

WCRA In Action!

Spring 2008

Meeting Washington's Affordable Housing Needs Through Partnership

News and Views:

HOMELESSNESS AND HOUSING WIN!

By Susan M. Duren

The 2008 Legislative session has ended, providing housing with new funding and a number of important other changes. The Washington Low Income Housing Alliance was instrumental in advocating for an increase in the Housing Trust Fund and as a result, the 2009 session starts with the Housing Trust Fund at \$200 million. The Housing Trust Fund supports the development and preservation of affordable housing by providing grants and very low interest rate loans to non-profit sponsors of rental and home ownership properties, shelters and other special needs properties around the State.

The first bill signed by the Governor was a \$6 million renewal of the Washington Families Fund which is a public-private partnership providing funding for service enriched housing for homeless families in Washington State. It provides support services to non-profits so they can assist formerly homeless families in obtaining child care, job training and other case management needs to help their most vulnerable tenants make the transition to permanent housing.

A bill providing mitigation of the impact of the conversion of apartments to condominiums was passed which will give tenants 120 days notice and assistance and referrals for relocation. Another bill to slow the loss of manufactured/mobile home communities was passed. This bill offers the existing tenants in a manufactured/mobile home park a source for technical assistance through the establishment of an Office of Manufactured Housing, along with a mandatory notice of intent to sell by the owner of the property. The intent is to have the tenants work with a non-profit or housing authority to preserve the park as housing. In addition, a tax exemption from excise tax for the landlord of a mobile home community was approved when the property is sold to a tenant organization retaining the property in its present use.

Developers were given assistance when a bill was passed to prohibit discrimination against affordable housing developments. The legislature recognized that there is still a lack of affordable housing in many areas of the state and wanted to prevent impediments to affordable housing development.

With the foreclosure rates skyrocketing around the country, the Legislature appropriated \$700,000 to provide outreach, counseling, support and education to assist homeowners in understanding the various residential mortgage transactions and other financial products along with financial literacy services to avoid foreclosure.

A number of other bills were passed evidencing the legislature's interest in affordable housing, families at risk of homelessness, consumer protection and preventing predatory lending. We all owe a big round of applause to all the participants in the 2008 State Legislative session.

Susan M. Duren is President of the WCRA. She is a board member of the Office of Rural and Farmworker Housing, Washington Low Income Housing Alliance, Impact Capital and Downtown Action to Save Housing. She is a member of the King County Credit Enhancement Committee, WA State CTED Policy Advisory Team, and the Housing Trust Fund Credit Committee.



Table of Contents:

News and Views:	Homelessness and Housing Win!	page 1
Community News:	Homelessness and Housing Day	2
The Lending Queue:	Lots of Questions, Lots of Answers	3
WCRA Executive Committee Bios and Staff Directory		4

Housing and Homelessness Advocacy Day 2008

By Angel L. Ratliff



On February 14, 2008 over 500 people from all across the state participated in the Housing and Homelessness Advocacy Day in Olympia. Dulcie Claassen, Lauren Edlund, and Angel Ratliff from the WCRA attended the march on the Capitol, supporting affordable housing in Washington. Participants met at the United Churches of Olympia to receive informational packets and learn about the day's agenda, packing the church to the rafters.

Speakers for the morning included Ben Gitenstein (WLIHA), Mia Navarro-Wells (WSCH), Kim Herman (WSHFC), Betsy Lieberman (Building Changes) and Governor Christine Gregoire. Following the motivating talks Nancy Amidei taught us all how to "pull" a legislator out of session and how to deliver our message in an effective manner. Housing lobbyists Nick and Seth updated us on the current status of important housing bills and walked us through a mini-script. The main issues we prepared to focus our legislators on were to:

- Continue investment in the Housing Trust Fund
- Renew the Washington Families Fund
- Increase funding for Temporary Rent and Support Services for Homeless and At-Risk People (THOR)

WCRA In Action! is published for WCRA's members and friends. It contains member and project profiles, CRA-related topics, and other items of interest about affordable housing in Washington. We appreciate your comments and suggestions.

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Susan M. Duren.....President
Angel L. Ratliff.....Editor

-Protect low-income residents from discrimination based on use of housing vouchers or sources of income, and other development and displacement issues

After our "lessons" we donned our red ponchos, grabbed our lunches, divided up into district teams and marched on the Capitol, with Ben Gitenstein enthusiastically leading various "Housing Now!" chants on a bullhorn.

Every district reported varying levels of success in meeting with their respective legislators, but overall the event was a tremendous achievement. This year's Advocacy Day was by all accounts the most well attended and most organized to date. State-wide awareness and advocacy for affordable housing continues to grow in strength and numbers! After the march, WLIHA did an excellent job keeping all participants updated on the progress of important housing bills, as well as providing an email vehicle for continued correspondence and encouragement with state legislators.



Photos courtesy of Bill Wortley, WSHFC

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*The Lending Queue:***Lots of Questions, Lots of Answers**By *Dulcie J. Claassen**Does the WCRA have a fixed rate forward loan program?*

Yes! Our fixed rate forward program is for a period of up to 24 months from the date of the commitment. The fees are from .25 percent (non-profit borrowers) to .50 percent (for-profit borrowers) of the commitment amount to secure the interest rate lock.

Can WCRA finance a mixed use or a mixed income project?

Yes! As long as the housing is affordable, the WCRA can consider mixed use projects. WCRA can lend on mixed income properties that have more affordable units than market rate units.

Which public lenders can WCRA work with?

All of them! To date we have provided financing in conjunction with federal tax credits, WA State Department of Community, Trade, and Economic Development, Block grant, HOME, HUD, USDA/RECD and McKinney. In addition to public lenders we have also worked with cities and counties across the state to provide financing for affordable housing.

How about transitional housing?

Yes! We can lend on transitional housing as long as the units are occupied for six months or more by the same tenant.

Can you lend on fewer than five units?

Yes! The WCRA can provide financing if the project is non-profit sponsored special needs housing.

Are you able to provide funds for rehabilitation?

Yes! The WCRA has a program for non-profits that will allow for rehabilitation or construction completion. Construction will be supervised by a third-party inspector.

Can you lend on residential care facilities/assisted-living units?

Yes! We provide long-term permanent loans on all forms of residential care units, provided the units are non-transient (in other words, more than a six-month residency).

We're a non-profit. Can we refinance a property for equity?

Yes! The WCRA can refinance your loan, retain the public portion of the debt on your property, and create funds for your use in a new development or acquisition.

Do you do mobile home park financing?

Yes! The WCRA can provide financing for preservation of a mobile home park if the ownership is a non-profit entity.

Is farmworker housing possible under your program?

Yes! The WCRA will provide permanent loans on farmworker housing.

If we want to apply to the Federal Home Loan Bank's Affordable Housing Program, can you help?

Yes! The WCRA can sponsor your application through our member banks.

I've heard you now offer a 40-year loan. Is that true?

Yes! We offer a 40-year loan for affordable housing properties that are new construction and have a non-profit sponsor.

Is there any way you can assist a non-profit with financing for personal property?

Yes! The *Capital Plus!* program is targeted to small non-profit borrowers and provides financing for personal property as well as real estate.

Can the WCRA help up with tax-exempt bond financing?

Yes! We offer tax-exempt bond financing for both affordable housing and economic development projects.

**Please visit www.wcra.net to learn more about our loan programs and view some of the properties in our portfolio.

Dulcie J. Claassen is the WCRA Vice President and Loan Officer. Send your questions for this column to her at the WCRA.



2008 WCRA Executive Committee

Larry Burke, Key Bank, Chair

Larry Burke earned his BA from the University of Washington in 1973 and his MBA from Pacific Lutheran University in 1976. He is presently the District Credit Officer for the Seattle Cascades district of Key Bank and has been working for Key Bank (and its predecessors) for 31 years.

Michael Dotson, Bank of America, Vice-Chair

Michael Dotson, Senior Vice President, is the Market Manager for Bank of America Community Development Banking Group covering the Northwest Region. Michael's primary role is to ensure that Bank of America Community focused products and services are reaching low-mod-income communities as well as borrowers in designated low-mod-income geographies. Michael has been involved with Community Lending since 1992 and brings a great deal of knowledge and expertise to the world of community lending.

Susan M. Duren, WCRA, President

Susan Duren is President of the Washington Community Reinvestment Association. Before joining the WCRA in 1992, she served as Executive Vice President of a commercial real estate development company and as Vice President of Commercial Real Estate Lending for First Interstate Bank. She is a graduate of the Pacific Coast Banking School at the University of Washington and the National School of Real Estate Finance at Ohio State University and attended Pacific Lutheran University. She has successfully completed both the Basic Appraisal Principles and Income Property Evaluation courses through the Appraisal Institute. Ms. Duren is currently a member of the Washington State Department of Community, Trade and Economic Development's Housing Finance Unit's Policy Advisory Team, the Department of Community, Trade and Economic Development's Credit Review Team and the King County Credit Enhancement Advisory Committee. Her board affiliations include the Washington Low Income Housing Alliance, Impact Capital, Office of Rural and Farmworker Housing and Downtown Action to Save Housing. She was a 2003 recipient of the Washington State Housing Finance Commission's Friend of Housing Award.

Loren A. Dixon, Banner Bank, Secretary

Loren Dixon joined Banner Bank in October 2003 as Senior Vice President/CRA Officer. Loren has more than 20 years of CRA experience in banking and the private sector. Prior to joining Banner Bank, Loren was the Community Development Lending Manager for the Northwest Region for Bank of America for five and a half years. Mr. Dixon was the first Executive Director of Housing Development Corporation, a non-profit organization that developed, owned, and managed farm worker housing in Washington County, Oregon. Loren has served on the board of directors for NOAH and was a member of the executive committee and chaired the loan committee. Currently, Loren serves on the Homestead Capitol Investor Advisory Committee and as a board member and loan committee member of Spokane Neighborhood Economic Development Alliance (SNEDA.)

John Swanson, US Bank, Treasurer

John Swanson is a Senior Vice President and Seattle Market Manager for US Bank Commercial Real Estate. He joined U.S. Bank in 1987 when they acquired Old National Bank where John had been since 1976. John has over 30 years of varied experience, predominantly concentrating on income property project financing. He earned a Bachelor of Arts degree in Business Administration from Washington State University, and has completed various courses with the American Institute of Real Estate Appraisers and the Mortgage Bankers Association.

Lauren Jassny, The Commerce Bank, Loan Committee Chair

Lauren Jassny began her banking career in 1979 with PacificBank (predecessor to First Interstate) in Seattle before joining U.S. Bank in 1983. With U.S. Bank she spent time as a Corporate Lending Officer before becoming a Senior Credit Administrator. She left U.S. to join Commerce in 2001. She has also worked with many local non-profits, and recently was Board Chair of Pioneer Human Services.

Karen McCormick, First Federal S&L of Port Angeles, Board Member

Karen is the President and CEO of First Federal Savings and Loan Association of Port Angeles, a \$730 million mutual thrift institution located on Washington State's beautiful Olympic Peninsula. She has been employed with First Federal for 31 years, having begun as a Teller in 1977 and advancing to her current position in 1997. Over the years Karen has held numerous positions, including Branch Manager, Compliance Officer and Director of Lending. She holds a Bachelor of Science degree in Business Administration, and has completed the Graduate School of Community Bank Management at the University of Texas. In 2000 Karen was appointed to the Thrift Industry Advisory Council of the Federal Reserve Board, serving as its chairman in 2003. She chairs the Mutual Institutions Committee of American Banker's Association, and is past Chairman of the Washington Financial League. In October 2003, Karen was named one of "The 25 Most Powerful Women in Banking" by U.S. Banker Magazine.

M.A. Leonard, National Equity Fund, Board Member

Ms. Leonard is the Vice President for the National Equity Fund's Northwest Office, directing acquisition and portfolio activities in Washington, Oregon, Idaho, Montana, Wyoming, Utah, Colorado and Alaska. Prior to opening NEF's Northwest Office in 1998, she had been affiliated with Puget Sound LISC for eight years, initially as a consultant and then as the founding Director of the Washington Community Development Loan Fund, a fund that provided predevelopment resources and capacity assistance to nonprofit agencies throughout Washington State.

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