



**Department of Commerce**

# **Washington State Housing Trust Fund OVERVIEW**

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*Housing Finance Unit Project Underwriting and Development Manager*

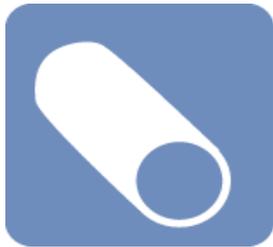
May 28 2019

# At Commerce, we strengthen communities

Department of Commerce touches every aspect of community and economic development. We work with local governments, businesses and civic leaders to strengthen communities, so all residents may thrive and prosper.



Planning



Infrastructure



Community  
Facilities



Housing



Safety /  
Crime Victims



Business  
Assistance



# Overview of the Housing Trust Fund (HTF)

- Established by statute in 1986: RCW 43.185 and 43.185A
- Source of **capital** to develop and preserve affordable housing for low-income and vulnerable Washingtonians
- Funded with bonds via the biennial Capital Budget
- Administers an annual competitive funding round (combined funders application)
- Must benefit low-income populations—less than 80% of the Area Median Income (AMI):
  - Rental tenants
  - First-time homebuyers



# Overview of the Housing Trust Fund (cont'd)

- Prioritizes the lowest-income and special-needs populations
- Partners with other public funders to make projects whole and support local priorities
- Strives for statewide distribution of funds (incl. 30% to rural)
- Projects stay affordable for 40-50 years (25 for homeownership)
- Commerce is required to protect the state's interest (e.g., deeds, covenants, shared appreciation, repayments)



# Our Current Project Activities



- New construction of single and multifamily affordable housing
- Rehabilitation of single and multifamily housing
- Acquisition of real property
- Acquisition to preserve low-income or very low-income housing
- On-site infrastructure improvements
- Constructions of shelters
- Down-payment or closing cost assistance for low-income first-time homebuyers



# 2019 Funding Round Timeline (estimated)

- Notice of Funding Availability Released June 17
- End of Technical Assistance Period Aug. 16
- Deadline for Waiver Requests Aug. 16
- **Stage 2 Applications Due** Sep. 18
- Internal Review Oct-Nov.
- Coordination with other Funders Nov.
- Recommendations to Assistant Director Dec.
- Awards Announced Dec. 18

*Department of Commerce reserves the right to change these dates.*



# HTF Capital Funding for 2019-21 Biennium:

## *Competitive Grants and Loans – [SHB 1102, Section 1029](#)*

<b>NEW UNITS [Section 1029(1)(a)(g)]</b>	<b>\$ 99,050,000</b>
<i>“Housing Projects that provide supportive housing and case-management services to persons with <b>behavioral or chronic mental illness</b>” [CMI defined in statute: 71.24.025(10) RCW]</i>	\$35,000,000
<i>“<b>Veterans</b>”</i>	\$5,000,000
<i>“People with <b>developmental disabilities</b>”</i>	\$5,000,000
<i>“People who are employed as <b>farmworkers</b>”</i>	\$5,000,000
<i>“Housing projects that benefit <b>homeownership</b>”</i> <ul style="list-style-type: none"> <li>✓ <i>First-time homeowner definition is expanded</i></li> <li>✓ <i>Separate application forms</i></li> </ul>	\$5,000,000
<i>“Affordable housing projects that serve and benefit <b>low-income and special needs populations</b> in need of housing.” [FLEXIBLE]</i>	\$37,050,000
<b>ULTRA HIGH ENERGY EFFICIENT HOUSING</b> <b>***Discussed later today***</b>	<b>\$7,000,000</b>

# HTF Capital Funding for 2019-21 Biennium:

## *Additional Funding Mandates*

### MODULAR HOUSING [Section 1029(1)(b)]

\$ 10,000,000

*“Modular housing which includes high quality affordable housing project that quickly move people from homelessness into secure housing. . .”*

- ✓ *Project must serve exclusively homeless clients*
- ✓ *Total development cost = \$125,000 per unit, exclusive of:*
  - *Value of land, and*
  - *Off-site infrastructure costs, and*
  - *Capitalized reserves*
- ✓ *Units must be compliant with the Americans with Disabilities Act (ADA).*
- ✓ *Funding recipient must maintain the housing units for a minimum of 50 years.*

*Modular housing is defined in 46.04.303 RCW:* *“Modular home means a factory-assembled structure designed primarily for use as a dwelling when connected to the required utilities that include plumbing, heating, and electrical systems contained therein, does not contain its own running gear, and must be mounted on a permanent foundation. A modular home does not include a mobile home or manufactured home.”* – Department of Licensing authorizing statute

**Separate application cycle – anticipated release fall 2019.**

# HTF Capital Funding for 2019-21 Biennium:

## *Additional Funding Mandates*

### MODULAR HOUSING *EXAMPLE*

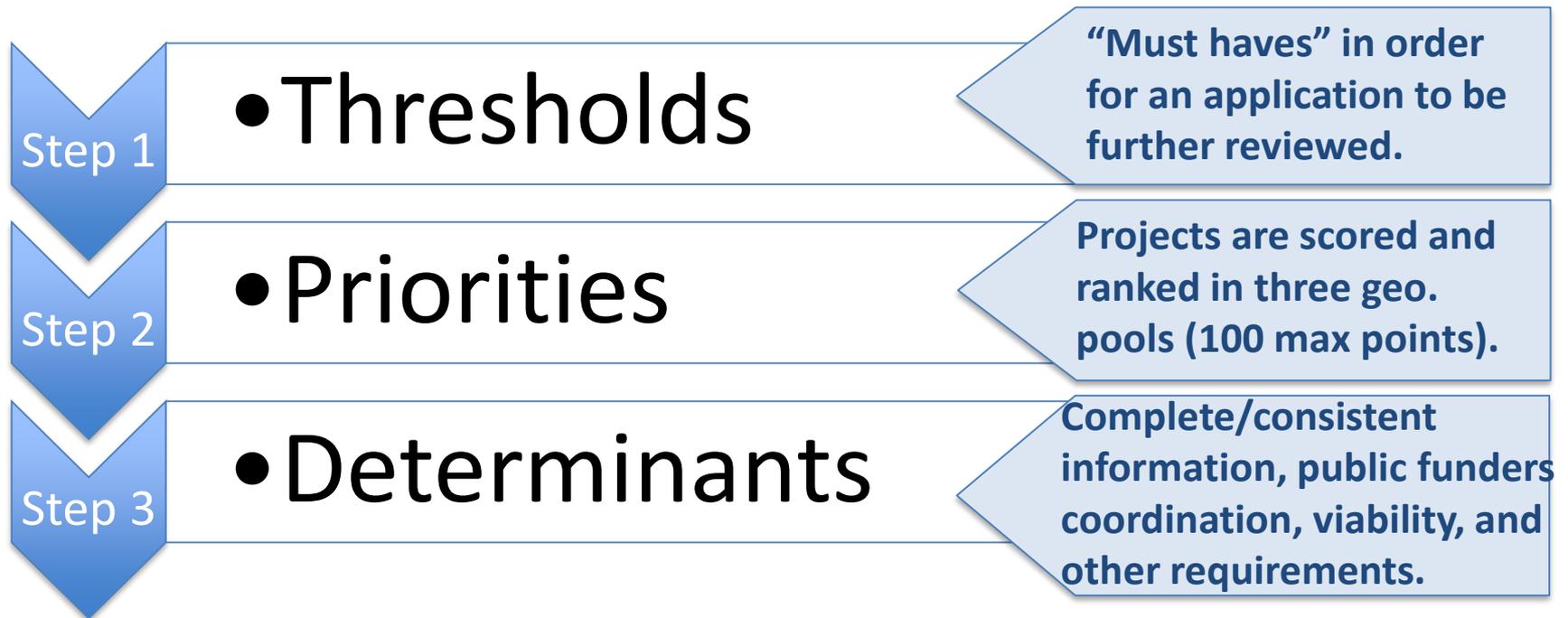


#### **“Eviva Midtown”**

176,521 Square Foot  
Multifamily apartment complex  
Sacramento, CA  
*Picture courtesy Modular  
Building Institute*

# 2019 Multifamily Funding Decision Making

## Funding pathway:

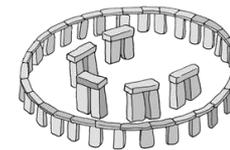


# Organization of Housing Trust Fund Applications

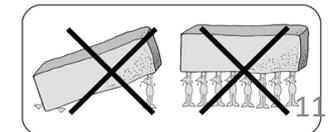
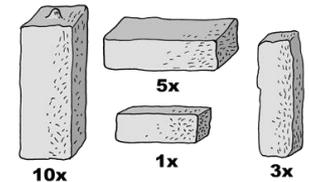
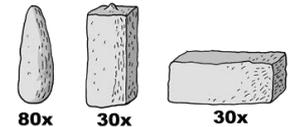
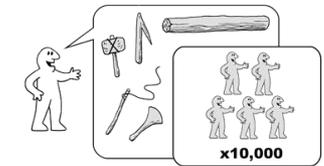
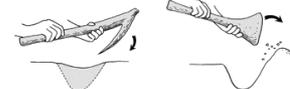
Eleven (11) Tabs, each with a Section, at least one Form, and assorted Attachments:

1. Project Summary
2. Project Description
3. Need & Populations Served
4. Relocation
5. Project Schedule
6. Development Budgets
7. Project Financing
8. Project Operations
9. Development Team
10. Services
11. LIHTC Scoring

**HËNJ**



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# You're invited! – *Application Workshops*

Two application workshops remain:

## YAKIMA

Monday, June 3, 2019

9:00 a.m. to 4:00 p.m.

Yakima Area Arboretum

Gardenview Room

1401 Arboretum Drive

Yakima, WA 98901

*Free parking available at location.*

## VANCOUVER

Thursday, June 6, 2019

9:00 a.m. to 4:00 p.m.

Clark College

Penguin Union Building #258C

1933 Fort Vancouver Way

Vancouver, WA 98663

*Free parking available on campus.*

*Unable to attend a workshop? The COMPLETE workshop presentation will be available online by mid-June.*





# Department of Commerce

Thank you for your time!

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