



Department of Commerce

Innovation is in our nature.

Policy Advisory Team MEETING SUMMARY December 16, 2015 Seattle, WA

Agenda Item	Key Recommendations, Decisions, Discussion
Introductions	<ul style="list-style-type: none">• Kim Justice, Executive Director, Office of Homeless Youth• Connie Robbins, Deputy Director, Washington State Department of Commerce
2016 Meeting Dates and Locations	<ul style="list-style-type: none">• The 2016 meeting dates and locations that PAT agreed on are:<ul style="list-style-type: none">○ February 24, in Olympia at the Department of Commerce○ June 15, in Seattle at the Housing Finance Commission○ October, date to be determined, in Tacoma (PAT members preferred that the fall meeting is held in conjunction with the Housing Washington Conference)○ December 14, in Seattle at the Housing Finance Commission• All 2016 PAT meetings will start at 10am and end at 1pm, unless otherwise notified prior to the meeting.
Commerce Updates	<ul style="list-style-type: none">• Kim Justice, Director of the Office of Homeless Youth (Commerce), gave an overview of the newly created office. The OHY must be operational by January 1, 2016. Some existing DSHS programs are being transferred into the OHY, such as the Street Youth Services, HOPE Centers, and Crisis Residential Centers. Priority areas for addressing youth and young adult (YYA) homelessness are: stable housing, family reconciliation, permanent connections, education & employment, and social and emotional well-being. An advisory 12-member committee is also being formed to provide guidance and recommendations to the OHY regarding funding, policy, and practice gaps within and among state programs.• Tedd Kelleher, Managing Director for the Housing Assistance Unit (Commerce), talked about the work Commerce will be doing to better align best practices and best thinking to address homelessness. Tedd is interested in exploring ideas to address misalignments in policies and defining service models for specific populations, with a plan to communicate Commerce's preferred models to the affordable housing stakeholders. PAT will likely play an important role in these discussions.• Tedd also spoke to the importance of the Medicaid Waiver and our ability to determine the state's role in it, and to put together a coherent and effective package that allows a voice and defines a supply chain.• The participants provided feedback regarding the connection to the reality of providing services to the homeless population. One member suggested the creation of a workshop or session at the Housing Washington Conference to

	<p>address best practices for delivering services to homeless populations and aligning them with other programs, such as the HTF.</p> <ul style="list-style-type: none"> • Diane Klontz, Commerce Assistant Director, discussed the upcoming legislative session and Commerce’s work to put together decision packages as we anticipate the Governor’s budget in the coming days. The Session begins on January 11, 2016. Sine Die is scheduled for March 10, 2016. • Diane noted the budget challenges ahead, such as the Supreme Court sanction for fully funded schools and the Eyman initiative. Commerce provided supplemental budget decision packages to OFM in September, which included a decision package for HTF portfolio preservation. The Governor’s supplemental budget is expected soon (usually released in mid December). Commerce is looking into capital budget investments to address homelessness, including HTF appropriations. Interagency Council on Homelessness (ICH) recommendations will be given to Governor Inslee in January.
<p>2015 HTF Awards and 2016 Application Round</p>	<ul style="list-style-type: none"> • Corina Grigoras, Managing Director for the Housing Finance Unit (Commerce), gave an overview of the 2015 HTF awards. On December 3, 2015, Commerce announced the awards for 36 affordable housing projects for a total of \$47.6M in HTF and \$2.6M in HOME funds. The total number of units and beds funded is 1,369. • The 2015-2017 Capital Budget mandated Commerce to fund projects that produce a minimum of 1,900 homes and 500 farmworker seasonal beds, distributed in several specific population categories (targets). The legislative targets were an important factor in the HTF award decision making. Several of the legislative targets, however, remain unfulfilled. • The 2016 application round will kick off with a Stage 1 NOFA at the end of January, followed by a Stage 2 NOFA in the summer of 2016. Projects will be required to be fully funded and ready for construction by September 30, 2017. • The remaining target populations and the overall number of units produced will be Commerce’s main priorities in awarding the HTF funds. • Clarification was provided that Commerce will accept applications for all population categories, however, projects producing units in the unfulfilled legislative targets will receive preference. • Also, rural projects may also receive preference in order for Commerce to meet the 30% rural requirements. • Applicants who submitted an application in 2015 will need to re-apply in Stage 1 if they wish to be considered for funding in 2016. • A group discussion followed about the legislative targets, the cost of the affordable housing projects, and the possibility that there are not enough HTF funds appropriated to fund the minimum number of units required.
<p>WLIHA’s Legislative Agenda</p>	<ul style="list-style-type: none"> • Michele Thomas and Nick Federici (WLIHA) discussed current issues that the Legislature will face in the upcoming session, such as the Supreme Court ruling on school funding, and a very limited amount of capital funds available. • WLIHA will make a \$10M supplemental budget ask for the HTF. • Michele addressed concerns around adjusting the target population buckets and determined that a more effective message is a focus on the total number of homes. She stressed advocacy for a strategic message around the disconnect between the appropriated funds and the ability to meet the population targets and the overall number of units. How can we adjust our message to highlight successes and be cohesive?

	<ul style="list-style-type: none"> If you would like updates from WLHA, please sign up here: http://org.salsalabs.com/o/2685/p/salsa/web/common/public/signup;jsessionid=104F404DFB4444D37A30901644FE92CB-n4?signup_page_KEY=3317&key=54471443
Integration of Affordable Housing and Health and Human Services Data	<ul style="list-style-type: none"> Bill Rumpf from Mercy Housing Northwest gave a presentation about the intersection between Affordable Housing and Health & Human Services Data. Mercy Housing received a grant from the Gates Foundation to scope out the work and effort necessary to integrate this data. The goal is to transform and accelerate the efforts of affordable housing organizations and public housing authorities to develop and measure outcomes for residents. This will support the ability to do program design and evaluation, and inform cross-sector public investments.
Energy Sustainable Development Standards and Ultra-High Energy Efficient Demonstration Program	<ul style="list-style-type: none"> Dena Harris (HTF staff) provided an update on the Evergreen Sustainable Development Standards (ESDS) status. The Green Team is currently reviewing public comments and plans to release version v3.0 in the next couple months. Any projects awarded funds in 2016 will need to comply with the new ESDS version. Dena also gave an overview of the Ultra-High Energy Efficient demonstration program. The 2015-2017 Capital Budget required Commerce to convene a group of stakeholders and experts to create a process for funding affordable housing projects that will achieve net-zero efficiency. Dena summarized the funding process and requirements, which will be incorporated into the HTF 2016 application round. Applicants must be receiving a “regular” HTF award in order to qualify for the Ultra-High Energy Efficient funds. The hope is that the \$2.5M appropriation for this pilot program will fund a few projects that will demonstrate net-zero efficiency. The Ultra-High Energy Efficient funding plan will be posted on the HTF website shortly.
Portfolio Preservation and Asset Management Update	<ul style="list-style-type: none"> Jason Davidson (HTF Asset Manager) discussed the possibility of a competitive process for portfolio preservation, should Commerce receive an appropriation as a result of our decision package submitted to OFM. The Asset Management Team is working on an online application for workouts and minor scope of work requests. Additionally, Jason has been reviewing HTF structural risk areas and assessing non-compliance issues to develop a solid risk management plan for the HTF portfolio. If you are interested in joining a possible Portfolio Preservation Workgroup, please contact Jason Davidson at Jason.Davidson@commerce.wa.gov.
HTF Handbook Update	<ul style="list-style-type: none"> The HTF team continues to work on implementing the recently discussed changes to the HTF Handbook. Once all updates are made, we will make the handbook available as a PDF document on the HTF website. Commerce is currently working to revamp its entire website.
Closing Remarks, Next Meeting	<ul style="list-style-type: none"> Corina Grigoras will send draft 2016 funding criteria to the PAT Members and ask for their feedback. The next meeting is on February 24, 2016, 10am-1pm @ the Washington State Department of Commerce in Olympia.