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HOUSING FINANCE
COMMISSION

Chair

Opening doors to a better life

Nicole **Bascomb-Green**

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9% Housing Credit Program

Discussion Summary of the
Interested Parties Meeting held on
January 28, 2026

On January 28, 2026 the WSHFC held an Interested Parties meeting to discuss elements of the 9% Housing Credit policy, with nearly 100 participants from all over the state. The following is a summary of the presentation and discussion, centered around 5 main topics. Slides and a recording (Zoom password: .t+Af3v@) of the meeting are available on the Commission's website.

1) **Data mismatch and feasibility concerns**
A key data point shared by WSHFC and affirmed by participants is that the 9% program is intentionally designed to serve very low-income households, which it does however there is a **mismatch in income targeting and actual rent burden.** While portfolio data shows a lower rate of rent burden for households in the 9% program, it was **emphasized that rental assistance mainly Section 8 Project Based Vouchers are what make the rents affordable**, as the incomes of the tenants in the units may be lower than the rents that the units are targeted for, without being subsidized. Participants raised the following:

- Concern about the uncertainty of vouchers availability which could increase rent burden.
- Surprise at the extensive role that subsidy plays within the 9% portfolio.
- Concern that in farmworker developments, 20% AMI is not feasible, and 40% is often still a struggle because there are not enough qualifying households in those income groups.
- Non-metro area participants stated that the rent burden data presented didn't match their experience.
- Request for a follow up data analysis broken down by geographic pool and examining Permanent Supportive Housing (PSH) vs non-PSH units with differentiation between cost-burdened and severely cost-burdened households, including any differing underwriting assumptions across categories.

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2) **Additional Low Income Set Aside (AMI matrix) tensions: flexibility vs points**

Participants were asked what tension feels most present in the current AMI matrix structure. The top answer was **Depth of Affordability vs Financial Feasibility (83%)** followed by **Subsidy Reliance vs Standalone Affordability (46%)**. Participants were also asked which of the 9% AMI Matrix options currently offered they would choose if the current point structure did not exist. There was generally a theme raised for more flexibility. Participants raised the following:

- A rural pool participant stated they would select option 14 (higher AMI targets) if it weren't for the points.
- Two participants stated that options 1-3 are very difficult due to the burden of public funding layering and administrative burden.
- Multiple participants asserted that higher AMIs (50% and up) are necessary across all communities, and especially in non-metro areas where incomes (and HUD area medians) can make deep income targeting impractical.
- Noted that when using the federal Average Income Test (AIT) election, it can be difficult to find enough very low-income tenants to "balance" the required mix, and some rural areas can effectively run out of qualifying tenants at the lowest brackets.
- That AMI fit depends on HUD's income determination that may be inaccurate in rural contexts and that many projects are only feasible due to Section 8 Project-Based Vouchers and other operating subsidies.
- The need to chase points can shape project timelines more than community needs, including the timing/availability of rental assistance.

Additionally, participants would like to see more consideration of the compliance/asset-management burden of these point system requirements; and more ways jurisdictions can add additional flexibility and reduce AMI demand variability challenges.

3) **Priority populations: funding realities often override intent**

Participants were polled about what tension feels most present in our current Priority Population structure and responded that the most prominent tensions included **Stability/Services vs Broader Access (42%),** plus **Depth of Need vs Differentiation (36%)** and **Single-Category vs Overlapping Needs (36%).** Participants were also prompted by the discussion question of which priority population they would select if all options were available and had the same point values.

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Generally, participants repeatedly emphasized the idea that the **income and population targeting in their communities is often overshadowed by which projects are more likely to be funded**. This is especially true in the non-metro pool because it is more competitive. Participants also raised the following:

- Emphasis on how population set asides are often driven by other funders' priorities and the availability of service dollars.
- Concern that "homeless" requirements can be counterproductive, because these households are already served in the lowest AMI brackets but still overwhelm lease-up logistics.
- A broad "general low-income" category could improve flexibility to effectively serve a mix of populations, reduce lease-up friction, and lower coordination burdens, particularly in rural areas.

Additionally, participants suggested that access to PSH best-practice resources, such as the Corporation for Supportive Housing and Apple Health And Home (AHAH) previously hosted trainings would be helpful; and that further study of outcomes/deterrents across 100% PSH vs mixed-population models would be of interest.

4) **Peer HFA experiences**:

Peer HFA strategies praised by participants were Oregon's **centralized ORCA application concept**, Arizona's **50% AMI threshold plus population scoring/tiebreakers**, and Minnesota's **one stop shop coordination model** across agencies.

5) **Engagement feedback: what voices are missing?**
The following missing voices were noted: asset managers, elected officials, community leaders, housing authorities, property managers, Tribal and Urban Native nations, Continuums of Care, service providers, and Commerce advisory bodies.