

# WASHINGTON STATE HOUSING FINANCE COMMISSION

## WORK SESSION MINUTES

February 24, 2022

The February 24, 2022 work session was called to order at 11:00 a.m. by Chair Bill Rumpf via Zoom and conference call. In attendance were Commissioners Alishia Topper, Diane Klontz, Ken Larsen, Lowel Krueger, Mike Pellicciotti and Nicole Bascomb.

Lisa Vatske and Jacob Richardson gave an overview of the manufactured housing program. They discussed the program goals and partnerships. The program has preserved 1,124 homes Statewide since 2008.

Steve Walker and Margret Graham gave an update on the Strategic Planning Process. They are currently reviewing proposals for consultants to lead an inclusive process involving as many staff as possible.

Diane Klontz provided an Informational Report on Department of Commerce activities.

**The work session was adjourned at 12:00 p.m.**

**WASHINGTON STATE  
HOUSING FINANCE COMMISSION  
MINUTES**

**February 24, 2022**

The Commission meeting was called to order by Chair Bill Rumpf at 1:00 p.m. via Zoom and conference call. Those Commissioners present were Albert Tripp, Alishia Topper, Diane Klontz, Ken Larsen, Lowel Krueger, Mike Pellicciotti and Nicole Bascomb.

**Approval of the  
Minutes**

The minutes of the January 27, 2022 special meeting were approved with amendments.

**Public Hearing:  
Mirabeau  
Townhomes, OID #  
21-37A**

The Chair opened a public hearing for the Mirabeau Townhomes, OID # 21-37A, at 1:04 p.m.

Claire Petersky, Manager of the Multifamily Housing and Community Facilities Division (“MHCF”), said this public hearing is for the proposed issuance of one or more series of tax-exempt and taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 72-unit multifamily housing facility located at approximately 19400 East Euclid Avenue (an approximately 12-acre rectangular plot South of East Euclid Avenue and North of East Buckeye Avenue), Spokane Valley, Washington 99027, to be owned by Mirabeau Townhomes 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 \$12,500,000. Ms. Petersky introduced Mary Prescott, a principal of Whitewater Creek Inc.

Ms. Prescott stated that Mirabeau Townhomes is a planned 72-unit townhouse-style duplex complex to be built in Spokane Valley, Washington. The 12-acre site will include a children’s playground and bountiful green space for outdoor recreation. The project will have 11 one-bedroom units, 36 two-bedroom units,

and 25 three-bedroom units serving households earning between 30% to 60% of the area median income. Amenities will include a resident business center with free Wi-Fi, a large gathering room and television, a kitchenette, a dining area, a business and learning center with computers, a media room, a fitness center with equipment, a coin-op laundry facility, and an office for the on-site managers and maintenance workers.

There were no other comments from members of the public and the hearing was closed at 1:09 p.m.

**Action Item:  
Resolution No. 22-28, The University Prep Project, OID # 22-03**

This item was pulled from the agenda.

**Action Item:  
Resolution No. 22-29, Spokane United Methodist Homes, OID # 21-103A**

Lisa Vatske, Director of the MHCF said this is a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue bonds to (i) refund prior bonds issued by the Commission to finance and refinance capital expenditures relating to the Projects and related expenses, and (ii) finance additions to and rehabilitation of Rockwood South Hill facilities, including costs of issuing the Bonds and other related expenses. The Projects are owned by Spokane United Methodist Homes d/b/a Rockwood Retirement Communities, a Washington 501(c)(3) nonprofit corporation. The facility names and addresses are listed below, and the total estimated maximum bond amount is not expected to exceed \$85,000,000. The public hearing was held January 27, 2022.

Project:	Rockwood South Hill campus, including The Summit, The Ridge and Forest Estates
Project Address:	2903 E 25th Avenue Spokane, WA 99223
Total Estimated Project Cost:	\$85,000,000
Project:	Rockwood at Whitworth campus
Project Address:	101 East Hawthorne Road Spokane, WA 99218
Total Estimated Project Cost:	\$6,500,000
Estimated Maximum Bonds Amount:	\$85,000,000

Mr. Kreuger moved to approve the resolution. Mr. Larsen seconded the motion. The request was unanimously approved.

**Action Item:  
Resolution No. 22-  
30, Grand Street  
Commons, OID #  
20-95A**

This item was pulled from the agenda.

**Executive  
Director's Report**

Mr. Walker stated that MHFC staff are participating in a scan of BIPOC initiatives being conducted by the UW SMART Center and sponsored/facilitated by Seattle Foundation and JP Morgan Chase. Microsoft and Amazon are also involved. Amazon is sponsoring a similar review nationally with the Urban Land Institute. The purpose of this review is to document the current initiatives and understand potential gaps to help inform local investment initiatives.

The MHCF Division is in the process of a solicitation for Financial Advisors. Staff will be evaluating proposals and will bring the results to the Board at the March meeting.

Work is underway to implement the new FarmPAI program. Program documents are being drafted for the land trust portion of the program. A process is being developed to reach out to BIPOC farmers for input on program guidelines. Staff continue to work with the Washington Land Trust Coalition to support and educate legislators about the importance of preserving farmland. Currently both the House and Senate budgets include \$2 million for a Farmland Protection and Land Access program that will help leverage the Commission's investment by helping to ensure affordability on farmland purchased with Commission funds.

The Commission will hold a general meeting on March 3, 2022 with program stakeholders to solicit input for any policy changes to the 9% program for 2023. Initial discussions with the Seattle/King County HDC tax credit affinity group as well as internal discussions have focused on not making substantive changes to the priorities or criteria but undertaking a broader review to be implemented in 2024.

The Homeownership Division welcomed Emily Shafer Northrup as a new Grants Administrator to the Commission. Emily comes to the Commission with vast grants management experience.

The Commission received \$200,000 in SuperNOFA funding from HUD to help with the housing counseling program.

The soft launch of the PILOT Homeownership Assistance Fund (HAF) program with HomeSight has been successful and they have funded 5 households under the program and are reviewing more. Outreach for the PILOT began this week and includes a mailer to homeowners who have been identified as currently facing an ongoing foreclosure.

The draft of the larger HAF Plan has been completed and opportunities for public comment on the plan will be offered in March. Staff is encouraging everybody and anybody to comment, and we are working closely with non-profits and other governmental agencies, such as the Washington State Commissions on African American Affairs and Hispanic Affairs to gather input. Staff are also exploring way to best reach the Indigenous Tribes of Washington State. Staff are planning on bringing the HAF Plan to the Commissioners at the March Commission meeting.

Support staff processed many website updates, managed online workshop activities, and created new submission forms for Laserfiche.

The budget process is officially underway for Fiscal Year 2023. Initial drafts of business objectives are due this week, revenue projections are in process, and expenditure templates will be distributed for each program area for division staff to complete soon.

An RFP to provide audit services is currently in process. Staff have received letters of intent from several firms with proposals due March 4, 2022.

Second round interview for the Senior Director of Finance position are complete and we hope to conclude the process in the next few weeks. First round interview for the Deputy Director position are complete and we are moving to the next step in the process. Staff will participate in this next phase of our hiring process.

Over the past several months the Commission has been responding to public records requests and letters from an attorney named Gabe Galanda, who is representing a group of people who are contesting disenrollment from the Nooksack Tribe. You may have seen news stories about the disenrollment fight. A number of the disenrolled tribal members live in the housing financed through the tax credit program. Mr. Galanda has been in frequent contact with HUD, the BIA, the Governor's office, the State delegation to DC, the UN and the Commission, asking them to intervene to prevent the eviction of his clients from Nooksack tribal housing.

The Commission is both responding to a voluminous public records request from Mr. Galanda and is also reviewing the compliance status of the Nooksack projects. If the Commission determines that the Tribe is not in compliance with its regulatory agreements, it will send a notice to that effect to the IRS. The Tribe has until Monday, February 28, 2022, to respond to a specific question from the Commission about compliance with the eventual tenant ownership provisions of the program, which the Tribe had opted into when applying for tax credits.

The 2022 regular Legislative session officially ends Thursday, March 10th, the end of this short 60-day session.

At the March Commission Meeting, staff will provide a final report on the legislative session,

## **Commissioners' Reports**

Nicole Bascomb stated that she represented the Commission at the Africatown groundbreaking.

State Treasurer Mike Pellicciotti mentioned that Senate Bill 5752, the Washington Future Fund, passed the policy committees in the House and Senate.

**Consent Agenda**

The consent agenda was approved as mailed.

**Adjournment**

The meeting was adjourned at 1:34 p.m.

**Signature**

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