



WASHINGTON STATE HOUSING TRUST FUND  
2012 HTF LEAP AND COMPETITIVE ROUND PROCESS SUMMARY  
FALL 2012

### ***Available Funding***

In 2012, the Housing Trust Fund received an appropriation of \$62.5 million for a specific set of projects identified in the Legislative Evaluation & Accountability Program (“LEAP”) Committee’s [Capital Document No. 2012-7A](#), referred to as “the LEAP List.” The List was developed from data provided to the Trust Fund by its stakeholders, in response to a request from the Legislature for preliminary proposals for projects which could begin construction relatively quickly.

The LEAP List included several set-asides for projects serving specific population types, with allocations for each project within those set-asides. It also included an Alternates list, but funds were not appropriated for those projects. The capital budget proviso gave Commerce the authority to review projects to determine their eligibility for funding and readiness to proceed, and to make the final determination of funding for each project. Commerce established the following criteria for determining whether a project was ready to proceed:

- a) Likely to have all necessary capital financing committed by March 30, 2013
- b) Likely to secure all necessary approvals and begin construction by June 30, 2013 (September 30, 2013 for projects pursuing 9% LIHTC allocations)
- c) Demonstrates revenues (incl. subsidies) sufficient to cover projected operating expenses
- d) Demonstrates necessary commitments for services, if applicable
- e) Has sufficient capacity (experience, staffing, resources; no recurring performance issues)
  - a. To develop the project
  - b. To manage the project long-term
  - c. To deliver appropriate services, if applicable
- f) Compliance issues identified within organization’s existing portfolio have been resolved to the satisfaction of public funders, as applicable

In the event that funds appropriated for any particular set-aside are not fully awarded, the budget proviso specifically authorized Commerce to reallocate the funds to any project within another set-aside or on the Alternates list.

In addition to funds appropriated for the LEAP List, the 2012 appropriation included \$3.03 million for a competitive pool.

Due to the nature of the 2012 capital appropriation, which was part of a job creation strategy, projects were required by Commerce to include a construction component. Proposals to only provide down payment assistance were not accepted in this year’s round.

Per current HTF policy, requests for funding were limited to \$2.5 million per applicant. Waivers could be requested on a per-project basis for non-tax-credit projects only.

### ***Review Process***

The 2012 HTF application round began in April with an invitation to submit Stage 1 applications by May 30, 2012. Based on the information available at Stage 1, selected projects were invited to proceed to Stage 2; however all Stage 1 applicants were eligible to apply. Stage 2 applications were due August 29.

Stage 2 applications were reviewed by a team of six HTF staff, with input from other HTF staff regarding specific elements, such as compliance with the Evergreen Sustainable Design Standard (ESDS) and, for those with existing HTF portfolios, project performance, compliance, and organizational capacity. In addition to the readiness criteria identified above, each application was evaluated and ranked by the team based on the following criteria:

- Soundness of concept – overall design, location, demonstrated need, target population, and availability of appropriate services if applicable
- Financial feasibility – reasonableness of cost, leverage of other funds
- Long-term viability – ability to support ongoing operations and maintenance costs
- Organizational capacity – experience with type of project and target population, performance of existing projects in portfolio, financial capacity
- Readiness to proceed – commitment of funds, site control, land use/permitting issues, local support
- Geographic distribution – rural, urban, Seattle/King Co

The review team consulted with other major public funders during the review process, including City of Seattle, King County, City of Spokane, Spokane County, City of Tacoma, Pierce County, Snohomish County, Clark County, Thurston County, Washington State Housing Finance Commission, USDA Rural Development, and Federal Home Loan Bank, as well as staff from DSHS Developmental Disabilities Division.