Stage 1 applications are solicited by the Department of Commerce (Commerce) for affordable housing projects seeking funding from the Housing Trust Fund (HTF), HOME, or National Housing Trust Fund programs in 2017 and 2018 funding cycles. At this time, Commerce estimates to have approximately $88 million in HTF funds for the 2017-2019 biennium (based on the Governor’s Proposed 2017-2019 Capital Budget, Section 1028). Commerce may also have federal HOME and National Housing Trust Fund funds available, but these amounts are not yet determined.

The 2015 Statewide Housing Needs Assessment identified a serious affordable housing shortage across the state of Washington, which is exacerbated by aging housing stock, expiring housing covenants, and a shortage of funding for housing. Commerce intends to use the HTF Stage 1 application as a tool not only to assess the demand for HTF money each year, but also to supplement the Housing Needs Assessment to further define and assess the specific housing needs in communities across Washington.

Stage 1 applications will be used to identify a pool of projects that appear viable, ready, and eligible for funding in 2017, as well as projects that are in the pipeline for the 2018 funding cycle. The Stage 1 applications will not be scored, nor will funding decisions for projects be made based on these applications. Commerce will continue to publish the annual list of Stage 1 applications to assist its public funding partners and increase coordination of their resources, as well as provide the Legislature with a current need inventory.

Funding awards will be subject to review and approval of a completed Stage 2 application. All interested applicants will be welcome to apply in Stage 2 regardless of whether they applied in Stage 1 or not. A Stage 2 Notice of Funding Availability (NOFA) is anticipated to be announced in June or July 2017, after the 2017-2019 Capital Budget is passed by the Legislature.
ESTIMATED TIMELINE

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 Stage 1 Applications Solicited</td>
<td>January 11, 2017</td>
</tr>
<tr>
<td>2017 Stage 1 Applications Due to Commerce</td>
<td>February 13, 2017</td>
</tr>
<tr>
<td>List of 2017 Stage 1 Applications Published on Commerce’s Website</td>
<td>February 17, 2017</td>
</tr>
<tr>
<td>2017 Stage 2 Applications Solicited</td>
<td>June/July 2017 (date to be determined)</td>
</tr>
<tr>
<td>2017 Stage 2 Applications Due to Commerce</td>
<td>September 2017 (date to be determined)</td>
</tr>
<tr>
<td>2017 Awards Announced</td>
<td>December 2017 (date to be determined)</td>
</tr>
<tr>
<td>New 2018 Funding Cycle</td>
<td>Beginning in January 2018</td>
</tr>
</tbody>
</table>

Commerce reserves the right to revise this timeline. Please visit the [Applying to the Housing Trust Fund Funding webpage](#) for frequent updates.

APPLICATION DOCUMENTS AND INSTRUCTIONS

The HTF Stage 1 application forms can be downloaded from the [Applying to the Housing Trust Fund Funding webpage](#). Note that the HTF Stage 1 application has been recently revised. Prior years’ Stage 1 application forms will NOT be accepted. **Be sure to read this entire solicitation, as well as the instructions in the Cover and Table of Contents tab in the application forms, as some requirements have changed.** Note that supplemental documentation may be required.

Applications must be submitted to Commerce by **5 p.m. on February 13, 2017** (see details below). Applicants will receive an email confirmation of receipt by 5 p.m. on February 16, 2016. If confirmation is not received within this period, it is the applicant’s responsibility to inform HTF staff by emailing htfapp@commerce.wa.gov or calling (360) 725-2983. In order for Commerce to publish a completed list of projects in a timely manner, applications must be received on or before the deadline.

APPLICATION CRITERIA

The 2017-2018 Stage 1 applications must meet the criteria below in order to be accepted:

1. **SUBMISSION DEADLINE:** Application and required supplemental documentation must be received by **5 p.m. on February 13, 2017**, at the HTF Application email: htfapp@commerce.wa.gov.

2. **SUBMISSION FORMAT:** Only the newly revised 2017-2018 application forms will be accepted. The application must be submitted in the original format provided by Commerce (i.e., Excel file). DO NOT convert your application to PDF or other file formats.

3. **ACTIVITIES:** Proposed activities must be eligible for HTF funding per **RCW 43.185.050** and **RCW 43.185A.030**.
4. **ELIGIBLE APPLICANTS:**

The applicant must be an eligible organization per [RCW 43.185A.040](https://app.leg.wa.gov/billsummary?BillNumber=43.185A.040&Year=2017). The applicant must have relevant recent prior experience in affordable housing development. If the applicant has not had relevant experience within the past seven years, they must partner with a development consultant experienced in affordable housing development.

The applicant must demonstrate the capacity to develop the project, manage and operate the project long-term, and deliver appropriate services, as applicable. If the applicant lacks the sufficient capacity to develop and operate the project and/or provide adequate services, it must identify formal partnerships with experienced entities capable of developing and operating the project and/or delivering adequate services.

The applicant should have no significant or recurring HTF compliance issues on previously awarded HTF contracts. Compliance issues identified within the applicant’s existing HTF portfolio must have been resolved prior to a new contract being executed.

5. **POPULATIONS SERVED:** Applications may be submitted for any of the following population categories (as listed in the [Governor’s Proposed 2017-2019 Capital Budget, Section 1028](https://app.leg.wa.gov/billsummary?BillNumber=1028&Year=2017)). The legislative priority populations may change, or be eliminated, in the final 2017-2019 Capital Budget passed by the Legislature. Any changes will be reflected in the Stage 2 solicitation for applications, which Commerce anticipates to publish in June or July of 2017.

A. Homeless people with chronic mental illness;
B. Homeless families with children;
C. Homeless veterans;
D. Homeless youth;
E. People with disabilities;
F. Homeownership;
G. Seniors;
H. Farmworker homes;
I. Farmworker seasonal beds.

**Note:** Commerce may only approve applications for projects for persons with mental illness that are consistent with a behavioral health organization six-year capital and operating plan (per [RCW 43.185.070 (6)](https://app.leg.wa.gov/billsummary?BillNumber=43.185.070&Year=2017)). Also, projects that will serve children or families with children will need to show evidence of collaborative partnerships with the local school districts to help children succeed in school; the local school district must provide an opportunity for community members to offer input on the proposed project at the first scheduled school board meeting following submission of the application to Commerce (per [RCW 43.185.070 (5)(n)](https://app.leg.wa.gov/billsummary?BillNumber=43.185.070&Year=2017)).
6. **READINESS**: Applicants must indicate whether they plan to submit a Stage 2 application in 2017 or 2018, and communicate their anticipated timeline for site control, zoning approval, full funding commitments, closing, construction start and end dates, and placed in service date.

7. **NEED**: Applicants must be able to demonstrate both financial and community need for the project.

8. **AMOUNT REQUESTED**: The requested HTF amount may not exceed the limits listed below. Commerce may need to prioritize projects based on the HTF amount requested (per project and/or per unit) or make awards for lower amounts, in order to meet legislative and Capital Budget requirements. A lower award will not result in a waiver to any of the above requirements. Applicants that share common by-laws, board members (more than 50%), and service areas will be regarded as the same applicant within their common service area.

   - $3 million per multi-family project or $600,000 per homeownership project.
   - $3 million per year for multi-family or $600,000 per year for homeownership ($3 million per year, if proposing both multi-family and homeownership within the same year). A waiver to the per-year limit can be requested with the Stage 1 Application or in advance (see HTF Handbook).
   - $6 million per applicant in aggregate over the 2016 and 2017 funding rounds. The per-applicant limit cannot be exceeded, even if other waivers are approved.

**STAGE 2 ELIGIBILITY**

As noted above, a Stage 1 application will NOT be a pre-requisite for submitting a Stage 2 application in 2017 or 2018. However, Commerce highly encourages all project sponsors to submit a Stage 1 application. A full understanding of the potential need in our state is crucial for Commerce and the Legislature to make informed funding and budget decisions for the 2017-2019 biennium.

In addition to meeting the criteria listed above and the requirements of the HTF Handbook, Stage 2 applications may be subject to additional criteria and requirements, as determined by Commerce.

**QUESTIONS**

For questions and additional information please contact Nathan Peppin by phone at (360) 725-2983 or by email at Nathan.Peppin@commerce.wa.gov.