940,448)	(1,131,724)	-	57,642,703	34,482,841	38,053,372	117,113,042
Net Position, Beginning of Year	154,575,285	13,989,044	-	617,290,251	24,521,511	810,376,091	693,263,049
Contribution (Distribution) of Equity	4,444,569	-	-	27,778,536	(32,223,105)	-	-
Net Position, End of Year	\$ 106,079,406	\$ 12,857,320	\$ -	\$ 702,711,490	\$ 26,781,247	\$ 848,429,463	\$ 810,376,091

Washington State Housing Finance Commission
Schedule of Program Cash Flows
Year Ended June 30, 2022

	Restricted Bond Fund			Program-Related Investments	General Operating Fund	June 30, 2022
	Single-family Housing Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program			
Operating Activities						
Receipts for interest on mortgages	\$ 16,606,822	\$ 953,369	\$ -	\$ -	\$ -	\$ 17,560,191
Receipts for other fee income	607,798	57,745	-	57,628,598	229,640,958	287,935,099
Receipts for loans and mortgage prepayments	126,735,947	7,893,729	-	99,875,762	-	234,505,438
Payments for acquisition of loans and mortgages	(141,450,799)	-	-	(148,372,522)	-	(289,823,321)
Payments for bond program expenses	(1,803,446)	(64,206)	-	-	-	(1,867,652)
Payments to employees and suppliers	-	-	(11,874)	45,489,041	(25,727,917)	19,749,250
Net Cash from (used for) Operating Activities	<u>696,322</u>	<u>8,840,637</u>	<u>(11,874)</u>	<u>54,620,879</u>	<u>203,913,041</u>	<u>268,059,005</u>
Investing Activities						
Purchase of investments	(1,098,061,873)	-	-	2,600,677	-	(1,095,461,196)
Sale of investments	1,139,935,531	-	-	-	215,939	1,140,151,470
Interest received on investments	2,767,509	135,621	537,533	-	(1,431,678)	2,008,985
Net Cash from (used for) Investing Activities	<u>44,641,167</u>	<u>135,621</u>	<u>537,533</u>	<u>2,600,677</u>	<u>(1,215,739)</u>	<u>46,699,259</u>
Noncapital Financing Activities						
Proceeds from sale of bonds and notes	84,636,825	-	-	-	-	84,636,825
Proceeds from collateralized loans	259,057,674	-	124,036,487	-	-	383,094,161
Repayments of collateralized loans	(265,309,797)	-	(120,736,814)	-	-	(386,046,611)
Interest paid on debt	(15,129,423)	(538,711)	(226,423)	-	-	(15,894,557)
Debt repayments	(121,489,890)	(8,836,747)	-	-	-	(130,326,637)
Contributions	4,444,569	-	-	27,778,536	(32,223,105)	-
Net Cash from (used for) Noncapital Financing Activities	<u>(53,790,042)</u>	<u>(9,375,458)</u>	<u>3,073,250</u>	<u>27,778,536</u>	<u>(32,223,105)</u>	<u>(64,536,819)</u>
Net Increase (Decrease) In Cash and Cash Equivalents	(8,452,553)	(399,200)	3,598,909	85,000,092	170,474,197	250,221,445
Cash and Cash Equivalents, Beginning of Year	151,696,895	3,399,980	175,898,405	133,053,210	33,431,026	497,479,516
Cash and Cash Equivalents, End of Year	<u>\$ 143,244,342</u>	<u>\$ 3,000,780</u>	<u>\$ 179,497,314</u>	<u>\$ 218,053,302</u>	<u>\$ 203,905,223</u>	<u>\$ 747,700,961</u>

Washington State Housing Finance Commission
Schedule of Program Cash Flows
Year Ended June 30, 2022

	Restricted Bond Fund			Program-Related Investments	General Operating Fund	June 30, 2022
	Single-family Housing Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program			
Reconciliation of Excess (Deficit) of Revenues Over Expenses to Net Cash from (used for) Operating Activities						
Excess (deficit) of revenues over expenses	\$ (52,940,448)	\$ (1,131,724)	\$ -	\$ 57,642,703	\$ 34,482,841	\$ 38,053,372
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash from operating activities						
Amortization of mortgage discount	(144,150)	-	-	-	-	(144,150)
Amortization of mortgage premium	22	-	-	-	-	22
Amortization of bond premium	(2,182,108)	-	-	-	-	(2,182,108)
Acquisition of mortgage loans	(141,450,799)	-	-	(148,372,522)	-	(289,823,321)
Repayments of mortgage loans	126,735,947	7,893,729	-	99,875,762	-	234,505,438
Unrealized (gain) loss on securities	58,037,649	1,741,869	-	-	-	59,779,518
Cash from changes in operating assets and liabilities						
Interest and other receivables	(2,388,829)	(176,645)	(537,533)	(1,385,737)	(5,674,658)	(10,163,402)
Interest and other payables	15,029,038	513,408	525,659	46,860,673	175,104,858	238,033,636
Net Cash from (used for) Operating Activities	<u>\$ 696,322</u>	<u>\$ 8,840,637</u>	<u>\$ (11,874)</u>	<u>\$ 54,620,879</u>	<u>\$ 203,913,041</u>	<u>\$ 268,059,005</u>

Washington State Housing Finance Commission
Schedule of Notes and Bonds Payable
Year Ended June 30, 2022 with Comparative Totals for 2021

Series	Issue Date	Original Amount	Final Maturity Date	Balance Outstanding	
				6/30/2022	6/30/2021
Single-family (Open Indenture)					
Single-family Series 2013 1A-R/1N-R	3/27/2013	62,515,000	6/1/2043	\$ 19,405,000	\$ 21,325,000
Single-family Series 2014 1A-R/1N-R	1/28/2014	36,700,000	6/1/2043	-	285,000
Single family Series 2014 2A-R 2N 2N-R	12/18/2014	50,515,000	6/1/2044	5,790,000	8,675,000
Single-family Series 2015 1A-R/1N	12/10/2015	63,845,000	6/1/2038	16,125,000	22,840,000
Single family Series 2016 1A-R 1N VR-1N	5/26/2016	65,500,000	12/1/2046	32,305,000	38,480,000
Single family Series 2016 2A-R 2N	11/30/2016	67,045,000	12/1/2046	28,865,000	40,315,000
Single family Series 2017 1A-R 1N	4/27/2017	67,370,000	12/1/2047	15,690,000	37,955,000
Single family Series 2017 2A-R/2N	9/28/2017	35,230,000	6/1/2047	13,835,000	19,340,000
Single family Series 2017 3N/3N-R/3A-R	12/28/2017	70,475,000	12/1/2047	15,205,000	26,725,000
Single family Series 2018 1N/1N-MM	10/18/2018	98,190,000	12/1/2048	55,845,000	76,145,000
Single Family Series 2019 1N	3/20/2019	78,210,000	6/1/2049	24,405,000	47,720,000
Single Family Series 2019 2A/2N	11/26/2019	38,535,000	12/1/2049	34,775,000	37,035,000
Single Family Series 2020 1A/1N	5/28/2020	41,765,000	6/1/2050	38,490,000	40,775,000
Single Family Series 2020 2N	11/30/2020	38,835,000	12/1/2050	37,235,000	38,675,000
Single Family Series 2021 1N	5/27/2021	71,630,000	12/1/2049	70,390,000	71,630,000
Single Family Series 2022 1A/1N	11/30/2021	79,525,000	6/1/2051	79,105,000	-
Special Single family	10/18/2012	26,171,376	10/1/2042	2,573,352	4,083,242
				490,038,352	532,003,242
Unamortized Bond Premium				13,240,689	10,614,772
				<u>\$ 503,279,041</u>	<u>\$ 542,618,014</u>
Homeownership Program Bonds					
Homeownership Program Bonds 09 AC2/11 A	3/24/2011	99,990,000	10/1/2041	\$ -	\$ 300,000
Homeownership Program Bonds 2013A	1/30/2013	23,675,203	3/1/2040	2,451,938	3,818,686
Homeownership Program Bonds 2015 AB	5/28/2015	69,370,000	5/1/1941	11,210,000	18,380,000
				13,661,938	22,498,686
Unamortized Bond Premium				-	-
				<u>\$ 13,661,938</u>	<u>\$ 22,498,686</u>

HB 1149/SB 5202

Washington Housing Crisis Response Referendum Proposal

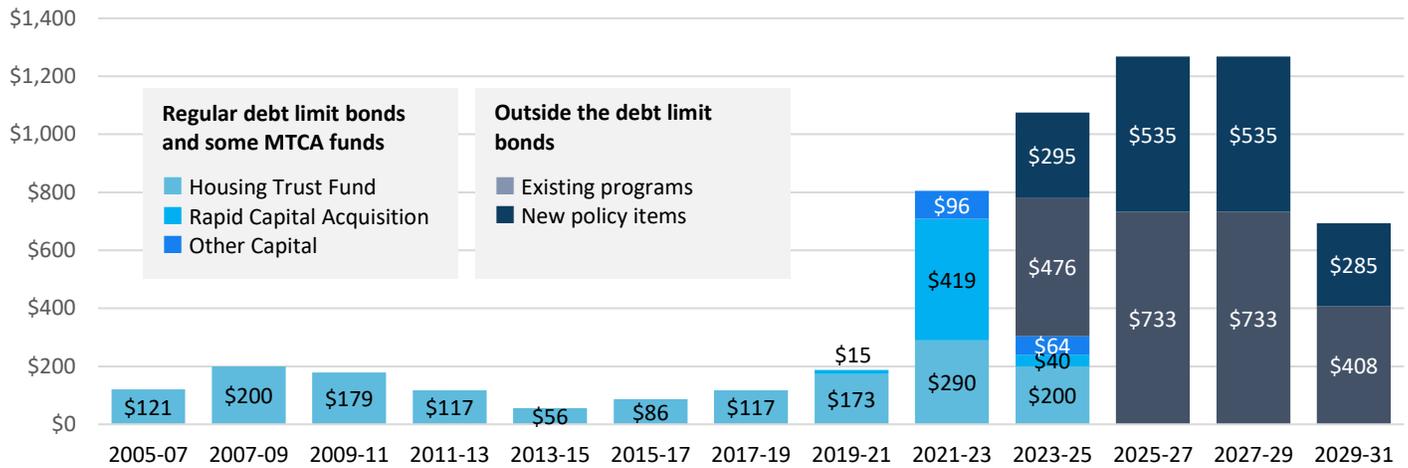
HB 1149 and SB 5202

The bill authorizes the sale of up to \$4 billion in general obligation bonds to address the housing crisis. The governor’s proposed 2023-25 capital budget appropriates \$771 million of that \$4 billion for programs to reduce homelessness and address housing affordability. The remaining bond amounts would be spent in future biennia, as shown in the chart below.

A simple majority vote is required in the Legislature to place the referendum on the ballot in the next general election, where a majority vote is also required.

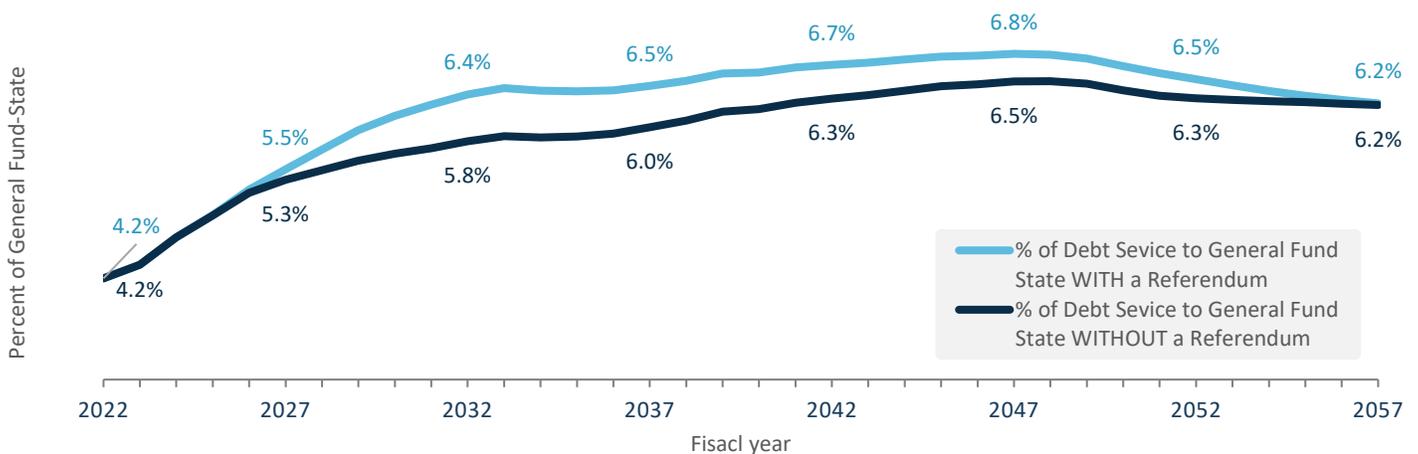
Governor’s proposed capital budget housing and homelessness investments

Dollars in millions



Debt service comparison:

Existing and future planned debt services, with and without the housing referendum



Debt Service

The referendum bonds would be subject to the full faith and credit of the state and repaid from the General Fund-State. Debt services from housing referendum will add between 0.1 percent and 0.5 percent relative to the projected GF-S revenues.

The governor's 2023-25 capital budget includes the following appropriations with the referendum bonds:

- **\$440 million for the Housing Trust Fund Multi-Family Housing:** New construction of affordable housing units that benefit low-income and special needs populations including, people with chronic mental illness and people who are homeless.
 - **\$100 million for permanent supportive housing for Apple Health and Home:** Housing combined with voluntary services to support persons with complex and disabling behavioral health or physical health conditions who are experiencing homelessness.
 - **\$75 million for the Housing Trust Fund homeownership opportunities and down payment assistance:** Increased grants to nonprofits to provide funding assistance to low-income homebuyers and first-time homebuyers, down payment and closing costs assistance.
 - **\$60 million for rapid capital housing acquisition for unsheltered people living outside:** Acquire real property for a rapid conversion into enhanced emergency shelters, permanent supportive housing, or other types of housing to move people experiencing unsheltered homelessness into safe spaces.
 - **\$50 million for affordable housing preservation:** Housing Trust Fund portfolio preservation, continuing affordability, and other preservation projects across the state.
 - **\$50 million for affordable housing connections to basic infrastructure:** Grants to local governments for reducing the cost for affordable housing to connect to regional water, sewer, and stormwater systems.
 - **\$25 million for housing for people with developmental disabilities:** Increased funding for affordable housing projects that serve and benefit low-income people with developmental or intellectual disabilities.
 - **\$8 million for community mobile home parks preservation and acquisition:** Preserves mobile home community as a nonprofit, or co-op run affordable housing project, benefitting people and households at or below 80% of the area median income.
 - **\$50 million for transit-oriented housing development partnership:** Match private investment for grants to for-profit and non-profit housing developers, and public entities to carry out projects designed to increase the supply and affordability of transit-orientated housing. This is a new program.
 - **\$50 million for Workforce Housing Accelerator Revolving Loan Fund:** A new workforce housing accelerator revolving loan fund, administered by the Washington State Housing Finance Commission, to finance affordable housing for low-income households.
 - **\$35 million for the Housing Finance Commission Land Acquisition Program:** One-time funding to support program that helps developers purchase land for affordable housing (rental or homeownership) developments.
 - **\$15 million to expedite permitting and increase capacity (pilot program):** Supports proposed legislation requiring local governments to exempt project permits for simple interior alterations and establish two grant programs to make the local permitting process easier and faster.
 - **\$10 million for affordable housing predevelopment and preconstruction:** Grants for project design, architectural and engineering, bid documents, environmental and archeological studies, and other preliminary phases of development necessary to accelerate the completion of affordable multifamily housing and homeownership projects.
- Behavioral Health:**
- **\$40 million additional funding for the Behavioral Health Capacity Grants:** Grants to specialty facilities such as dementia care, crisis stabilization, intensive behavioral health facilities, and child and youth focused facilities.
 - **\$55 million for Diversion and Recovery Community Capacity Grants:** a new program in the Department of Health and Social Services to develop behavioral health diversion and treatment facilities for individuals with serious mental illnesses involved in or at risk of becoming involved in the criminal justice system.

During this period, bond proceeds were disbursed on behalf of bonds where the project purpose meets our objectives as follows:

- 1 ***New Construction for multifamily and nonprofit housing solutions with units set aside for low to moderate incomes (up to 60% of median income) and set asides for individuals with disabilities. Also Washington Works program as noted***

<u>Issue/Project Name</u>	<u>Project Location</u>
Station by Vintage Supplemental	Covington
Quinn by Vintage Supplemental	Shoreline
Pointe by Vintage Supplemental	Des Moines
Samma Senior Apartments	Bothell
Grand Street Commons	Seattle
Mirabeau Townhomes	Spokane Valley
Evergreen Ridge Apartments	Bellingham
Bryant Manor Redevelopment Phase I	Seattle
Ovation at Paine Field	Everett
Village at 47th	Tukwila
Millworks Family Housing	Bellingham

- 2 ***Acquisition and Rehabilitation for multifamily and nonprofit housing solutions with units set aside for low to moderate incomes (up to 50% of median income) and set asides for individuals with disabilities. Also Washington Works program as noted***

<u>Issue/Project Name</u>	<u>Project Location</u>
Redondo TOD - Phase I	Federal Way
Pine Ridge Apartments	SeaTac
Marina Club Apartments	Des Moines
Redondo Heights TOD - Phase II	Federal Way
Eastern and NP Hotel Rehabilitation	Seattle

- 3 ***Acquisition or Refunding and rehabilitation or Construction Project for the Elderly with set asides for low to moderate income households***

<u>Issue/Project Name</u>	<u>Project Location</u>
Englewood Gardens	Yakima

- 4 ***Acquisition & rehabilitation or expansion and renovation Project of Nonprofit community based facilities***

<u>Issue/Project Name</u>	<u>Project Location</u>
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- 5 ***New construction of Nonprofit community based facilities***

<u>Issue/Project Name</u>	<u>Project Location</u>
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- 6 ***Rehabilitation and/or Refunding of bonds issued for Nonprofit community based facilities, may include additional acquisition***

<u>Issue/Project Name</u>	<u>Project Location</u>
Mirabella Refunding	Seattle
Lake Washington Girls Middle School	Seattle
Giddens School	Seattle
Franke Tobey Jones	Tacoma
Horizon House	Seattle

- 7 ***Single Family bond issues used to fund the purchase of loans for first time home buyers and provide a current refunding of several older issues to reduce bond yield.***

SF 22 1A & 1N	Various
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- 8 ***Beginning Farmer Rancher Loans***

James and Kristin L	Farmington
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Events Calendar

Date	1/26/2023	Length of Event	10:00 AM - 4:00 PM
Event	Board Meeting & Work Session (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	2/23/2023	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	3/23/2023	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	3/27/2023	Length of Event	All day
Event	2023 NCSHA Leg. Conference	Audience	Conf. Attendees
Address	Hilton Wash. DC Nat'l. Mall The Wharf Hote	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/28/2023	Length of Event	All day
Event	2023 NCSHA Leg. Conference	Audience	Conf. Attendees
Address	Hilton Wash. DC Nat'l. Mall The Wharf Hote	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/29/2023	Length of Event	All day
Event	2023 NCSHA Leg. Conference	Audience	Conf. Attendees
Address	Hilton Wash. DC Nat'l. Mall The Wharf Hotel	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	4/27/2023	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	5/22/2023	Length of Event	TBD
Event	Board Meeting/Planning Session (Hybrid)	Audience	General Public
Address	Zoom/Meeting Location TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	5/23/2023	Length of Event	TBD
Event	Board Meeting/Planning Session (Hybrid)	Audience	General Public
Address	Zoom/Meeting Location TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/13/2023	Length of Event	All day
Event	2023 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Sheraton Grand Seattle Hotel	Division	Administration
City	Seattle, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/14/2023	Length of Event	All day
Event	2023 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Sheraton Grand Seattle Hotel	Division	Administration
City	Seattle, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/15/2023	Length of Event	All day
Event	2023 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Sheraton Grand Seattle Hotel	Division	Administration
City	Seattle, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/16/2023	Length of Event	All day
Event	2023 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Sheraton Grand Seattle Hotel	Division	Administration
City	Seattle, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/22/2023	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	7/27/2023	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	8/24/2023	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	9/28/2023	Length of Event	10:00 AM - 4:00 PM
Event	Board Meeting & Work Session (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	10/3/2023	Length of Event	TBD
Event	Housing Washington 2023 Conference	Audience	Conf. Attendess
Address	Greater Tacoma Convention Center	Division	Administration
City	Tacoma	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/4/2023	Length of Event	TBD
Event	Housing Washington 2023 Conference	Audience	Conf. Attendess
Address	Greater Tacoma Convention Center	Division	Administration
City	Tacoma	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/5/2023	Length of Event	TBD
Event	Housing Washington 2023 Conference	Audience	Conf. Attendess
Address	Greater Tacoma Convention Center	Division	Administration
City	Tacoma	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/14/2023	Length of Event	All day
Event	2023 NCSHA Ann'l. Conf. & Showplace	Audience	Conf. Attendees
Address	Sheraton Boston Hotel	Division	Administration
City	Boston, MA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/15/2023	Length of Event	All day
Event	2023 NCSHA Ann'l. Conf. & Showplace	Audience	Conf. Attendees
Address	Sheraton Boston Hotel	Division	Administration
City	Boston, MA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/16/2023	Length of Event	All day
Event	2023 NCSHA Ann'l. Conf. & Showplace	Audience	Conf. Attendees
Address	Sheraton Boston Hotel	Division	Administration
City	Boston, MA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/17/2023	Length of Event	All day
Event	2023 NCSHA Ann'l. Conf. & Showplace	Audience	Conf. Attendees
Address	Sheraton Boston Hotel	Division	Administration
City	Boston, MA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/26/2023	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	11/16/2023	Length of Event	10:00 AM - 4:00 PM
Event	Board Meeting & Work Session (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	12/7/2023	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