



Washington State Multifamily Housing Unit (MHU) Housing Trust Fund Multifamily Rental Projects NOFA #MHU-2024-02

2024 FUNDING ROUND

Notice of Funding Availability (NOFA) and Solicitation of Project Applications

Published: June 20, 2024

Technical Assistance Period: June 20, 2024 – September 5, 2024

Applications Deadline: By Noon on September 18, 2024

- 1. Read this Notice of Funding Availability (NOFA), its Appendices, and all of the instructions carefully;**
- 2. Respond to all of the questions in the application forms (all Excel and Word files), and**
- 3. Submit all materials/attachments as instructed. Refer to the “Application Requirements Checklist & Affidavits” documents).**

Submitting a complete application by the deadline is a threshold that needs to be met in order for an application to be reviewed and evaluated for funding.

Please review the [2021 Application Training Videos](#) for detailed instructions.

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I. Introduction

The Multifamily Housing Unit (MHU) is soliciting applications for Multifamily Rental affordable housing projects seeking capital funding from the state Housing Trust Fund (HTF) program.

This Notice of Funding Availability and Solicitation (NOFA) is intended for applicants seeking to **undertake activities resulting in an increase** of affordable housing stock in Washington State, or to preserve existing affordable housing stock through rehabilitation. **Projects that receive awards as a result of this NOFA must execute a contract with Commerce and start construction by March 2026.** Commerce reserves the right to extend this deadline in unique and unforeseeable circumstances.

Applicants dependent on an allocation of 4% Low Income Housing Tax Credit (LIHTC) will be accepted and reviewed, but there will be no award announcement or guarantee of funding until the Washington State Housing Finance Commission (WSHFC) announces the 4% LIHTC funding recipients.

For the purposes of this NOFA, Multifamily Rental Housing refers to a project intended to provide habitable space to more than one household (including single-person households). This can take any of the following forms:

- A single building consisting of two or more distinct units, each of which is inhabited by an unrelated household. This encompasses a continuum from duplexes to high rise apartment buildings;
- A set of at least two structures, initially constructed as housing for unrelated households, which is managed as a single functional unit. This includes single-residency houses that are owned and managed by a single entity;
- A building, or set of buildings, which by initial design or through adaptive renovations, is used to provide sleeping space to more than one single individual, with shared living, food preparation, and sanitary facilities. This includes shelters, dormitory-style housing (e.g. for seasonal farmworkers), and group home facilities.

II. Funds Available

The total funds awarded in 2024 will be determined by the readiness of the proposed projects to proceed to construction and the quality of applications.

A. Capital Budget Appropriation [ESSB 5200, Section 1020(1)]

The Washington State Legislature appropriated \$163,663,000 in the 2023-2025 Capital Budget to fund the following project types, using the “traditional” HTF competitive process:

- *New construction, acquisition, or rehabilitation of affordable housing projects that serve and benefit low-income and special needs populations including, but not limited to, people with chronic mental illness or behavioral health conditions, farmworkers, people who are homeless, and people in need of permanent supportive housing.*

This amount was amended in the 2024 Supplemental Budget to a total of \$180,663,000.

A portion of the funds appropriated were awarded in the 2023 MHU funding round. Approximately **\$23,023,664** is available for awards under this NOFA.

B. Capital Budget Appropriation [ESSB 5200, Section 1020(2)]

The Legislature appropriated \$25,000,000 in the 2023-2025 Capital Budget to fund the following project types using the “traditional” HTF competitive process:

- *Affordable housing projects that serve and benefit low-income people with developmental or intellectual disabilities*

Refer to Appendix B for special provisions for projects serving exclusively this population.

This amount was amended in the 2024 Supplemental Budget to a total of \$44,000,000.

A portion of the funds appropriated were awarded in the 2023 MHU funding round. Approximately **\$18,430,000** is available for awards under this NOFA.

C. Apple Health and Homes Appropriation [ESSB 5200, Section 1020(3)]

The Legislature appropriated **\$100,000,000** in the 2023-2025 Capital Budget to fund the following project types using the “traditional” HTF competitive process:

- *Construction of permanent supportive housing units or to acquire real property for quick conversion into permanent supportive housing units for individuals eligible for a community support service benefit through the Foundational Community Supports (FCS).*

Refer to Appendix C for special provisions for projects applying for the Apple Health and Homes funding source.

A portion of the funds appropriated were awarded in the 2023 MHU funding round. Approximately **\$40,394,818** is available for awards under this NOFA.

III. Timeline – Subject to revision based on business needs

Project Applications Solicited (this NOFA)	June 20, 2024
Technical Assistance, Application Clarifying Questions and Answers	June 20 – September 5, 2024
Deadline for Submittal of Waivers (project funding maximum, ESDS, etc.)	September 5, 2024
Project Applications Due to and Received by Commerce	BY NOON on September 18, 2024
List of Applications Received Published on MHU Website	October 2, 2024
Final Funding Decisions and Awards	Approx. December 16, 2024
Contract Execution and Construction/Development Started	March 2026

Note: MHU reserves the right to revise the above timeline at its sole discretion.

IV. Conditions of This NOFA

A. Pre-development and Application Preparation Costs

Completion of a competitive application often requires significant time and expense. MHU recognizes that applicants will incur costs preparing for and submitting their applications. All applicants should be aware that Commerce cannot be held responsible for pre-development or application preparation costs in response to this NOFA, regardless of whether funding is awarded.

B. Populations to be Served

The funds made available via this NOFA are for the provision of housing to all population types, subject to the prioritizations described in Appendices A (Multifamily Rental Projects), B (Intellectual/Developmentally Disabled Projects) and C (Apple Health and Homes Capital). All populations and income-levels proposed in a received application will be incorporated *as-is* into any resultant contracts.

C. Funding Limits

Per [RCW 43.185A.050\(8\)](#), the department may not establish a maximum **per-applicant** award. In the interest of maximizing its leverage of other sources of funding, however, MHU will continue to observe a maximum **per project** award of \$5 million. Applicants may apply for multiple projects without limitation.

Waivers of the per-project limit will be considered upon request; see Section IV(E) of this NOFA.

D. ESDS Compliance

Compliance with the Evergreen Sustainable Development Standard (ESDS) is required for all projects. Where projects include a rehab scope of work, ESDS applies to all covered elements. Rehab projects are strongly encouraged to take the opportunity to enact weatherization related upgrades – any costs related to such work are considered Eligible Costs and may be reimbursed with program funds.

Please visit the [ESDS Webpage](#) for additional information.

E. Waivers

Applications must meet all of the thresholds identified in the review criteria described in the appropriate Appendix in order to be considered for funding. The Multifamily Housing Unit reserves the right to issue threshold waivers at its sole discretion; waiver requests are subject to review and approval by the Managing Director of the MHU.

Applicants should consult the [HTF Handbook](#) (Sections 207.8 and 301.2.1) prior to requesting a waiver.

Waiver requests must be submitted in writing via email **no later than September 5, 2024 to htfapp@commerce.wa.gov**. Waiver requests must be on agency letterhead, and clearly state a rationale for the waiving of the relevant threshold(s). Factors for consideration include, but are not limited to: geographic location, readiness, target population, access to other funding sources, scale of project, and long-term financial viability of the project. MHU also considers past performance of the applicant including whether or not projects were completed on time, within budget, and in accordance with relevant program guidelines.

Funding limit waiver requests should clearly document the organization’s attempts to secure other resources. Applicants must agree to provide support letters with their application from at least one local jurisdiction verifying the necessity to exceed the per project limit specifically to advance local priorities and address housing inequities.

F. Application Review Process

All applications will be reviewed and evaluated for funding.

If threshold items are missing, MHU will provide notification to applicants at the main contact’s email provided in their application and give them an opportunity to correct the issue(s). Failure to respond with documentation or explanations may lead to a decline or wait-list of an application.

Applications will be evaluated and ranked based on the criteria detailed in the appropriate Appendix under Decision Point #2 Priorities, with final decisions made in reference to criteria detailed under Decision Point #3 Determinants.

G. Reporting Requirements

Awards Data

Commerce is required to report to the legislature, at a minimum, all area median income levels for the awarded funds. As a result, area median income levels, as submitted for funding consideration, **may not be changed after a project is awarded funds.**

Third Party Certification of Final Development Costs

Commerce is required to report to the legislature certified final project development costs, including data and descriptive statistics such as average and median per unit costs, regional costs variation, and other costs that Commerce may deem necessary to improve cost controls in affordable housing. A separate line item has been included in the application forms dedicated to the cost for the applicant to conduct a third party certification (i.e., audit) of their project’s final development costs. Applicants are encouraged to use this new line item for their estimated third party cost certification, which is an eligible cost for reimbursement under the MHU policies (see [HTF Handbook](#) for details).

V. Geographic Distribution of Funding

Per [RCW 43.185A.150\(2\)\(a\)](#), the Department must “provide for a geographic distribution on a statewide basis”.

MHU will continue evaluating projects based on the three geographic region categories of King County, Urban and Rural. Statewide distribution is a factor in the Determinants phase of evaluation.

Applicants should consult the definitions provided in Appendix E to determine which region a project site is located.

If it remains unclear whether a project site outside of King County would be considered Rural or Urban, please submit a request for clarification to the NOFA coordinator, via the htfapp@commerce.wa.gov mailbox, BEFORE the end of the technical assistance period.

VI. Application Documents and Instructions

A. Submittal Requirements

ONLY electronic submissions of the application forms and supporting materials will be accepted. Hardcopies of the application or materials WILL NOT be accepted by Commerce.

All application materials must be submitted electronically via a file sharing site (e.g. GoogleDocs, Dropbox). Application documents are typically too large to be attached to an email; applicants should NOT attempt to submit their application materials via email.

Links to application document locations on the file sharing sites must be submitted via email to the HTF Applications inbox:

htfapp@commerce.wa.gov

Please indicate in the subject line that the materials are submitted for the **HTF Multifamily Rental Projects NOFA #MHU-2024-02**.

NOTE: If MHU cannot access the files uploaded to the site by the submittal deadline, the project will be considered to have NOT been submitted. It is therefore **strongly** encouraged that applicants establish a “test” link to ensure that MHU can access their submittal folders.

B. Submittal Deadline

Complete applications must be received by MHU by NOON (PST) on September 18, 2024. MHU strongly recommends applicants submit their application materials 1-2 days prior to this date to allow time to mitigate any technical difficulties.

Once an application is submitted, applicants will receive an email confirmation of receipt by 5 PM on the business day following the submittal date. If confirmation is not received within this period, **it is the applicant’s responsibility to follow up by submitting an inquiry to htfapp@commerce.wa.gov.**

In the event MHU is not in receipt of an application by the deadline, if the applicant can provide proof of a good faith attempt to timely submit the application (e.g., a screen cap of their “sent” box that clearly indicates the date), the application will be accepted. Otherwise, the application will be determined to not have arrived on time and will not be reviewed.

C. Application Components

Project application documents can be downloaded from Commerce’s [Applying to the Housing Trust Fund webpage](#).

Applications in response to this NOFA must be submitted using the correct materials and instructions. All applicants must use the **2024** application documents. **Applicants must NOT use other versions.**

Application

Download the documents from the Application Documents folder [here](#).

- **Cover Letter**
Name this file as follows: “[PROJECT NAME] – Cover Letter”.
- **Combined Funders Application 2024 (Microsoft Word)**
Name this file as follows: “[PROJECT NAME] – CFA Sections”. Do not convert the file to PDF.
- **CFA Forms 2024 Edition Version 1.0 (Microsoft Excel)**
Name this file as follows: “[PROJECT NAME] – CFA Forms”. Do not convert the file to PDF.
- **2024 Affidavits and Assurances for Multifamily Rental Housing Projects seeking State HTF Financing (Microsoft Word)**
Name this file as follows: “[PROJECT NAME] – Affidavits”.
- **2024 Combined Funders Application (CFA) Application Requirements Checklist – State HTF Version (Microsoft Word)**
Name this file as follows: “[PROJECT NAME] – Table of Contents”. Do not convert the file to PDF.
- **2024 Housing Trust Fund Addendum for Multifamily / Rental Housing Projects (Microsoft Word)**
Name this file as follows: “[PROJECT NAME] – HTF Addendum”. Do not convert the file to PDF.
- **2024 Housing Trust Fund Addendum for IDD – Intellectual or Developmental Disabilities (Microsoft Word)**
Name this file as follows: “[PROJECT NAME] – IDD Addendum”. Do not convert the file to PDF.
- **2024 Housing Trust Fund Addendum for Apple Health and Homes Capital (Microsoft Word)**
Name this file as follows: “[PROJECT NAME] – AHAH Addendum”. Do not convert the file to PDF.

Requirements by Fund Source Crosswalk

The following table can be used to determine the required documents for the Program you are applying for:

APPLICATIONS DOCUMENTS REQUIRED	PROGRAM		
	Traditional	IDD	AHAH
Cover Letter	X	X	X
Combined Funders Application 2024 (Microsoft Word)	X	X	X
CFA Forms 2024 Edition (Microsoft Excel)	X	X	X
2024 Combined Funders Application (CFA) Application Requirements Checklist – State HTF Version (Microsoft Word)	X	X	X
2024 Affidavits and Assurances for Multifamily Rental Housing projects seeking State HTF Financing (Microsoft Word)	X	X	X
2024 Housing Trust Fund Addendum for Multifamily / Rental Housing projects (Microsoft Word)	X	X	X
2024 Housing Trust Fund Addendum for IDD	-	X	-
2024 Housing Trust Fund Addendum for AHAH	-	-	X

Attachments

All supplemental documents listed in the **2024 Combined Funders Application (CFA) Application Requirements Checklist – State HTF Version** document, as appropriate to the project.

Use the following naming and file conventions for attachments:

- Number documents as per the Checklist.
- All files should be submitted in their original format – do not convert electronic documents to PDF format.
- Scanned copies of paper documents must be legible with reasonably-sized font and, when applicable, clear signatures and dates.
- PDFs should be searchable whenever possible, and **should not be submitted “locked.”** If this requirement conflicts with the policies of contracted consulting firms (e.g., those engaged to complete Market Studies), please contact MHU staff directly. Otherwise the materials will need to be resubmitted.

VII. Award Terms

A. Administration and Monitoring Fees

MHU will not charge successful applicants the one percent (1%) administration and one percent (1%) monitoring fees noted in the [HTF Handbook](#) at Section 402.4.6.

B. Retainage

All projects, regardless of MHU administered funding uses, will have a minimum of five percent (5%) of their MHU administered funds retained until the project is completed, including receipt by MHU of materials related to the Placed In Service process. This ensures that projects will meet all requirements of MHU administered funds, including the provision of materials needed for long term monitoring and legislative reporting. The retainage percentage aligns with other public funders’ requirements.

C. Type of Award

All funds can be made in the form of loans or grants, subject to the terms discussed in section VII(D).

D. Terms of Award

The financing structure of each project will depend on the project type, population served, and the financial underwriting and structure of the project. The [Loan and Grant Policy](#) adopted on January 11, 2024 is recognized until the HTF Handbook is adopted. The following terms will be applied to all new contracts awarded under this NOFA.

- A. Recoverable grants¹ will be offered for emergency shelters², transitional housing³, group homes⁴, and homeownership projects.** This means the funds will be contracted as a grant so

¹ Prevailing wages will likely apply to projects receiving grants from the state (refer to [RCW 39.12](#)).

² Shelters provide short-term or temporary accommodation for those experiencing homelessness, which do not require occupancy agreements or leases or charge “rent.”

³ Transitional housing tenants occupy a property subject to a lease, which is not renewable beyond a given time horizon, typically 24 months. Such projects primarily serve tenants experiencing homelessness.

⁴ Group homes are single-family dwelling structures, in which multiple unrelated residents do not constitute a household, but in which each resident shall be considered to be a separate household occupying a separate room.

long as the terms of the contract are met for the duration of the commitment period. If the contract's terms are not met, Commerce may recover the granted funds. Recoverable grants will also be offered when required by a budget appropriation/proviso or by the funding source (e.g., tax-exempt bonds can *only* be granted).

- B. Fully deferred payment loans will be offered for all other multifamily rental housing⁵ projects (including permanent supportive housing projects) for the duration of their contract terms.**
1. The loans will be payable in full, including accrued 1% simple interest, at loan maturity or at the end of the contract's commitment period (40 or 50 years).
 2. Loan repayment prior to loan maturity or prior to the end of the contract's commitment period, including a shared appreciation payment, will be required in the event of a property's change in use or sale, except when sold to the original project sponsor or when transferred to another eligible entity pre-approved by Commerce, and when the original sponsor or eligible entity will commit to assume the current contract and covenants and fulfill their requirements through the end of the commitment period.
- C. Other loan terms may be offered IF/WHEN the awardee requests loans with hard loan payments. Commerce will *not* issue loans with soft or cash-flow loan payments.**

The State's interest in a property will be secured by appropriate collateral and documentation, including a Contract, Deeds of Trust, Low Income Housing Covenants (with a minimum of 40 years for Multifamily Rental), and Promissory Notes.

VIII. Questions

Questions or requests for additional information about this NOFA or the application materials should be submitted to the NOFA Coordinator, via the HTF Application inbox:

htfapp@commerce.wa.gov

Indicate in the subject line that the question is related to the HTF Multifamily Rental NOFA #MHU-2024-02.

As part of the application process under this NOFA, questions can be submitted through **September 5, 2024**. **MHU** will publish, and update as necessary, a questions and answers document with the NOFA on the [Applying to the Housing Trust Fund](#) webpage.

These will include: Adult Family Homes, Oxford houses and sober living housing, and State Operated Living Alternatives (SOLA).

⁵ Rental housing projects include assisted living facilities, boarding homes, seasonal and year round housing for farmworkers, permanent supportive housing projects.

Washington State Multifamily Housing Unit NOFA [MHU-2024-02] Appendix A: Multifamily Rental Application Evaluation Criteria

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OVERVIEW AND CONCEPT

Commerce will use the following process and criteria to evaluate all Multifamily Rental project applications (including shelters) seeking funds from the Washington State Housing Trust Fund (HTF) program. **Applications for projects serving exclusively persons with Intellectual and/or Developmentally Disabilities will be evaluated using the criteria detailed in Appendix B. Applications applying for Apple Health and Home funding will be evaluated using the criteria detailed in Appendix C.**

The project review process consists of three main phases or decision points:

- **Decision Point #1** – Thresholds
- **Decision Point #2** – Priorities
- **Decision Point #3** – Determinants

Applications fulfilling all thresholds in Decision Point #1, which constitute basic completeness and eligibility requirements, will be further assessed according to established Priorities in Decision Point #2.

Projects are separated in three geographic pools depending on their physical locations—King County, Other Urban, and Rural—so that projects only compete against other projects in similar circumstances. For example, a Rural project will only be compared with and compete against another Rural project. “Rural” and “Urban” are defined in the Glossary of the [HTF Handbook](#). A definition of Rural is also provided in Appendix D.

Priorities are then scored and ranked within their respective geographic pool. The intent of scoring and ranking is to objectively establish which projects most closely align with MHU’s purposes and legislative priorities. Projects achieving appropriately high scores will then be further assessed according to established priorities in Decision Point #3.

Finally, Commerce will make final decisions after taking into account the level of risk presented by the applicant/owner organization, and input from other public funders involved in each project (city, county, and the Washington State Housing Finance Commission).

If some of the requirements or criteria below appear to be in conflict or supersede the requirements or conditions laid out in the [HTF Handbook](#), the requirements in this NOFA prevail. If in doubt, applicants should contact the NOFA Coordinator for clarification **before the end of the technical assistance period identified earlier in the NOFA.**

DECISION POINT #1 – THRESHOLDS

In order for applications to be considered for funding, they must meet ALL of the thresholds identified below and in this NOFA.

T-1. Eligible Applicant

Applicant

The organization submitting an application for funding must qualify as an eligible organization under RCW 43.185A.040.

- Local government
- Local housing authority
- Nonprofit community or neighborhood-based organization
- Federally recognized Indian tribes in the state of Washington
- Regional or statewide nonprofit housing assistance organization

Eligible organizations are also required to be in compliance with the revenue and taxation laws, as applicable to the recipient, at the time the award is made.

Experience

The applicant must have previously developed a similar affordable housing project (e.g., similar project type, size, funding structure) or partner with a developer that has affordable housing development experience. See Section 206.2 of the [HTF Handbook](#).

T-2. Eligible Activities

The project must only include activities that are eligible under HTF legislation and per HTF stated policies (as communicated via the [HTF Handbook](#)). Applicants are responsible for ensuring that their application meets this criterion by becoming familiar with Sections 202.2 and 202.5 of the [HTF Handbook](#) and [RCW 43.185A.140](#).

Because requirements for new construction projects greatly differ from requirements for rehabilitation projects, applications seeking funding for new construction projects must be submitted separately from applications seeking funding for acquisition and rehabilitation activities. This also applies to multiple location projects, where a site, or sites, will be construction, and other sites will be acquisition and rehabilitation. A separate application must be submitted for each activity, e.g., one application for construction activities, one application for acquisition and rehabilitation activities. Appropriate duplicate materials may be shared between the two applications.

Eligible / Ineligible Project Type

HTF funds can only be used for affordable housing for low-income people. If a project includes other components, such as commercial spaces, nonprofit facilities, or market-rate housing (for higher income people), those components cannot be funded with HTF funds. Increasingly, more projects are needed to provide medical or mental health services that include housing or residential stays. In general, these are identified as facilities, and are not eligible for HTF funds.

The following project types are designated as eligible or ineligible for HTF funding for the purposes of NOFA MHU-2024-02:

Eligible Project Type (in alphabetic order):

- Assisted living facilities as defined under [RCW 18.20.020\(2\)](#) – limited to those with private apartments and lease
- Adult family homes as defined under [RCW 70.128](#)
- Community land trusts*
- Cottages
- Emergency shelters (including shelters for people fleeing violence/survivors of domestic violence)
- Group homes
- Multifamily rental housing
- Oxford house and sober living housing (Recovery Residences Levels 1 and 2)
- Permanent supportive housing as defined in [RCW 36.70A.030](#)
- Seasonal and year round housing for farmworkers
- State Operated Living Alternatives (SOLA)
- Transitional housing

Ineligible Project Type (in alphabetical order):

- Boarding homes
- Correctional facilities
- Drop-in shelters (daytime use only)
- Facilities providing continual or frequent nursing, medical or psychiatric services and licensed by the Department of Health (DOH) or Aging and Long-Term Support Administration (AL TSA)*
- Medical treatment facilities
- Licensed residential treatment facilities
- Skilled nursing facilities
- Nursing homes
- Private foster care facilities
- Student housing other than housing of “independent students” as defined by HUD in its [Federal Register Notice](#) dated September 21, 2016 (Docket No. FR-5969-N-01).
- Substance use disorder treatment facilities (Recover Residence Level 4): formally known as alcohol and chemical dependence treatment facilities
- Tiny shelters

*If licensure is required, the specific project type must be identified as eligible in the Notice of Funding Availability (NOFA). Ineligible projects may be eligible for other capital funds from Commerce (e.g. [Community Capital Facilities – Behavioral Health \(wa.gov\)](#)).

Eligible Costs

Eligible costs are listed at Chapter 2, Section 202.5 of the HTF Handbook. For the purposes of this NOFA, **relocation expenses** are being reclassified as an **eligible cost**.

T-3. Readiness

Funding

The project schedule must reflect that the applicant will have secured all funding sources, and be ready to execute the MHU contract and start construction, no later than 15 months from the date the award of funding is announced. This is estimated to be March 2026. Commerce reserves the right to extend this deadline in unique and unforeseeable circumstances.

Site Control

The project site must be under the control of the applicant, in accordance with Section 205.3 of the [HTF Handbook](#).

Zoning

Zoning of the project site must be appropriate for the proposed project, in accordance with Section 205.11 of the [HTF Handbook](#). This requirement applies to all new construction projects *and* to scattered-site projects with a new construction element.

Services

A detailed plan for services must be submitted with the application for all projects intending to serve people who are Homeless at Entry, even for projects not indicating that Permanent Supportive Housing will be provided. Permanent supportive housing services and other tenant services appropriate for the proposed project and population to be served will be assessed and scored as well (see Priorities below).

A funding plan that will effectively support the services long-term must be included. Funding sources need not be committed, but intended sources must be identified. If the applicant does not provide the services, documentation of a formal partnership (e.g., a **signed** MOU or similar instrument) with a qualified and experienced service provider must be included (see Section 205.7 of the [HTF Handbook](#)).

Environmental

Projects with a secured property or properties, or new construction projects, must provide the documentation listed below at application. For scattered site acquisitions of existing single-family houses, the following items will be accepted after an award but prior to closing on each property.

For projects involving new construction

A Phase I Environmental Site Assessment (Phase I ESA) that meets all of the requirements described in Section 205.4.1 of the [HTF Handbook](#) must be submitted for each site included in a project. Any additional site characterization work that is recommended by the Phase I ESA preparer, including, but not limited to, Phase II ESAs, must accompany each application.

Projects involving existing structures

For projects involving acquisition, adaptive reuse, or rehabilitation of existing buildings, limited surveys for Mold, Lead Based Paint, and Asbestos must be included as part of the Phase I. Any additional site characterization work, including, but not limited to, Phase II ESAs, recommended by the Phase I ESA preparer must accompany each application. If harmful materials are documented to be present, or if presence is determined to be highly probable, plans must be included with the application for the mitigation of each issue.

Methamphetamine Testing

Testing for methamphetamine contamination is ***not required*** if:

- A. The existing structures will be fully demolished, or
- B. The existing structures will be “gut rehabbed” (e.g., building will be deconstructed to studs and subfloors then reconfigured and rebuilt to current standards).

Projects that intend to salvage fixtures or structural elements either for site re-use, or donation to a re-use agency, are strongly advised to have the building tested for meth contamination.

Methamphetamine residue is persistent and could contaminate any facilities holding the salvaged materials, even if for only a short period of time.

Testing for methamphetamine contamination is **required** for:

- A. Existing, unoccupied buildings that are not being fully demolished or “gut” rehabbed (down to studs & subfloors).
- B. The vacant residential units and the common/shared areas in existing, occupied buildings that are not being fully demolished or “gut rehabbed.”
 - E.g., rental units, laundry rooms, community rooms, meeting spaces.
- C. The occupied residential units do not need to be tested to meet the requirements of this NOFA. However, in the event that this project is selected for funding, occupied residential units must be tested for methamphetamine contamination *prior to contract execution*.
 - Units that are found with methamphetamine contamination concentrations at levels required by law ([WAC 246-205-541](#)) to be addressed must be included in the property’s rehabilitation plans and budget.
 - Methamphetamine testing is eligible for reimbursement using MHU funding.
 - Households in the contaminated units may not be evicted due solely to the unit testing positive for methamphetamine contamination.
 - Households in the contaminated units may not be required to bear any of the costs to address the contamination.
 - Households in the contaminated units remain eligible for any and all relocation assistance as determined by law, ordinance, or policy.

If the structure’s current property management company has an existing methamphetamine (meth) testing policy whereby all units are tested annually or upon vacancy, then the annual testing results may meet the methamphetamine testing requirements in this NOFA provided that:

- A. Testing was done by a methamphetamine testing organization certified by the Washington State Department of Health (DOH).
- B. Testing has been done within the prior 12 months (September 2023 – September 2024).
- C. Test results with concentrations greater than that allowed by law ([WAC 246-205-541](#)) have been mitigated or otherwise addressed, and records are provided to support the mitigation.
 - i. Evidence that mitigation is underway, but not yet completed meets this requirement.
 - ii. Evidence that mitigation is included in the project proposal (scope of work and budget) meets this requirement.

Testing should be conducted by a contractor certified by the state Department of Health; a list of certified contractors is provided at <https://doh.wa.gov/community-and-environment/contaminants/drug-labs/clean-up-companies>. Please note that, unlike testing for Asbestos

Containing Materials, prospective contractors will need to know at least the following characteristics of the project structure(s):

1. Size, both in terms of units and square footage (residential and common areas, not just living space),
2. Age of the structure,
3. Current occupancy status,
4. Intent moving forward (i.e., the scope of the project being submitted for funding).

If methamphetamine contamination is detected above the legal limit, a plan for occupied units must be submitted along with remediation plan. If methamphetamine contamination is detected, but is below the limit requiring remediation, Commerce *strongly* encourages owners to clean affected units based on the recommendations of the testing contractor.

All Projects

Project budgets must include sufficient funds to satisfactorily accomplish any remediation activities recommended by the required characterization work. Any such funds must be clearly allocated in the designated line items of the project development budget. Remediation activities are eligible for reimbursement under this NOFA.

T-4. Completeness of Application

All fields in the application forms require a response, and all information requested must be provided at time of submittal. If particular documents are not available at the time of application, applicants must submit a formal waiver request before the end of the technical assistance period identified earlier in this NOFA.

Applicants **MUST** contact MHU staff during the technical assistance period established in this NOFA to address any questions or confusion regarding whether fields, questions, or materials must be submitted at time of application. Applicants must still make every reasonable effort to submit all required documents in a complete state by the deadline.

Attachments determined by the applicant to be “not applicable” and hence purposefully omitted must have their reasoning well explained. **Commerce reserves the right to make final determinations regarding applicability.**

DECISION POINT #2 – PRIORITIES

Projects will be scored and ranked only against other projects in the same geographic region category (King County, Urban, or Rural). For example, a project located in a Rural area (per the MHU definition of Rural – See Appendix D) will *only* be compared to and compete against other projects in Rural areas.

The Total Project Score a project receives will be based on the number of points awarded as detailed below.

Priorities	Score Range	Max Score
1. Populations Served	1 to 20	20
2. Creation of New Units	0 to 10	10
3. Need	0 to 10	10
4. Size & Development Costs	0 to 15	15
5. Level of MHU Investment	0 to 15	15
6. Project Scope & Housing Model	0 to 20	20
7. Organizational Review	0 to 10	10
Total Maximum Score		100

P-1. Populations Served: 1 to 20 Points

1 to 20 points: Target Populations

Projects are evaluated with relation to persons/households served according to both the identified populations (proportion of units targeted to specific populations) and income levels. Status at entry will be scored separately. Scores will be weighted based on the specificity of unit targeting; units targeted for specific populations will receive higher scoring than units for low-income households in general, and units targeted to special needs populations (see HTF Handbook Glossary) will receive the heaviest weighting.

Due to their importance in the application scoring mechanism, units can only be listed once (i.e., the total number of units targeted to populations cannot exceed the total physical units). Alternatively, a project may indicate its units are targeted for “multiple special needs.”

Note that any units indicated in the application as being targeted for a specific population, as well as designated as permanent supportive housing for homeless-at-entry, will be required as part of any resultant award and contract.

FOCUS – 10 Points

The number of units for targeted populations in a project will be compared with the total number of low-income units in the *same* project, i.e., the percent of units for each targeted population.

NOT HOMELESS TO PSH – 5 points

Projects will also receive a score based on the proportion of units targeted to households who are Homeless at entry, and whether the housing provided will qualify as Permanent Supportive Housing (PSH).

The greatest weight will be accorded to PSH units; the least weight will be accorded to units for households not homeless at entry.

0 to 5 points: Area Median Income (AMI)

The degree to which each project proposes to serve the *lowest* income populations will be evaluated. The number of units in a project that are targeted for households earning 30% of AMI (50% for rural) will be compared with the total number of affordable units in the same project, i.e., the percent of affordable units specifically targeted to 30% (50% for rural) AMI.

Example: a project serving 30% (50% for rural) AMI *exclusively* will score higher than a mixed-income project, *regardless* of the size of project.

P-2. Creation of New Units: 0 to 10 Points

Priority will be given first to projects that are creating new affordable units, or projects that will increase the affordable housing stock in Washington State by bringing existing market-rate stock into the affordable market. Second priority will be accorded to projects that utilize or preserve housing stock currently under a regulatory covenant, and third to projects that utilize or preserve housing stock that is already in the MHU portfolio, as follows:

- **10 points:** new construction.
- **7 points:** acquisition - acquisition with rehab; adaptive reuse; redevelopment
- **5 points:** USDA Rural Development – Continuing Affordability
- **3 points:** rehabilitation only
- **0 points:** MHU property under contract with Commerce (i.e., preservation of existing MHU units).

P-3. Need: 0 to 10 Points

Need (0 to 10 points)

Points will be awarded to a project based on the following dimensions. Note: given the limitations of available data, both measures are calculated at the county level, and reflect the nearest year for which data exist.

Rent Burden – 5 points

Percent of renters paying greater than 30% of income toward rent was calculated, then multiplied by 6 to produce a score. Data used was drawn from the American Community Survey, published by the US Census Bureau [[American Community Survey-DATA](#)].

Homeless Per Capita – 5 points

The total number of homeless persons found by the Point-In-Time Count (sheltered and unsheltered) was divided by the population of the county, then multiplied by 100 to produce a “per 100 residents” value. This was then multiplied by 6 to produce a score. (PIT data is available [here](#).)

P-4. Size & Development Costs: 0 to 15 Points

SIZE – 10 Points

The total number of low income units in a project will be compared to the greatest number of Low Income units in each of the three established geographic pools (K, R, U). **Note** that beds-only projects (including shelters and seasonal farmworker projects) are excluded here, and are only compared among themselves.

Development Costs – 5 Points

Cost reasonableness will be evaluated by comparing similar projects, according to the HTF's Cost Containment policy described in Section 201.2 of the [HTF Handbook](#). Projects will be assigned a category constructed out of the following elements:

- i. **Activity Type:** New Construction (NC) or Rehabilitation (R)

Acquisition-only projects will be considered part of the Rehabilitation activity category. An Adaptive Reuse project may be categorized as New Construction or Rehab, depending on its scope. Projects involving both New Construction *and* Rehab will be categorized according to the percentage of the scope devoted to either. Projects with a scope that is 51% New Construction, for example, will be assigned to the New Construction type.

- ii. **Size¹:** Small (1-25 units); Medium (26-59 units); Large (60-100 units); Very Large (more than 100 units)

- iii. **Geographic/Market location:** King/Pierce/Snohomish; Other Metro; Non-Metro

Note that this is different from the geographic category structure otherwise used by MHU, with the intent of reflecting the more similar cost structures found in the Greater Seattle/Puget Sound area.

Projects will then be compared within their Cost Category via their **Adjusted Total Development Cost per Unit** (TDC_{APU}), defined as the total development cost less the sum of land cost and capitalized reserves, divided by the number of units in the project.

$$TDC_{APU} = \frac{(TDC - (\text{Cost of Land} + \text{Cost of Offsite Infrastructure} + \text{Capitalized Reserves}))}{\text{Total Units in Project}}$$

For the purpose of this NOFA, MHU is defining **Total Development Cost (TDC)** as the sum of all costs incurred in the production of the residential units proposed, including construction, financing, permitting, design, and feasibility studies. Any amounts attributed to commercial areas or other non-residential areas are *not* considered part of the TDC. Note MHU funds are not applicable to all costs included in TDC; consult Section 202.5 of the [HTF Handbook](#) for a list of eligible and ineligible costs.

All residential units (low-income, market-rate and common area units) will be included in the calculation of the cost per unit.

¹ Applicants using beds (e.g. shelters, seasonal farmworkers) will be compared among themselves.

The project with the lowest TDC_{APU} in its category will receive 5 points. Projects will receive proportionally fewer points as they approach 110% of the category average. Projects with a TDC_{APU} greater than 110% of the average for their category will receive no points.

Per HTF current policy, in the event that an insufficient number of projects in a category are applied for in the Funding Round to allow for the construction of a reasonable average (this value, n , was established as a minimum of 5), data from up to three previous funding rounds will be added. In cases where even this is insufficient to produce a category with an acceptable n value of five (5) or higher, the entire sub-section will be discarded and not scored. As a result, the overall project score will be calculated only based on the maximum possible points it could have achieved.

P-5. Level of MHU Investment: 0 to 15 Points

Leverage (0 to 5 points)

Other funding leveraged by a project is evaluated by comparing it to projects in the same geographic area (King, Urban, Rural) and on whether the project is seeking Low Income Housing Tax Credits. This establishes the following “Leverage Categories”:

- King County, Non Tax Credit
- King County, Tax Credit
- Urban (non–King County), Non-Tax Credit
- Urban (non-King County), Tax Credit
- Rural, Non Tax Credit
- Rural, Tax Credit

Note that the geographic areas used in creating the Leverage Categories are different from those used to create the Cost Containment categories. This is intended to reflect the fact that projects in *any* urban area are more likely to secure other funds due to increased access to federal and municipal funds, as well as Low Income Housing Tax Credits, regardless of the actual cost to build in the area. The simple leverage of a project (i.e., HTF compared to all non-HTF funds in a project) will be divided by the maximum leverage in its geographic category, with the results multiplied by 5 points.

$$\text{"Simple" Leverage} = \frac{(TDC_A - HTF \text{ Funds})}{HTF \text{ Funds}}$$

$$\text{Leverage Score} = 5 * \left[\frac{\text{Leverage (Current Project)}}{\text{Leverage (Max in Category)}} \right]$$

The project with the highest leverage will receive 5 points and the project with the lowest leverage will receive 0 points. The other projects will fall in between.

As with the Cost Containment Categories under [P-4](#), in the event that an insufficient number of projects in a category are applied for in the funding round to allow for the construction of a reasonable average (this value, n , was established as a minimum of 5), data from up to three previous funding rounds will be added.

HTF Cost per Unit (0 to 10 points)

HTF investment per unit is evaluated by comparing it to *similar* projects in the geographic regional categories, using the Cost Containment categories (see [P-4](#), above). The project with the lowest HTF Cost per Unit (CPU-HTF) in its category will receive 10 points. The project with the highest CPU-HTF in its category will receive 0 points. The rest of the projects in that category will fall in between, proportionally based on their closeness to the minimum CPU-HTF.

Note: For both P-5 criteria, the quantity “HTF Funds” will include any line item allocations in a Capital Budget (aka direct appropriations) if they are for affordable housing and/or are included in the HTF appropriation.

As with the Cost Containment categories under P-4, in the event that an insufficient number of projects in a category were applied for in the funding round to allow for the construction of a reasonable average (this value, *n*, was established as a minimum of 5), data from up to three previous funding rounds was added. In cases where even this is insufficient to produce a category with an acceptable *n* value, the entire sub-section will be discarded and not scored. As a result, the overall project score will be calculated only based on the maximum possible points it could have achieved.

P-6. Project Scope & Housing Model: 0 to 20 Points

Commerce staff will use their best professional judgement to evaluate the proposed project’s scope of work and service model, as application to the project. This includes, but is not limited to, the following considerations:

- Clarity of concept
- Degree of development of design
- Comprehensiveness of budgets
- Quality of long-term planning
- Consistency of information throughout the application
- Compliance with applicable regulations and program rules
- Appropriateness of design for serving targeted populations
- Thoroughness of consideration of target populations’ needs (including access to transit and employment opportunities)

If review staff find the quality of project scope to be of a level such that they feel justified in awarding zero points, an auxiliary review will be triggered. Additional staff members will review the project, and if the group agrees that zero points are justified, that project will be considered ineligible to receive a funding award.

Special considerations:

- For projects that propose to serve homeless populations, including homeless youth, MHU staff will seek feedback from the Homelessness Assistance Unit and the Office of Youth Homelessness Prevention, both of which are housed at Commerce.
 - For projects that intend to dedicate *some* of their units to providing permanent supportive housing, but which do not rise to the level of permanent supportive housing *projects*, MHU will seek feedback from the Office of Apple Health and Homes. *Projects that are fully dedicated to providing permanent supportive housing should complete and submit the AHAH Addendum.*
- The Housing Assistance Unit is the author of the “State’s Homeless Housing Strategic Plan.” MHU applicants who plan to apply for projects serving homeless populations are strongly encouraged to review it at:

<https://www.commerce.wa.gov/serving-communities/homelessness/state-strategic-plan-annual-report-and-audits/>

- For projects that propose to include units reserved for people with intellectual or developmental disabilities (IDD), MHU staff will engage the assistance of specialists from DSHS/DDC in reviewing both physical design features (e.g. floor drains, sound proofing, lighting placement) and supportive services included for the benefit of IDD residents. *Projects that are providing housing for people with IDD should complete and submit the IDD Addendum.*
- While the policy of the state generally is to encourage the development of Low- or No-Barrier housing, if a project with a more restrictive residency policy is proposed (e.g., “clean and sober” housing), it may still receive a favorable score if the applicant can substantiate it as a necessary part of a continuum of units for persons homeless at entry.
- For projects that propose to house people with behavioral or chronic mental illness, MHU staff will engage the assistance of behavioral health specialists from the Health Care Authority in reviewing and evaluating the appropriateness of project details. Please see the definition of chronic mental illness in Appendix D.
- Projects that propose to serve people with chronic mental illness **must** document that treatment and supportive services will be provided to tenants for a *minimum* of forty (40) years. Projects will be evaluated based on the clarity and comprehensiveness of the proposed services, with length of commitment in excess of 40 years serving to increase a project’s competitiveness.

P-7. Organizational Review – 0 to 10 points

Equity and Organizational Cultural competency (0 to 5 points)

MHU prioritizes the provision of housing to the most vulnerable populations in the state. Black, Indigenous and Persons of Color (BIPOC) populations are disproportionately affected by homelessness, and face barriers to housing including biased financial systems and historic patterns of government-supported discrimination. Commerce seeks to contribute to the undoing of such discrimination by prioritizing partnerships with those committed to empowering resident voice and offering culturally sensitive developments. This is distinct from the By and For designation that is adopted by statute and will be categorized separately.

Commerce staff will use their best professional judgement to evaluate the proposed project’s contribution to these overall goals. This includes, but is not limited to, the following considerations:

- Clear communication of how the applicant organization’s governance structure builds accountability to BIPOC and other vulnerable populations served by the housing.
- Concise description of the ways in which organizational programming, especially as it relates the proposed project, empowers residents voices, with specific examples of how these processes have guided agency action.
- Whether/how the applicant organization works to build cultural competencies within staff through training, hiring and recruitment, and professional development for persons to excel within the organization.

Past Performance (0 to 5 points)

Commerce will award points based on applicants’ ability to complete projects as proposed. Reduced scores will be awarded as a result of documented instances where contractors have repeatedly or routinely exhibited performance issues, including – but not limited to – the following:

- unable to secure full financing,
- provided inaccurate documentation,

- requested multiple changes to contracts post award
- experienced extended project delays,
- property management concerns (occupancy or condition), or
- substantial reporting issues.

See Section 206.1.3 of the [HTF Handbook](#) for additional detail regarding measures of past performance.

DECISION POINT #3 – DETERMINANTS

This third step will act as a final threshold and help determine which projects are viable and can be funded. As described above, projects in a geographic region category may be awarded funding even if they have lower scores than projects in another category.

Moreover, it is possible for the project with the highest score in the entire application round not to be funded, *IF* it is determined at this decision point that the project has a substantial funding gap. **Full funding is the final threshold applied at the end of the evaluation process.**

E-1. Organizational Capacity and Good Standing

Capacity

Organizations will be evaluated based on standing with Commerce, capacity, and past performance. Organizations considered to be at a higher level of risk may have their current application declined in favor of organizations considered lower risk.

The applicant organization must demonstrate financial capacity to perform the proposed activities—both during the completion of development and ongoing operations of the project. The MHU asset management team will make this determination based on the applicant’s audited financial statements, and proposed sources and uses statement. See Section 206.1.2 of the [HTF Handbook](#).

Good Standing

The applicant organization must be in good standing with the MHU and Commerce, and must be fiscally sound. The MHU asset management team will make this determination based on the applicant’s history with MHU and Commerce (per Section 206.1.1 of the [HTF Handbook](#)), and performance of current projects under contract.

Applicants that DO NOT have a history with MHU or Commerce MUST attach letters of “good standing” from local public funders (city, county) to their submittal, regardless of their organization’s collaborating with an experienced housing developer.

E-2. Coordination with Other Funders

If the project has public local (city, county) or other state (e.g., CDBG) funding, Commerce makes efforts to coordinate with the other public funders.

Consistency

Applicants seeking funds from other public funders that use the Combined Funders Application (CFA) MUST ensure that their applications are consistent across the funders, i.e., use the same counts of population targets, same area median income levels, same financing structure, sources and uses, etc. Inconsistent applications will lower Commerce’s ability to coordinate and partner with the other public funders. Discovery of inconsistency may result in the project not being funded by one or more public funders due to the lack of clarity of its scope, funding, financing structure, or intended target population.

Local Support

Evidence of support from the community in which the project is located or letter expressing the support of a non-governmental/community nonprofit organization associated with the project's location.

Complete Funding

MHU works to ensure its commitments are not made at cross-purposes with local funding sources, nor made in such a way that ties MHU funds up for unnecessarily long periods. **Funds from other public sources, including "9%" Low Income Housing Credits (LIHTCs) must therefore be committed, awarded, under contract, or otherwise in-hand at the time of the MHU award (December 2024).** MHU will work to the greatest extent possible to make awards aligning with local funding priorities.

In King County – the prioritization will be managed in consultation with the following entities:

- King County
- City of Seattle
- ARCH
- Sound Transit
- South King Housing & Homelessness Partners (SKHHP)

Statewide, most communities give highest priority to projects including the Low Income Housing Tax Credit program (LIHTC) due to the amount of leverage generated. Therefore, Commerce will be making decisions in coordination with WSHFC on the 4% and 9% rounds.

If the project has no local or other funding (i.e., MHU is the only source), the full funding threshold may not apply. Evidence of local non-monetary or indirect monetary support specifically directed toward the project should be provided in the application and is evaluated in Priority [#5](#).

E-3. Distribution Considerations

Regional/Geographic

MHU intends to meet the statutory requirement that 30% of funds appropriated be directed toward projects in Rural area, and also distributed statewide. Therefore, one-third of funds will be targeted each for King County, Urban and Rural geographies.

If several eligible projects are situated in close proximity (same community, city, etc.), Commerce may communicate with the local jurisdiction regarding project prioritization, as the MHU may not be able to fund multiple projects in proximity of each other, due to limited funding and the statewide distribution requirement.

In service of the goal of providing for a truly statewide distribution of funds, MHU will report its investments using the 10-region framework.

MHU reserves the right to place projects on a wait-list or decline applicants for any reason to retain funding for future competitive rounds.

By-and-For Organizations

MHU will target a minimum of 20% of funds awarded to organizations qualifying as "By and For" organizations. Please see the definition of By and For in Appendix D for additional information.

[RCW 43.185A.140](#) “The department must prioritize allocating at least, but not limited to, 10 percent of these moneys used in any given funding cycle to organizations that serve and are substantially governed by individuals disproportionately impacted by homelessness’, including black, indigenous, and other people of color and, lesbian, gay, bisexual, queer, transgender, and other gender-diverse individuals”.

E-4. Other Special Requirements or Priorities

Commerce must allow some flexibility for special requirements or priorities that cannot be scored in the priorities above (see [RCW 43.185A.150\(6\)](#)). Examples may include but are not limited to the following:

- A project may receive additional priority because:
 - - Project includes a licensed early learning facility (ELF).
 - Project provides employment and training opportunities for disadvantaged youth under a youth build or youth build-type program as defined in [RCW 50.72.020](#).
- Other requirements that Commerce/MHU may deem necessary during the application evaluation process.

Washington State Multifamily Housing Unit NOFA [MHU-2024-02]

Appendix B: Projects Serving People with Intellectual and/or Developmental Disabilities (IDD) Application Evaluation Criteria

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OVERVIEW AND CONCEPT

Commerce will use the following process and criteria to evaluate all Multifamily Rental Project applications seeking funds from the Washington State Housing Trust Fund (HTF) program, and which **are intended only to serve individuals with Intellectual and/or Developmental Disabilities (IDD), or households with at least one member with IDD.**

The project review process consists of three main phases or decision points:

- **Decision Point #1** – Thresholds
- **Decision Point #2** – Priorities
- **Decision Point #3** – Determinants

Applications fulfilling all thresholds in Decision Point #1, which constitute basic completeness and eligibility requirements, will be further assessed according to established Priorities in Decision Point #2.

Projects are separated in three geographic pools depending on their physical locations—King County, Other Urban, and Rural—so that projects only compete against other projects in similar circumstances. For example, a Rural project will only be compared with and compete against another Rural project. “Rural” and “Urban” are defined in the Glossary of the [HTF Handbook](#). A definition of Rural is also provided in Appendix D.

Priorities are then scored and ranked within their respective geographic pool. The intent of scoring and ranking is to objectively establish which projects most closely align with MHU’s purposes and legislative priorities. Projects achieving appropriately high scores will then be further assessed according to established priorities in Decision Point #3.

Finally, Commerce will make final decisions after taking into account input from other public funders involved in each project (city, county, and the Washington State Housing Finance Commission), and accounting for requirements set out by particular funding sources or other legislative mandates.

If some of the requirements or criteria below appear to be in conflict or supersede the requirements or conditions laid out in the [HTF Handbook](#), the requirements in this NOFA prevail. If in doubt, applicants should contact the NOFA Coordinator for clarification **before the end of the technical assistance period identified earlier in the NOFA.**

DECISION POINT #1 – THRESHOLDS

In order for applications to be considered for funding, they must meet ALL of the thresholds identified below and in this NOFA.

T-1. Eligible Applicant

Applicant

Per [RCW 43.185A.040](#), the organization submitting an application for funding must qualify as one of the following:

- Local government
- Local housing authority
- Nonprofit community or neighborhood-based organization
- Federally recognized Indian tribes in the state of Washington
- Regional or statewide nonprofit housing assistance organization

Eligible organizations are also required to be in compliance with the revenue and taxation laws, as applicable to the recipient, at the time the award is made.

Experience

The applicant must have previously developed a similar affordable housing project (e.g., similar project type, size, funding structure) or partner with a developer that has affordable housing development experience. See Section 206.2 of the [HTF Handbook](#).

T-2. Eligible Activities

The project must only include activities that are eligible under HTF legislation and per HTF stated policies (as communicated via the [HTF Handbook](#)). Applicants are responsible for ensuring that their application meets this criterion by becoming familiar with Sections 202.2 and 202.5 of the [HTF Handbook](#) and [RCW 43.185A140](#).

Because requirements for new construction projects greatly differ from requirements for rehabilitation projects, applications seeking funding for new construction projects must be submitted separately from applications seeking funding for acquisition and rehabilitation activities. This also applies to multiple location projects, where a site, or sites, will be construction, and other sites will be acquisition and rehabilitation. A separate application must be submitted for each activity, e.g., one application for construction activities, one application for acquisition and rehabilitation activities. Appropriate duplicate materials may be shared between the two applications.

Eligible / Ineligible Project Type

HTF funds can only be used for affordable housing for low-income people. The following list of project types serve as a guideline for prospective HTF applicants and funding recipients to understand what is eligible or ineligible for HTF Capital Funding. Refer to the glossary for definitions.

If a project includes other components, such as commercial spaces, nonprofit facilities, or market-rate housing (for higher income people), those components cannot be funded with HTF funds. Increasingly, more projects are needed to provide medical or mental health services that include housing or residential stays. In general, these are identified as facilities, and are not eligible for HTF funds.

The following project types are designated as eligible or ineligible for HTF funding for the purposes of NOFA MHU-2024-02:

Eligible Project Type (in alphabetic order):

- Assisted living facilities as defined under [RCW 18.20.020\(2\)](#) – limited to those with private apartments and lease
- Adult family homes as defined under [RCW 70.128](#)
- Community land trusts*
- Cottages
- Emergency shelters (including shelters for people fleeing violence/survivors of domestic violence)
- Group homes
- Multifamily rental housing
- Oxford house and sober living housing (Recovery Residences Levels 1 and 2)
- Permanent supportive housing as defined in [RCW 36.70A.030](#)
- Seasonal and year round housing for farmworkers
- State Operated Living Alternatives (SOLA)
- Transitional housing

Ineligible Project Type (in alphabetical order):

- Boarding homes
- Correctional facilities
- Drop-in shelters (daytime use only)
- Facilities providing continual or frequent nursing, medical or psychiatric services and licensed by the Department of Health (DOH) or Aging and Long-Term Support Administration (AL TSA)*
- Medical treatment facilities
- Licensed residential treatment facilities
- Skilled nursing facilities
- Nursing homes
- Private foster care facilities
- Student housing other than housing of “independent students” as defined by HUD in its [Federal Register Notice](#) dated September 21, 2016 (Docket No. FR-5969-N-01).
- Substance use disorder treatment facilities (Recover Residence Level 4): formally known as alcohol and chemical dependence treatment facilities
- Tiny shelters

*If licensure is required, the specific project type must be identified as eligible in the Notice of Funding Availability (NOFA). Ineligible projects may be eligible for other capital funds from Commerce (e.g. [Community Capital Facilities – Behavioral Health \(wa.gov\)](#)).

Eligible Costs

Eligible costs are listed at Chapter 2, Section 202.5 of the HTF Handbook. For the purposes of this NOFA, **relocation expenses** are being reclassified as an **eligible cost**.

T-3. Readiness

Funding

The project schedule must reflect that the applicant will have secured all funding sources, and be ready to execute the MHU contract and start construction, no later than 15 months from the date the award of funding is announced. This is estimated to be March 2026. Commerce reserves the right to extend this deadline in unique and unforeseeable circumstances.

Site Control

The project site must be under the control of the applicant, in accordance with Section 205.3 of the [HTF Handbook](#).

An exception to this requirement is established for projects that comprise the purchase and remodel of existing single-family residences (e.g. “scattered site” projects). The exception applies when the applicant has been requested by a relevant agency (e.g., DSHS) to pursue properties in general locations (e.g., in a city or a county).

In such cases, MHU funds may be necessary to close on a property acquisition. For this specific situation, MHU contract execution may occur prior to establishment of site control, but funds are not disbursable for costs other than planning-related activities (e.g., architectural planning, site surveys) until closing on the property. The applicant must identify the pool of available single-family properties. Applicable documentation may include lists of properties in the proposed size, location, condition, price range, and other comparable information.

Zoning

Zoning of the project site must be appropriate for the proposed project, in accordance with Section 205.11 of the [HTF Handbook](#). This requirement applies to all new construction projects *and* to scattered-site projects with a new construction element.

Services

A plan detailing supportive services for residents must be submitted with the application for all projects intending to serve people with IDD.

If the applicant does not provide the services, documentation of a formal partnership (e.g., a **signed** MOU or similar instrument) with a qualified and experienced service provider must be included (see Section 205.7 of the [HTF Handbook](#)). Note that the quality of services planning will be assessed and scored as well (see [Project Scope and Housing Model](#), below).

Funding sources for services need not be committed at the time of application, but documentation of communications between the applicant and intended funding sources for the specific project’s services that will be available long-term must be provided.

Environmental

Projects with a secured property or properties, or new construction projects, must provide the documentation listed below at application. For scattered site acquisitions of existing single-family houses, the following items will be accepted after an award but prior to closing on each property.

For projects involving new construction

A Phase I Environmental Site Assessment (Phase I ESA) that meets all of the requirements described in Section 205.4.1 of the [HTF Handbook](#) must be submitted for each site included in a project. Any additional site characterization work that is recommended by the Phase I ESA preparer, including, but not limited to, Phase II ESAs, must accompany each application.

Projects involving existing structures

For projects involving acquisition, adaptive reuse, or rehabilitation of existing buildings, limited surveys for Mold, Lead Based Paint, and Asbestos must be included as part of the Phase I. Any additional site characterization work, including, but not limited to, Phase II ESAs, recommended by the Phase I ESA preparer must accompany each application. If harmful materials are documented to be present, or if presence is determined to be highly probable, plans must be included with the application for the mitigation of each issue.

Methamphetamine Testing

Testing for methamphetamine contamination is ***not required*** if:

- A. The existing structures will be fully demolished, or
- B. The existing structures will be “gut rehabbed” (e.g., building will be deconstructed to studs and subfloors then reconfigured and rebuilt to current standards).

Projects that intend to salvage fixtures or structural elements either for site re-use, or donation to a re-use agency, are strongly advised to have the building tested for meth contamination.

Methamphetamine residue is persistent and could contaminate any facilities holding the salvaged materials, even if for only a short period of time.

Testing for methamphetamine contamination is ***required*** for:

- A. Existing, unoccupied buildings that are not being fully demolished or “gut rehabbed” (down to studs & subfloors).
- B. The vacant residential units and the common/shared areas in existing, occupied buildings that are not being fully demolished or “gut rehabbed.”
 - E.g., rental units, laundry rooms, community rooms, meeting spaces.
- C. The occupied residential units do not need to be tested to meet the requirements of this NOFA. However, in the event that this project is selected for funding, occupied residential units must be tested for methamphetamine contamination *prior to contract execution*.
 - Units that are found with methamphetamine contamination concentrations at levels required by law ([WAC 246-205-541](#)) to be addressed must be included in the property’s rehabilitation plans and budget.
 - Methamphetamine testing is eligible for reimbursement using MHU funding.
 - Households in the contaminated units may not be evicted due solely to the unit testing positive for methamphetamine contamination.
 - Households in the contaminated units may not be required to bear any of the costs to address the contamination.
 - Households in the contaminated units remain eligible for any and all relocation assistance as determined by law, ordinance, or policy.

If the structure’s current property management company has an existing methamphetamine (meth) testing policy whereby all units are tested annually or upon vacancy, then the annual testing results may meet the methamphetamine testing requirements in this NOFA provided that:

- A. Testing was done by a methamphetamine testing organization certified by the Washington State Department of Health (DOH).
- B. Testing has been done within the prior 12 months (September 2023 – September 2024).
- C. Test results with concentrations greater than that allowed by law ([WAC 246-205-541](#)) have been mitigated or otherwise addressed, and records are provided to support the mitigation.
 - i. Evidence that mitigation is underway, but not yet completed meets this requirement.
 - ii. Evidence that mitigation is included in the project proposal (scope of work and budget) meets this requirement.

Testing should be conducted by a contractor certified by the state Department of Health; a list of certified contractors is provided at <https://doh.wa.gov/community-and-environment/contaminants/drug-labs/cleanup-companies>. Please note that, unlike testing for Asbestos Containing Materials, prospective contractors will need to know at least the following characteristics of the project structure(s):

1. Size, both in terms of units and square footage (residential and common areas, not just living space),
2. Age of the structure,
3. Current occupancy status,
4. Intent moving forward (i.e., the scope of the project being submitted for funding).

If methamphetamine contamination is detected above the legal limit, a plan for occupied units must be submitted along with remediation plan. If methamphetamine contamination is detected, but is below the limit requiring remediation, Commerce *strongly* encourages owners to clean affected units based on the recommendations of the testing contractor.

All Projects

Project budgets must include sufficient funds to satisfactorily accomplish any remediation activities recommended by the required characterization work. Any such funds must be clearly allocated in the designated line items of the project development budget. Remediation activities are eligible for reimbursement under this NOFA.

T-4. Completeness of Application

All fields in the application forms require a response, and all information requested must be provided at time of submittal. If particular documents are not available at the time of application, applicants must submit a formal waiver request before the end of the technical assistance period identified earlier in this NOFA.

Applicants **MUST** contact MHU staff during the technical assistance period established in this NOFA to address any questions or confusion regarding whether fields, questions, or materials must be submitted at time of application. Applicants must still make every reasonable effort to submit all required documents in a complete state by the deadline.

Attachments determined by the applicant to be “not applicable” and hence purposefully omitted must have

their reasoning well explained. **Commerce reserves the right to make final determinations regarding applicability.**

DECISION POINT #2 – PRIORITIES

Projects will be scored and ranked only against other projects in the same geographic region category (King County, Urban, or Rural). For example, a project located in a Rural area (per the MHU definition of Rural – See Appendix D) will *only* be compared to and compete against other projects in Rural areas.

The Total Project Score a project receives will be based on the number of points awarded as detailed below.

Priorities	Score Range	Max Score
1. Populations Served	1 to 20	20
2. Creation of New Units	0 to 10	10
3. Need	0 to 10	10
4. Size & Development Costs	0 to 15	15
5. Level of MHU Investment	0 to 15	15
6. Project Scope & Housing Model	0 to 20	20
7. Organizational Review	0 to 10	10
Total Maximum Score		100

P-1. Populations Served: 1 to 20 Points

1 to 20 points: Target Populations

Projects are evaluated with relation to persons/households served according to both the identified populations (proportion of units targeted to specific populations) and income levels. Status at entry will be scored separately. Scores will be weighted based on the specificity of unit targeting; units targeted for specific populations will receive higher scoring than units for low-income households in general, and units targeted to special needs populations (see HTF Handbook Glossary) will receive the heaviest weighting.

Due to their importance in the application scoring mechanism, units can only be listed once (i.e., the total number of units targeted to populations cannot exceed the total physical units). Alternatively, a project may indicate its units are targeted for “multiple special needs.”

Note that any units indicated in the application as being targeted for a specific population, as well as designated as permanent supportive housing for homeless-at-entry, will be required as part of any resultant award and contract.

FOCUS – 10 Points

The number of units for targeted populations in a project will be compared with the total number of low-income units in the *same* project, i.e., the percent of units for each targeted population.

NOT HOMELESS TO PSH – 5 points

Projects will also receive a score based on the proportion of units targeted to households who are Homeless at entry, and whether the housing provided will qualify as Permanent Supportive Housing (PSH). The greatest weight will be accorded to PSH units; the least weight will be accorded to units for households not homeless at entry.

0 to 5 points: Area Median Income (AMI)

The degree to which each project proposes to serve the *lowest* income populations will be evaluated. The number of units in a project that are targeted for households earning 30% of AMI (50% for rural) will be compared with the total number of affordable units in the same project, i.e., the percent of affordable units specifically targeted to 30% (50% for rural) AMI.

Example: a project serving 30% (50% for rural) AMI *exclusively* will score higher than a mixed-income project, *regardless* of the size of project.

P-2. Creation of New Units: 0 to 10 Points

Priority will be given first to projects that are creating new affordable units, or projects that will increase the affordable housing stock in Washington State by bringing existing market-rate stock into the affordable market. Second priority will be accorded to projects that utilize or preserve housing stock currently under a regulatory covenant, and third to projects that utilize or preserve housing stock that is already in the MHU portfolio, as follows:

- **10 points:** new construction.
- **7 points:** acquisition - acquisition with rehab; adaptive reuse; redevelopment
- **5 points:** USDA Rural Development – Continuing Affordability
- **3 points:** rehabilitation only
- **0 points:** MHU property under contract with Commerce (i.e., preservation of existing MHU units).

P-3. Need: 0 to 10 Points

Need (0 to 10 points)

Points will be awarded to a project based on the following dimensions. Note: given the limitations of available data, both measures are calculated at the county level, and reflect the nearest year for which data exist.

Rent Burden – 5 points

Percent of renters paying greater than 30% of income toward rent was calculated, then multiplied by 6 to produce a score. Data used was drawn from the American Community Survey, published by the US Census Bureau [[American Community Survey-DATA](#)].

Homeless Per Capita – 5 points

The total number of homeless persons found by the Point-In-Time Count (sheltered and unsheltered) was divided by the population of the county, then multiplied by 100 to produce a “per 100 residents” value. This was then multiplied by 6 to produce a score. (PIT data is available [here](#).)

P-4. Size & Development Costs: 0 to 15 Points

SIZE – 10 Points

The total number of low income units in a project will be compared to the total Low Income units in the project with the greatest number of Low Income units in each of the three established geographic pools (K, R, U). **Note**

that beds-only projects (including shelters and seasonal farmworker projects) are excluded here, and are only compared among themselves.

Development Costs – 5 Points

Cost reasonableness will be evaluated by comparing similar projects, according to the HTF’s Cost Containment policy described in Section 201.2 of the [HTF Handbook](#). Projects will be assigned a category constructed out of the following elements:

- i. **Activity Type:** New Construction (NC) or Rehabilitation (R)

Acquisition-only projects will be considered part of the Rehabilitation activity category. An Adaptive Reuse project may be categorized as New Construction or Rehab, depending on its scope. Projects involving both New Construction *and* Rehab will be categorized according to the percentage of the scope devoted to either. Projects with a scope that is 51% New Construction, for example, will be assigned to the New Construction type.

- ii. **Size¹:** Small (1-25 units); Medium (26-59 units); Large (60-100 units); Very Large (more than 100 units)

- iii. **Geographic/Market location:** King/Pierce/Snohomish; Other Metro; Non-Metro

Note that this is different from the geographic category structure otherwise used by MHU, with the intent of reflecting the more similar cost structures found in the Greater Seattle/Puget Sound area.

Projects will then be compared within their Cost Category via their **Adjusted Total Development Cost per Unit** (TDC_APU), defined as the total development cost less the sum of land cost and capitalized reserves, divided by the number of units in the project.

$$TDC_{APU} = \frac{(TDC - (Cost\ of\ Land + Cost\ of\ Offsite\ Infrastructure + Capitalized\ Reserves))}{Total\ Units\ in\ Project}$$

For the purpose of this NOFA, MHU is defining **Total Development Cost (TDC)** as the sum of all costs incurred in the production of the residential units proposed, including construction, financing, permitting, design, and feasibility studies. Any amounts attributed to commercial areas or other non-residential areas are *not* considered part of the TDC. Note MHU funds are not applicable to all costs included in TDC; consult Section 202.5 of the [HTF Handbook](#) for a list of eligible and ineligible costs.

All residential units (low-income, market-rate and common area units) will be included in the calculation of the cost per unit.

The project with the lowest TDC_APU in its category will receive 5 points. Projects will receive proportionally fewer points as they approach 110% of the category average. Projects with a TDC_APU greater than 110% of the average for their category will receive no points.

¹ It is not anticipated that applications will be received for projects consisting of beds (e.g. shelters, seasonal farmworkers). Should applications for such projects be received, however, they will be compared among themselves.

Per HTF current policy, in the event that an insufficient number of projects in a category are applied for in the Funding Round to allow for the construction of a reasonable average (this value, n , was established as a minimum of 5), data from up to three previous funding rounds will be added. In cases where even this is insufficient to produce a category with an acceptable n value of five (5) or higher, the entire sub-section will be discarded and not scored. As a result, the overall project score will be calculated only based on the maximum possible points it could have achieved.

P-5. Level of MHU Investment: 0 to 15 Points

Leverage (0 to 5 points)

Other funding leveraged by a project is evaluated by comparing it to projects in the same geographic area (King, Urban, Rural) and on whether the project is seeking Low Income Housing Tax Credits. This establishes the following “Leverage Categories”:

- King County, Non Tax Credit
- King County, Tax Credit
- Urban (non–King County), Non-Tax Credit
- Urban (non-King County), Tax Credit
- Rural, Non Tax Credit
- Rural, Tax Credit

Note that the geographic areas used in creating the Leverage Categories are different from those used to create the Cost Containment categories. This is intended to reflect the fact that projects in *any* urban area are more likely to secure other funds due to increased access to federal and municipal funds, as well as Low Income Housing Tax Credits, regardless of the actual cost to build in the area. The simple leverage of a project (i.e., HTF compared to all non-HTF funds in a project) will be divided by the maximum leverage in its geographic category, with the results multiplied by 5 points.

$$\text{"Simple" Leverage} = \frac{(TDC_A - HTF Funds)}{HTF Funds}$$

$$\text{Leverage Score} = 5 * \left[\frac{\text{Leverage (Current Project)}}{\text{Leverage (Max in Category)}} \right]$$

The project with the highest leverage will receive 5 points and the project with the lowest leverage will receive 0 points. The other projects will fall in between.

As with the Cost Containment Categories under P-4, in the event that an insufficient number of projects in a category are applied for in the funding round to allow for the construction of a reasonable average (this value, n , was established as a minimum of 5), data from up to three previous funding rounds will be added.

HTF Cost per Unit (0 to 10 points)

HTF investment per unit is evaluated by comparing it to *similar* projects in the geographic regional categories, using the Cost Containment categories (see [P-4](#), above). The project with the lowest HTF Cost per Unit (CPU-HTF) in its category will receive 10 points. The project with the highest CPU-HTF in its category will receive 0 points. The rest of the projects in that category will fall in between, proportionally based on their closeness to the minimum CPU-HTF.

Note: For both P-5 criteria, the quantity “HTF Funds” will include any line item allocations in a Capital Budget (aka direct appropriations) if they are for affordable housing and/or are included in the HTF appropriation.

As with the Cost Containment categories under P-4, in the event that an insufficient number of projects in a category were applied for in the funding round to allow for the construction of a reasonable average (this value, n , was established as a minimum of 5), data from up to three previous funding rounds was added. In cases where even this is insufficient to produce a category with an acceptable n value, the entire sub-section will be discarded and not scored. As a result, the overall project score will be calculated only based on the maximum possible points it could have achieved.

P-6. Project Scope & Housing Model: 0 to 20 Points

Commerce staff will use their best professional judgement to evaluate the proposed project’s scope of work and service model, as application to the project. This includes, but is not limited to, the following considerations:

- Clarity of concept
- Degree of development of design
- Comprehensiveness of budgets
- Quality of long-term planning
- Consistency of information throughout the application
- Compliance with applicable regulations and program rules
- Appropriateness of design for serving targeted populations
- Thoroughness of consideration of target populations’ needs (including access to transit and employment opportunities)

If review staff find the quality of project scope to be of a level such that they feel justified in awarding zero points, an auxiliary review will be triggered. Additional staff members will review the project, and if the group agrees that zero points are justified, that project will be considered ineligible to receive a funding award.

Special considerations:

- For projects that propose to serve homeless populations, including homeless youth, MHU staff will seek feedback from the Homelessness Assistance Unit and the Office of Youth Homelessness Prevention, both of which are housed at Commerce.
 - For projects that intend to dedicate *some* of their units to providing permanent supportive housing, but which do not rise to the level of permanent supportive housing *projects*, MHU will seek feedback from the Office of Apple Health and Homes. *Projects that are fully dedicated to providing permanent supportive housing should complete and submit the AHAH Addendum.*
- The Housing Assistance Unit is the author of the “State’s Homeless Housing Strategic Plan.” MHU applicants who plan to apply for projects serving homeless populations are strongly encouraged to review it at: <https://www.commerce.wa.gov/serving-communities/homelessness/state-strategic-plan-annual-report-and-audits/>
- For projects that propose to include units reserved for people with intellectual or developmental disabilities (IDD), MHU staff will engage the assistance of specialists from DSHS/DDC in reviewing both physical design features (e.g. floor drains, sound proofing, lighting placement) and supportive services included for the benefit of IDD residents. *Projects that are providing housing for people with IDD should complete and submit the IDD Addendum.*

- While the policy of the state generally is to encourage the development of Low- or No-Barrier housing, if a project with a more restrictive residency policy is proposed (e.g., “clean and sober” housing), it may still receive a favorable score if the applicant can substantiate it as a necessary part of a continuum of units for persons homeless at entry.
- For projects that propose to house people with behavioral or chronic mental illness, MHU staff will engage the assistance of behavioral health specialists from the Health Care Authority in reviewing and evaluating the appropriateness of project details. Please see the definition of chronic mental illness in Appendix E.
- Projects that propose to serve people with chronic mental illness **must** document that treatment and supportive services will be provided to tenants for a *minimum* of forty (40) years. Projects will be evaluated based on the clarity and comprehensiveness of the proposed services, with length of commitment in excess of 40 years serving to increase a project’s competitiveness.

P-7. Organizational Review – 0 to 10 points

Equity and Organizational Cultural competency (0 to 5 points)

MHU prioritizes the provision of housing to the most vulnerable populations in the state. Black, Indigenous and Persons of Color (BIPOC) populations are disproportionately affected by homelessness, and face barriers to housing including biased financial systems and historic patterns of government-supported discrimination. Commerce seeks to contribute to the undoing of such discrimination by prioritizing partnerships with those committed to empowering resident voice and offering culturally sensitive developments. This is distinct from the By and For designation that is adopted by statute and will be categorized separately (see Appendix D).

Commerce staff will use their best professional judgement to evaluate the proposed project’s contribution to these overall goals. This includes, but is not limited to, the following considerations:

- Clear communication of how the applicant organization’s governance structure builds accountability to BIPOC and other vulnerable populations served by the housing.
- Concise description of the ways in which organizational programming, especially as it relates the proposed project, empowers residents voices, with specific examples of how these processes have guided agency action.
- Whether/how the applicant organization works to build cultural competencies within staff through training, hiring and recruitment, and professional development for persons to excel within the organization.

Past Performance (0 to 5 points)

Commerce will award points based on applicants’ ability to complete projects as proposed. Reduced scores will be awarded as a result of documented instances where contractors have repeatedly or routinely exhibited performance issues, including – but not limited to – the following:

- unable to secure full financing,
- provided inaccurate documentation,
- requested multiple changes to contracts post award
- experienced extended project delays,
- property management concerns (occupancy or condition), or
- substantial reporting issues.

See Section 206.1.3 of the [HTF Handbook](#) for additional detail regarding measures of past performance.

DECISION POINT #3 – DETERMINANTS

This third step will act as a final threshold and help determine which projects are viable and can be funded. As described above, projects in a geographic region category may be awarded funding even if they have lower scores than projects in another category.

Moreover, it is possible for the project with the highest score in the entire application round not to be funded, IF it is determined at this decision point that the project has a substantial funding gap. **Full funding is the final threshold applied at the end of the evaluation process.**

E-1. Organizational Capacity and Good Standing

Capacity

Organizations will be evaluated based on standing with Commerce, capacity, and past performance. Organizations considered to be at a higher level of risk may have their current application declined in favor of Organizations considered lower risk.

The applicant organization must demonstrate financial capacity to perform the proposed activities—both during the completion of development and ongoing operations of the project. The MHU asset management team will make this determination based on the applicant’s audited financial statements, and proposed sources and uses statement. See Section 206.1.2 of the [HTF Handbook](#).

Good Standing

The applicant organization must be in good standing with the MHU and Commerce, and must be fiscally sound. The MHU asset management team will make this determination based on the applicant’s history with MHU and Commerce (per Section 206.1.1 of the [HTF Handbook](#)), and performance of current projects under contract.

Applicants that DO NOT have a history with MHU or Commerce MUST attach letters of “good standing” from local public funders (city, county) to their submittal, regardless of their organization’s collaborating with an experienced housing developer.

E-2. Coordination with Other Funders

If the project has public local (city, county) or other state (e.g., CDBG) funding, Commerce makes efforts to coordinate with the other public funders.

Consistency

Applicants seeking funds from other public funders that use the Combined Funders Application (CFA) MUST ensure that their applications are consistent across the funders, i.e., use the same counts of population targets, same area median income levels, same financing structure, sources and uses, etc. Inconsistent applications will lower Commerce’s ability to coordinate and partner with the other public funders. Discovery of inconsistency may result in the project not being funded by one or more public funders due to the lack of clarity of its scope, funding, financing structure, or intended target population.

Local Support

Evidence of support from the community in which the project is located or letter expressing the support of a non-governmental/community nonprofit organization associated with the project's location.

Complete Funding

MHU works to ensure its commitments are not made at cross-purposes with local funding sources, nor made in such a way that ties MHU funds up for unnecessarily long periods. **Funds from other public sources, including "9%" Low Income Housing Credits (LIHTCs) must therefore be committed, awarded, under contract, or otherwise in-hand at the time of the MHU award (December 2024).** MHU will work to the greatest extent possible to make awards aligning with local funding priorities.

In King County – the prioritization will be managed in consultation with the following entities:

- King County
- City of Seattle
- ARCH
- Sound Transit
- South King Housing & Homelessness Partners (SKHHP)

Statewide, most communities give highest priority to projects including the Low Income Housing Tax Credit program (LIHTC) due to the amount of leverage generated. Therefore, Commerce will be making decisions in coordination with WSHFC on the 4% and 9% rounds.

If the project has no local or other funding (i.e., MHU is the only source), the full funding threshold may not apply. Evidence of local non-monetary or indirect monetary support specifically directed toward the project should be provided in the application and is evaluated in Priority [#5](#).

E-3. Distribution Considerations

Regional/Geographic

MHU intends to meet the statutory requirement that 30% of funds appropriated be directed toward projects in Rural area, and also distributed statewide. Therefore, one-third of funds will be targeted each for King County, Urban and Rural geographies.

If several eligible projects are situated in close proximity (same community, city, etc.), Commerce may communicate with the local jurisdiction regarding project prioritization, as the MHU may not be able to fund multiple projects in proximity of each other, due to limited funding and the statewide distribution requirement.

In service of the goal of providing for a truly statewide distribution of funds, MHU will report its investments using the 10-region framework.

MHU reserves the right to place projects on a wait-list or decline applicants for any reason to retain funding for future competitive rounds.

By-and-For Organizations

MHU will target a minimum of 10% of funds awarded to organizations qualifying as "By and For" organizations. Please see the definition of By and For in Appendix D for additional information.

[RCW 43.185A.140](#) “The department must prioritize allocating at least, but not limited to, 10 percent of these moneys used in any given funding cycle to organizations that serve and are substantially governed by individuals disproportionately impacted by homelessness’, including black, indigenous, and other people of color and, lesbian, gay, bisexual, queer, transgender, and other gender-diverse individuals”.

E-4. Other Special Requirements or Priorities

Commerce must allow some flexibility for special requirements or priorities that cannot be scored in the priorities above. Examples may include but are not limited to the following:

- A project may receive additional priority because:
 - Project includes a licensed early learning facility (ELF).
 - Project provides employment and training opportunities for disadvantaged youth under a youth build or youth build-type program as defined in [RCW 50.72.020](#).
- Other requirements that Commerce/MHU may deem necessary during the application evaluation process.

Washington State Multifamily Housing Unit NOFA [MHU-2024-02] Appendix C: Apple Health and Homes Capital (AHAH) Application Evaluation Criteria

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OVERVIEW AND CONCEPT

Commerce will use the following process and criteria to evaluate all Multifamily Rental Project applications **proposing Permanent Supportive Housing (PSH) and those applicants seeking funds from Apple Health and Homes Capital (AHAH).**

Projects responding to this Appendix must include at least one unit designed to meet the statutory definition of Permanent Supportive Housing ([RCW 36.70A.030 \(31\)](#)). All projects are eligible for funding whether they agree to participate in AHAH program guidelines or not, but applicants will not be eligible for AHAH Capital funding without any units restricted to serve FCS eligible persons. A project must include at least one AHAH-Restricted Unit to be eligible for AHAH Capital.

The project review process consists of three main phases or decision points:

- **Decision Point #1** – Thresholds
- **Decision Point #2** – Priorities

For scoring purposes, applications are separated in three geographic pools depending on their physical locations—King County, Urban, and Rural—so that projects only compete against other projects in similar circumstances. For example, a Rural project will only be compared with and compete against another Rural project. “Rural” and “Urban” are defined in the Glossary of the [HTF Handbook](#). A definition of Rural is also provided in Appendix E.

Priorities are then scored and ranked within their respective geographic pool. The intent of scoring and ranking is to objectively establish which projects most closely align with AHAH and MHU’s purposes and legislative priorities. Projects achieving appropriately high scores will then be further assessed according to established priorities in Decision Point #3.

- **Decision Point #3** – Determinants

The AHAH capital program has established regional targets based on the Apple Health (Medicaid) program’s [ten integrated managed care/behavioral health care regions](#), per the AHAH enabling statute ([RCW 43.330.187](#)). The affordable housing projections required by [HB1220](#) will serve as the basis of these targets specifically the number of projected PSH units needed for households earning less than 30% of Area Median Income (AMI).

By-and-For Organizations are operated by and for the communities they serve. Their primary mission and history is serving and are substantially governed by individuals disproportionately impacted by homelessness and behavioral health conditions, including black, indigenous, and other people of color, lesbian, gay, bisexual, queer, transgender, and other gender diverse individuals. Per [RCW 43.330.184](#), ten percent of the AHAH funds are prioritized for By-and-For Organizations.

Finally, Commerce will make final decisions after taking into account input from other public funders involved in each project (city, county, and the Washington State Housing Finance Commission), and accounting for requirements set out by particular funding sources or other legislative mandates.

If some of the requirements or criteria below appear to be in conflict or supersede the requirements or conditions laid out in the [HTF Handbook](#), the requirements in this NOFA prevail. If in doubt, applicants should contact the NOFA Coordinator for clarification **before the end of the technical assistance period identified earlier in the NOFA.**

DECISION POINT #1 – THRESHOLDS

In order for applications to be considered for AHAH funding, they must meet ALL of the thresholds identified below.

T-1. Eligible Applicant

Applicant

The organization submitting an application for funding must qualify as an eligible organization under RCW 43.185A.040.

- Local government
- Local housing authority
- Nonprofit community or neighborhood-based organization
- Federally recognized Indian tribes in the state of Washington
- Regional or statewide nonprofit housing assistance organization

Eligible organizations are also required to be in compliance with the revenue and taxation laws, as applicable to the recipient, at the time the award is made.

Experience

The applicant must have previously developed a similar affordable housing project (e.g., similar project type, size, funding structure) or partner with a developer that has affordable housing development experience. See Section 206.2 of the [HTF Handbook](#).

T-2. Eligible Activities

The project must only include activities that are eligible under HTF and AHAH legislation, see below, and per HTF stated policies (as communicated via the [HTF Handbook](#)). Applicants are responsible for ensuring that their application meets this criterion by becoming familiar with Sections 202.2 and 202.5 of the [HTF Handbook](#), as well as [RCW 43.185A140](#), and [RCW 43.330.187](#).

- Eligible Activities
 - New Construction
 - Acquisition Only
 - Acquisition with rehab:
- Ineligible Activities
 - Adaptive reuse;
 - Redevelopment;
 - Preservation

Awardees of AHAH Capital funding must follow the [Apple Health and Homes guidelines](#), as updated by Commerce. AHAH is designed to bring available housing units to individuals enrolled, or eligible for, Foundational Community Supports (FCS) Programs. Individuals will be determined eligible through HCA's

coordinating entity ([RCW 74.09.886](#)). FCS is a targeted Medicaid benefit to a specific eligibility group, and AHAH-eligible populations are a subset of the FCS eligibility.

Because requirements for new construction projects greatly differ from requirements for rehabilitation projects, applications seeking funding for new construction projects must be submitted separately from applications seeking funding for acquisition and rehabilitation activities. This also applies to multiple location projects, where a site, or sites, will be construction, and other sites will be acquisition and rehabilitation. A separate application must be submitted for each activity, e.g., one application for construction activities, one application for acquisition and rehabilitation activities. Appropriate duplicate materials may be shared between the two applications.

Eligible / Ineligible Project Type

For the purposes of this NOFA, AHAH funds can only be used for affordable housing for low-income people. If a project includes other components, such as commercial spaces, nonprofit facilities, or market-rate housing (for higher income people), those components cannot be funded with AHAH funds. Increasingly, more projects are needed to provide medical or mental health services that include housing or residential stays. In general, these are identified as facilities, and are not eligible for AHAH funds.

Per RCW 74.09.885 AHAH projects must meet the definition of PSH per RCW 36.70A.030 (31) (see Appendix E).

The following project types are designated as eligible or ineligible for AHAH funding for the purposes of NOFA MHU-2024-02:

Eligible Project Type (in alphabetic order):

- Cottages
- Multifamily rental housing

Ineligible Project Type (in alphabetical order):

- Adult family homes as defined under [RCW 70.128](#)
- Boarding homes
- Correctional facilities
- Drop-in shelters (daytime use only)
- Emergency shelters (including shelters for people fleeing violence/survivors of domestic violence)
- Community land trusts
- Facilities providing continual or frequent nursing, medical or psychiatric services and licensed by the Department of Health (DOH) or Aging and Long-Term Support Administration (AL TSA)* such as assisted living facilities, adult family homes, enhanced service facilities.
- Group homes
- Medical treatment facilities
- Licensed residential treatment facilities
- Skilled nursing facilities
- Nursing homes
- Oxford house and sober living housing (Recovery Residences Levels 1 and 2)
- Residential treatment facilities licensed through Department of Health*
- Private foster care facilities
- Seasonal and year round housing for farmworkers

- State Operated Living Alternatives (SOLA)
- Student housing other than housing of “independent students” as defined by HUD in its [Federal Register Notice](#) dated September 21, 2016 (Docket No. FR-5969-N-01).
- Substance use disorder treatment facilities (Recover Residence Level 4): formally known as alcohol and chemical dependence treatment facilities
- Tiny shelters
- Transitional housing

*If licensure is required, the specific project type must be identified as eligible in the Notice of Funding Availability (NOFA). Ineligible projects may be eligible for other capital funds from Commerce (e.g. [Community Capital Facilities – Behavioral Health \(wa.gov\)](#)).

Eligible Costs

For AHAH-Capital, Commerce will consider the share of AHAH funding to determine how many units are “AHAH-Assisted.” For example, \$5,000,000 in Apples Health and Homes Capital funds on a \$20,000,000 project will result in 25% of the units being considered “AHAH-Assisted,” and thus restricted to Apple Health and Homes referrals. Applicants must indicate in the Addendum the number of units being reserved for AHAH referrals. Commerce anticipates AHAH units will be floating of comparable size, but a provider may opt to fix specific units. Commerce reserves the right to allow more or less AHAH restricted units than calculated as AHAH-Assisted, depending on the number of overall PSH units in the project and other local factors. There may be situations where it is appropriate, and necessary for Apple Health & Homes capital funds to be the sole source of funds to acquire or develop an entire project.

Eligible costs are listed at Chapter 2, Section 202.5 of the HTF Handbook. For the purposes of this NOFA, **relocation expenses** are being reclassified as an **eligible cost**.

T-3. Readiness

Funding

The project schedule must reflect that the applicant will have secured all funding sources, and be ready to execute the MHU contract and start construction, no later than 15 months from the date the award of funding is announced. This is estimated to be March 2025. Commerce reserves the right to extend this deadline in unique and unforeseeable circumstances.

Site Control

The project site must be under the control of the applicant, in accordance with Section 205.3 of the [HTF Handbook](#).

Zoning

Zoning of the project site must be appropriate for the proposed project, in accordance with Section 205.11 of the [HTF Handbook](#). This requirement applies to all new construction projects *and* to scattered-site projects with a new construction element.

The Dept. of Commerce Growth Management Act team has additional resources including a model ordinance to help communities address zoning challenges associated with PSH. The STEP model ordinance, user guide and best practices report is available on the [Commerce website](#). In addition the Office of Apple Health and Homes is launching a PSH toolkit to assist in community education and conversations. The toolkit, estimated to be completed by July 1, 2024 is located on the [AHAH website](#).

Services

A detailed plan for services must be submitted with the application for all projects intending to serve people who are Homeless at Entry including the risk criteria established by the AHAH eligibility per [RCW 74.09.886](#). Permanent supportive housing services and other tenant services appropriate for the proposed project and population to be served will be assessed and scored as well (see Priorities below).

A funding plan that will effectively support the services long-term must be included. Funding sources need not be committed, but intended sources must be identified. If the applicant does not provide the services, documentation of a formal partnership (e.g., a **signed MOU** or similar instrument) with a qualified and experienced Foundational Community Support service provider must be included (see Section 205.7 of the [HTF Handbook](#)).

Environmental

Projects with a secured property or properties, or new construction projects, must provide the documentation listed below at application. For scattered site acquisitions of existing single-family houses, the following items will be accepted after an award but prior to closing on each property.

For projects involving new construction

A Phase I Environmental Site Assessment (Phase I ESA) that meets all of the requirements described in Section 205.4.1 of the [HTF Handbook](#) must be submitted for each site included in a project. Any additional site characterization work that is recommended by the Phase I ESA preparer, including, but not limited to, Phase II ESAs, must accompany each application.

Projects involving existing structures

For projects involving acquisition, or acquisition plus rehabilitation, limited surveys for Mold, Lead Based Paint, and Asbestos must be included as part of the Phase I. Any additional site characterization work, including, but not limited to, Phase II ESAs, recommended by the Phase I ESA preparer must accompany each application. If harmful materials are documented to be present, or if presence is determined to be highly probable, plans must be included with the application for the mitigation of each issue.

Methamphetamine Testing

Testing for methamphetamine contamination is ***not required*** if:

- A. The existing structures will be fully demolished, or
- B. The existing structures will be “gut rehabbed” (e.g., building will be deconstructed to studs and subfloors then reconfigured and rebuilt to current standards).

Projects that intend to salvage fixtures or structural elements either for site re-use, or donation to a re-use agency, are strongly advised to have the building tested for meth contamination.

Methamphetamine residue is persistent and could contaminate any facilities holding the salvaged materials, even if for only a short period of time.

Testing for methamphetamine contamination is **required** for:

- A. Existing, unoccupied buildings that are not being fully demolished or “gut rehabbed” (down to studs & subfloors).
- B. The vacant residential units and the common/shared areas in existing, occupied buildings that are not being fully demolished or “gut rehabbed.”
 - E.g., rental units, laundry rooms, community rooms, meeting spaces.
- C. The occupied residential units do not need to be tested to meet the requirements of this NOFA. However, in the event that this project is selected for funding, occupied residential units must be tested for methamphetamine contamination *prior to contract execution*.
 - A. Units that are found with methamphetamine contamination concentrations at levels required by law ([WAC 246-205-541](#)) to be addressed must be included in the property’s rehabilitation plans and budget.
 - Methamphetamine testing is eligible for reimbursement using MHU funding.
 - Households in the contaminated units may not be evicted due solely to the unit testing positive for methamphetamine contamination.
 - Households in the contaminated units may not be required to bear any of the costs to address the contamination.
 - Households in the contaminated units remain eligible for any and all relocation assistance as determined by law, ordinance, or policy.

If the structure’s current property management company has an existing methamphetamine (meth) testing policy whereby all units are tested annually or upon vacancy, then the annual testing results may meet the methamphetamine testing requirements in this NOFA provided that:

- A. Testing was done by a methamphetamine testing organization certified by the Washington State Department of Health (DOH).
- B. Testing has been done within the prior 12 months (September 2023 – September 2024).
- C. Test results with concentrations greater than that allowed by law ([WAC 246-205-541](#)) have been mitigated or otherwise addressed, and records are provided to support the mitigation.
 - i. Evidence that mitigation is underway, but not yet completed meets this requirement.
 - ii. Evidence that mitigation is included in the project proposal (scope of work and budget) meets this requirement.

Testing should be conducted by a contractor certified by the state Department of Health; a list of certified contractors is provided at <https://doh.wa.gov/community-and-environment/contaminants/drug-labs/cleanup-companies>. Please note that, unlike testing for Asbestos Containing Materials, prospective contractors will need to know at least the following characteristics of the project structure(s):

1. Size, both in terms of units and square footage (residential and common areas, not just living space),
2. Age of the structure,
3. Current occupancy status,
4. Intent moving forward (i.e., the scope of the project being submitted for funding).

If methamphetamine contamination is detected above the legal limit, a plan for occupied units must be submitted along with remediation plan. If methamphetamine contamination is detected, but is below the limit requiring remediation, Commerce *strongly* encourages owners to clean affected units based on the recommendations of the testing contractor.

All Projects

Project budgets must include sufficient funds to satisfactorily accomplish any remediation activities recommended by the required characterization work. Any such funds must be clearly allocated in the designated line items of the project development budget. Remediation activities are eligible for reimbursement under this NOFA.

T-4. Completeness of Application

All fields in the application forms require a response, and all information requested must be provided at time of submittal, except as outlined [below](#). If particular documents are not available at the time of application, applicants must submit a formal waiver request before the end of the technical assistance period identified earlier in this NOFA.

Applicants **MUST** contact MHU staff during the technical assistance period established in this NOFA to address any questions or confusion regarding whether fields, questions, or materials must be submitted at time of application. Applicants must still make every reasonable effort to submit all required documents in a complete state by the deadline.

Attachments determined by the applicant to be “not applicable” and hence purposefully omitted must have their reasoning well explained. **Commerce reserves the right to make final determinations regarding applicability.**

DECISION POINT #2 – PRIORITIES

Projects will be scored and ranked only against other projects in the same geographic region category (King County, Urban, or Rural). For example, a project located in a Rural area (per the MHU definition of Rural – See Appendix E) will *only* be compared to and compete against other projects in Rural areas.

The Total Project Score a project receives will be based on the number of points awarded as detailed below.

Priorities	Score Range	Max Score
1. Populations Served	1 to 20	20
2. Creation of New Units	0 to 10	10
3. Need	0 to 10	10
4. Size & Development Costs	0 to 15	15
5. Level of MHU Investment	0 to 15	15
6. Project Scope & Housing Model	0 to 20	20
7. Organizational Review	0 to 10	10
Total Maximum Score		100

P-1. Populations Served: 1 to 20 Points

1 to 20 points: Target Populations

Projects are evaluated with relation to persons/households served according to both the identified populations (proportion of units targeted to specific populations) and income levels. Status at entry will be scored separately. Scores will be weighted based on the specificity of unit targeting; AHAH units targeted for specific populations within the AHAH eligibility in RCW 74.09.886 will receive higher scoring than description of units for low-income households in general.

Due to their importance in the application scoring mechanism, units can only be listed once (i.e., the total number of units targeted to populations cannot exceed the total physical units). Alternatively, a project may indicate its units are targeted for “multiple special needs.”

Note that any units indicated in the application as being targeted for AHAH, as well as designated as permanent supportive housing for homeless-at-entry, will be required as part of any resultant award and contract.

FOCUS – 10 Points

The number of units for targeted populations in a project will be compared with the total number of low-income units in the *same* project, i.e., the percent of units for each targeted population.

NOT HOMELESS TO PSH – 5 points

Projects will also receive a score based on the proportion of units targeted to households who are Homeless at entry, and whether the housing provided will qualify as Permanent Supportive Housing (PSH).

The greatest weight will be accorded to AHAH PSH units; the least weight will be accorded to units that identify as PSH but not meeting AHAH population eligibility.

0 to 5 points: Area Median Income (AMI)

The degree to which each project proposes to serve the *lowest* income populations will be evaluated. The number of units in a project that are targeted for households earning 30% of AMI (50% for rural) will be compared with the total number of affordable units in the same project, i.e., the percent of affordable units specifically targeted to 30% (50% for rural) AMI.

Example: a project serving 30% (50% for rural) AMI *exclusively* will score higher than a mixed-income project, *regardless* of the size of project.

Please note that projects that wish to seek PSH Operations, Maintenance, Service funding in the future must meet 30% AMI per RCW 36.22.250 (5.ii)

P-2. Creation of New Units: 0 to 10 Points

Priority will be given first to projects that are creating new affordable PSH units, and, secondly, for PSH projects that will increase the affordable housing stock in Washington State by bringing existing market-rate stock into the affordable market, as follows:

- a. **10 points:** new construction.
- b. **7 points:** acquisition - acquisition with rehab.

P-3. Need: 0 to 10 Points

Need (0 to 10 points)

Points will be awarded to a project based on the following dimensions. Note: given the limitations of available data, both measures are calculated at the county level, and reflect the nearest year for which data exist.

Rent Burden – 5 points

Percent of renters paying greater than 30% of income toward rent was calculated, then multiplied by 6 to produce a score. Data used was drawn from the American Community Survey, published by the US Census Bureau [[American Community Survey-DATA](#)].

Homeless Per Capita – 5 points

The total number of homeless persons found by the Point-In-Time Count (sheltered and unsheltered) was divided by the population of the county, then multiplied by 100 to produce a “per 100 residents” value. This was then multiplied by 6 to produce a score. (PIT data is available [here](#).)

P-4. Size & Development Costs: 0 to 15 Points

SIZE – 10 Points

The total number of low income units in a project will be compared to the total Low Income units in the project with the greatest number of Low Income units in each of the three established geographic pools (K, R, U). **Note**

that beds-only projects (including shelters and seasonal farmworker projects) are excluded here, and are only compared among themselves.

Development Costs – 5 Points

Cost reasonableness will be evaluated by comparing similar projects, according to the HTF’s Cost Containment policy described in Section 201.2 of the [HTF Handbook](#). Projects will be assigned a category constructed out of the following elements:

- i. **Activity Type:** New Construction (NC) or Rehabilitation (R)

Acquisition-only projects will be considered part of the Rehabilitation activity category. Projects involving both New Construction *and* Acquisition plus Rehab will be categorized according to the percentage of the scope devoted to either. Projects with a scope that is 51% New Construction, for example, will be assigned to the New Construction type.

- ii. **Size¹:** Small (1-25 units); Medium (26-59 units); Large (60-100 units); Very Large (more than 100 units)

- iii. **Geographic/Market location:** King/Pierce/Snohomish; Other Metro; Non-Metro

Note that this is different from the geographic category structure otherwise used by MHU, with the intent of reflecting the more similar cost structures found in the Greater Seattle/Puget Sound area.

Projects will then be compared within their Cost Category via their **Adjusted Total Development Cost per Unit** (TDC_APU), defined as the total development cost less the sum of land cost and capitalized reserves, divided by the number of units in the project.

$$TDC_{APU} = \frac{(TDC - (Cost\ of\ Land + Cost\ of\ Offsite\ Infrastructure + Capitalized\ Reserves))}{Total\ Units\ in\ Project}$$

For the purpose of this NOFA, MHU is defining **Total Development Cost (TDC)** as the sum of all costs incurred in the production of the residential units proposed, including construction, financing, permitting, design, and feasibility studies. Any amounts attributed to commercial areas or other non-residential areas are *not* considered part of the TDC. Note MHU funds are not applicable to all costs included in TDC; consult Section 202.5 of the [HTF Handbook](#) for a list of eligible and ineligible costs.

All residential units (low-income, market-rate and common area units) will be included in the calculation of the cost per unit.

The project with the lowest TDC_APU in its category will receive 5 points. Projects will receive proportionally fewer points as they approach 110% of the category average. Projects with a TDC_APU greater than 110% of the average for their category will receive no points.

Per HTF current policy, in the event that an insufficient number of projects in a category are applied for in the Funding Round to allow for the construction of a reasonable average (this value, n, was established as a minimum of 5), data from up to three previous funding rounds will be added. In cases where even this is

¹ Applicants using beds (e.g. shelters, seasonal farmworkers) will be compared among themselves.

insufficient to produce a category with an acceptable n value of five (5) or higher, the entire sub-section will be discarded and not scored. As a result, the overall project score will be calculated only based on the maximum possible points it could have achieved.

P-5. Level of MHU Investment: 0 to 15 Points

Leverage (0 to 5 points)

Other funding leveraged by a project is evaluated by comparing it to projects in the same geographic area (King, Urban, Rural) and on whether the project is seeking Low Income Housing Tax Credits. This establishes the following “Leverage Categories”:

- a. King County, Non Tax Credit
- b. King County, Tax Credit
- c. Urban (non-King County), Non-Tax Credit
- d. Urban (non-King County), Tax Credit
- e. Rural, Non Tax Credit
- f. Rural, Tax Credit

Note that the geographic areas used in creating the Leverage Categories are different from those used to create the Cost Containment categories. This is intended to reflect the fact that projects in *any* urban area are more likely to secure other funds due to increased access to federal and municipal funds, as well as Low Income Housing Tax Credits, regardless of the actual cost to build in the area. The simple leverage of a project (i.e., HTF compared to all non-HTF funds in a project) will be divided by the maximum leverage in its geographic category, with the results multiplied by 5 points.

$$\text{"Simple" Leverage} = \frac{(TDC_A - HTF Funds)}{HTF Funds}$$

$$\text{Leverage Score} = 5 * \left[\frac{\text{Leverage (Current Project)}}{\text{Leverage (Max in Category)}} \right]$$

The project with the highest leverage will receive 5 points and the project with the lowest leverage will receive 0 points. The other projects will fall in between.

As with the Cost Containment Categories under P-4, in the event that an insufficient number of projects in a category are applied for in the funding round to allow for the construction of a reasonable average (this value, n , was established as a minimum of 5), data from up to three previous funding rounds will be added.

HTF Cost per Unit (0 to 10 points)

HTF investment per unit is evaluated by comparing it to *similar* projects in the geographic regional categories, using the Cost Containment categories (see [P-4](#), above). The project with the lowest HTF Cost per Unit (CPU-HTF) in its category will receive 10 points. The project with the highest CPU-HTF in its category will receive 0 points. The rest of the projects in that category will fall in between, proportionally based on their closeness to the minimum CPU-HTF.

Note: For both P-5 criteria, the quantity “HTF Funds” will include any line item allocations in a Capital Budget (aka direct appropriations) if they are for affordable housing and/or are included in the HTF appropriation.

As with the Cost Containment categories under P-4, in the event that an insufficient number of projects in a category were applied for in the funding round to allow for the construction of a reasonable average (this value, n , was established as a minimum of 5), data from up to three previous funding rounds was added. In cases where even this is insufficient to produce a category with an acceptable n value, the entire sub-section will be discarded and not scored. As a result, the overall project score will be calculated only based on the maximum possible points it could have achieved.

P-6. Project Scope & Housing Model: 0 to 20 Points

Projects will be evaluated and scored by the Office of Apple Health and Homes, DSHS and the Health Care Authority as well as the Coordinating Entity (Wellpoint) staff on the following criteria:

1. The extent the application meets the definition of PSH according to RCW 36.70A.030 (31). and
2. The organization’s understanding of, experience with and commitment to incorporating FCS into its service model.
3. The applicant’s commitment to the principles of Substance Abuse Mental Health Service Administration (SAMHSA) PSH Evidence Based Practices (EBP);
4. The applicant’s familiarity to the CSH Dimensions of Quality Supportive Housing guidance; and
5. The degree to which the applicant incorporates the voice of people with lived experience into program design and operations.

Special considerations:

Commerce staff will use their best professional judgement to evaluate the proposed project’s scope of work and service model, as application to the project. This includes, but is not limited to, the following considerations:

- Clarity of concept
- Degree of development of design
- Comprehensiveness of budgets
- Quality of long-term planning
- Consistency of information throughout the application
- Compliance with applicable regulations and program rules
- Appropriateness of design for serving targeted populations
- Thoroughness of consideration of target populations’ needs (including access to transit and employment opportunities)

If review staff find the quality of project scope to be of a level such that they feel justified in awarding zero points, an auxiliary review will be triggered. Additional staff members will review the project, and if the group agrees that zero points are justified, that project will be considered ineligible to receive a funding award.

P-7. Organizational Review – 0 to 10 points

Equity and Organizational Cultural competency (0 to 5 points)

MHU prioritizes the provision of housing to the most vulnerable populations in the state. Black, Indigenous and Persons of Color (BIPOC) populations are disproportionately affected by homelessness, and face barriers to

housing including biased financial systems and historic patterns of government-supported discrimination. Commerce seeks to contribute to the undoing of such discrimination by prioritizing partnerships with those committed to empowering resident voice and offering culturally sensitive developments. This is distinct from the By and For designation that is adopted by statute and will be categorized separately.

Commerce staff will use their best professional judgement to evaluate the proposed project's contribution to these overall goals. This includes, but is not limited to, the following considerations:

- Clear communication of how the applicant organization's governance structure builds accountability to BIPOC and other vulnerable populations served by the housing.
- Concise description of the ways in which organizational programming, especially as it relates the proposed project, empowers residents voices, with specific examples of how these processes have guided agency action.
- Whether/how the applicant organization works to build cultural competencies within staff through training, hiring and recruitment, and professional development for persons to excel within the organization.

Past Performance (0 to 5 points)

Commerce will award points based on applicants' ability to complete projects as proposed. Reduced scores will be awarded as a result of documented instances where contractors have repeatedly or routinely exhibited performance issues, including – but not limited to – the following:

- unable to secure full financing,
- provided inaccurate documentation,
- requested multiple changes to contracts post award
- experienced extended project delays,
- property management concerns (occupancy or condition), or
- substantial reporting issues.

See Chapter 2, Section 206.1.3 of the HTF Handbook for additional detail regarding measures of past performance.

DECISION POINT #3 – DETERMINANTS

This third step will act as a final threshold and help determine which projects are viable and can be funded. As described above, projects in a geographic region category may be awarded funding even if they have lower scores than projects in another category.

Moreover, it is possible for the project with the highest score in the entire application round not to be funded, IF it is determined at this decision point that the project has a substantial funding gap. **Full funding is the final threshold applied at the end of the evaluation process.**

E-1. Organizational Capacity and Good Standing

Capacity

Organizations will be evaluated based on standing with Commerce, capacity, and past performance. Organizations considered to be at a higher level of risk may have their current application declined in favor of Organizations considered lower risk.

The applicant organization must demonstrate financial capacity to perform the proposed activities—both during the completion of development and ongoing operations of the project. The MHU asset management team will make this determination based on the applicant’s audited financial statements, and proposed sources and uses statement. See Section 206.1.2 of the MHU Handbook.

Good Standing

The applicant organization must be in good standing with the MHU and Commerce, and must be fiscally sound. The MHU asset management team will make this determination based on the applicant’s history with MHU and Commerce (per Section 206.1.1 of the [HTF Handbook](#)), and performance of current projects under contract.

Applicants that DO NOT have a history with MHU or Commerce MUST attach letters of “good standing” from local public funders (city, county) to their submittal, regardless of their organization’s collaborating with an experienced housing developer.

E-2. Coordination with Other Funders

If the project has public local (city, county) or other state (e.g., CDBG) funding, Commerce makes efforts to coordinate with the other public funders.

Consistency

Applicants seeking funds from other public funders that use the Combined Funders Application (CFA) MUST ensure that their applications are consistent across the funders, i.e., use the same counts of population targets, same area median income levels, same financing structure, sources and uses, etc. Inconsistent applications will lower Commerce’s ability to coordinate and partner with the other public funders. Discovery of inconsistency

may result in the project not being funded by one or more public funders due to the lack of clarity of its scope, funding, financing structure, or intended target population.

Local Support

Evidence of support from the community in which the project is located or letter expressing the support of a non-governmental/community nonprofit organization associated with the project's location.

Complete Funding

Per RCW 43.330.184, Commerce must balance the state's interest in quickly approving and financing projects, the degree to which the project will leverage other funds, the extent to which the project promotes racial equity, and the extent to which the project will promote priorities of chapter 216, Laws of 2022 on a statewide basis, including in rural areas and in geographically diverse parts of the state.

MHU works to ensure its commitments are not made at cross-purposes with local funding sources, nor made in such a way that ties MHU funds up for unnecessarily long periods. **Funds from other public sources, including "9%" Low Income Housing Credits (LIHTCs) must therefore be committed, awarded, under contract, or otherwise in-hand at the time of the MHU award (December 2023).** MHU will work to the greatest extent possible to make awards aligning with local funding priorities.

In King County – the prioritization will be managed in consultation with the following entities:

- King County
- City of Seattle
- ARCH
- Sound Transit
- South King Housing & Homelessness Partners (SKHHP)

Statewide, most communities give highest priority to projects including the Low Income Housing Tax Credit program (LIHTC) due to the amount of leverage generated. Therefore, Commerce will be making decisions in coordination with WSHFC on the 4% and 9% rounds.

If the project has no local or other funding (i.e., MHU is the only source), the full funding threshold may not apply. Evidence of local non-monetary or indirect monetary support specifically directed toward the project should be provided in the application and is evaluated in Priority [#5](#).

E-3. Distribution Considerations

Regional/Geographic

In service of the requirement to provide for a truly statewide distribution of funds, MHU will use the 10-region framework used by the health care sector to align with Medicaid [integrated managed care/behavioral health care regions](#). These targets are based on the projected need for Permanent Supportive Housing created by the Affordable Housing Projections developed by [Growth Management](#) (HB 1220). To account for low population areas that do not have access to local match funding, there is a minimum target of \$5,000,000 for each area. The following targets are not hard caps so that eligible projects may receive commitments.

Region	PSH Units needed (#)	Targeted Share of Investment	Soft Target by Region for 2023-2025 Biennium	Remaining Funds from Original Regional Targets for 2024 NOFA
Great Rivers	15,894	5%*	\$5,000,000	\$5,000,000
Greater Columbia	42,489	8%	\$8,200,000	\$500,000
King County	178,837	32%	\$34,600,000	\$200,000
North Central	12,304	5%*	\$5,000,000	\$5,000,000
North Sound	92,156	17%	\$17,800,000	\$16,700,000
Pierce County	59,114	11%	\$11,400,000	\$7,300,000
Salish	19,042	5%*	\$5,000,000	(\$10,400,000)**
Southwest	37,586	7%	\$7,300,000	\$5,600,000
Spokane	41,915	8%	\$8,100,000	\$5,400,000
Thurston-Mason	23,987	5%*	\$5,000,000	\$5,000,000
Total	523,324	100%	\$107,400,000	\$40,300,000

*Regions adjusted to have a \$5,000,000 minimum target

**The Salish Region exceeded the target in the first year. Projects in Salish, and other regions with limited funds, will be eligible for funding.

MHU intends for this framework to work in concert with the requirement in statute that 30% of funds appropriated be directed toward projects in Rural areas. Eligible projects in a region may therefore not receive awards based on the pursuit of this goal.

Example: an eligible project in Olympia (Thurston-Mason Region) may be placed on a wait list even if the total requested in the Thurston-Mason region is less than the allocated amount if the overall MHU award to Rural areas is less than 30%.

Additionally, if several eligible projects are situated in close proximity (same community, city, etc.), Commerce may communicate with the local jurisdiction regarding project prioritization, as the MHU may not be able to fund multiple projects in proximity of each other, due to limited funding and the statewide distribution requirement.

By-and-For Organizations

MHU will target a minimum of 10% of funds awarded to organizations qualifying as “By and For” organizations. Please see the definition of By and For in Appendix D for additional information.

[RCW 43.330.184](#) “The department must prioritize allocating at least, but not limited to, 10 percent of these moneys used in any given funding cycle to organizations that serve and are substantially governed by individuals disproportionately impacted by homelessness’, including black, indigenous, and other people of color and, lesbian, gay, bisexual, queer, transgender, and other gender-diverse individuals”.

E-3. Other Special Requirements or Priorities

Commerce must allow some flexibility for special requirements or priorities that cannot be scored in the priorities above. Examples may include but are not limited to the following:

- A project may receive additional priority because:
 - Project includes a licensed early learning facility (ELF).
 - Project provides employment and training opportunities for disadvantaged youth under a youth build or youth build-type program as defined in [RCW 50.72.020](#).
- Other requirements that Commerce/MHU may deem necessary during the application evaluation process.

Washington State Multifamily Housing Unit

NOFA [MHU-2024-02]

Appendix D:

By-and-For Definition and Assessment Process

The Washington State Legislature tasked the Department of Commerce with distributing funding in multiple programs that emphasize By-and-For organizations. In 2023, Commerce's Housing Division piloted a new process for identifying organizations that serve and are substantially operated by communities disproportionately impacted by homelessness, housing instability, and lack of affordable housing.

New Housing Division By-and-For Certification Process

For 2024, the Housing Division is employing a modified division-wide process. Organizations interested in applying for affordable housing capital funds under **NOFA #MHU-2024-02** or **NOFA #MHU-2024-03** are encouraged to apply for certification as a By-and-For organization as soon as possible. Submitting a By-and-For certification application is **not a requirement** for funding under this NOFA but may affect a project's success in securing an award.

- [Apply to register as a By-and-For Organization](#)

Please note: If your organization was previously approved as a By-and-For organization by the Housing Division in 2023 or 2024, it will still be considered a By-and-For organization under this **NOFA #MHU-2024-02**, and you do NOT need to apply for the new By-and-For certification. If you were previously denied as a By-and-For organization and would like to be re-evaluated, we encourage you to apply for the certification using the link above.

Review Process

The assessment and certification process is conducted separately from MHU application review. An independent Housing Division workgroup reviews all By-and-For certification applications and notifies MHU as to its findings.

For any questions you may have specific to this process, please contact Ji Soo Kim, Housing Division Equity, at jisoo.kim@commerce.wa.gov.

Tribes, Nations and Tribal Designated Housing Entities (TDHEs):

Tribes, Nations and Tribal Designated Housing Entities (TDHEs) will receive priority consideration during the application review process, but are not required to complete a By-and-For assessment. Federally recognized Tribes and Nations are distinct governments, and **will not be referred to as By-and-For organizations.** TDHEs act as the Housing Authority for the Tribe or Nation as defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103). Therefore, awards made to Tribes, Nations and TDHE's are included in Commerce's efforts to meet the goals to invest in organizations that serve and are substantially governed by individuals disproportionately impacted by homelessness.

Other organizations should complete the By-And-For Organization if they:

- Are partnered to conduct mentioned activities supporting tribes and tribal citizens or affiliated with Tribes, Tribal Nations but not part of the Tribal Government; and/or
- Are Urban Native or Urban Indian organizations such as Urban Indian Health Programs*

*Urban Indian Health Programs (UIHPs) are private, non-profit, corporations that provide American Indian and Alaska Native people in their serve areas with a range of health and social services, from outreach and referral to full ambulatory care. (see. Urban Indian Health Institute A Division of the Seattle Indian Health Board)

Washington State Multifamily Housing Unit NOFA [MHU-2024-02]

Appendix E: Definitions

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Overview

The definitions in this Appendix are intended to provide additional clarity for the 2023 HTF Multifamily Rental funding round. A more extensive list of definitions and statutory requirements is included in the HTF Handbook at www.commerce.wa.gov/htf.

In instances where the definition provided below contradicts that provided in the HTF Handbook, the definition below should be interpreted as being in effect for NOFA #MHU-2024-02.

Adult Family Home

[70.128.010](#)(1) RCW

(1) "Adult family home" means a residential home in which a person or persons provide personal care, special care, room, and board to more than one but not more than six adults who are not related by blood or marriage to the person or persons providing the services. An adult family home may provide services to up to eight adults upon approval from the department under RCW [70.128.066](#).

Affordable Housing

[43.185A.010](#) RCW

(1) "Affordable housing" means residential housing for rental occupancy which, as long as the same is occupied by low-income households, requires payment of monthly housing costs, including utilities other than telephone, of no more than thirty percent of the family's income. The department must adopt policies for residential homeownership housing, occupied by low-income households, which specify the percentage of family income that may be spent on monthly housing costs, including utilities other than telephone, to qualify as affordable housing.

Per [HTF Handbook](#), in the context of homeownership, affordability occurs when a household's monthly housing costs are generally no more than 38% of monthly household income and total debt is no more than 45% of monthly household income. Housing costs include mortgage principal, interest, property taxes, homeowner insurance, homeowner association fees, and land lease fees, as applicable. Total debt includes other debt and utilities.

Behavioral Illness

[WAC 182-538D-0200](#)

"Behavioral health" means the prevention, treatment of, and recovery from substance use disorders, mental health disorders or problem and pathological gambling disorders.

By and For

[Per Department of Commerce, Housing Division](#)

By-and-For Organizations are operated by and for the communities they serve. Their primary mission and history is serving a specific community. They are culturally based, directed, and substantially controlled by individuals from the population they serve. At the core of their programs, these organizations embody the

community's central cultural values. In the affordable housing context, these communities must have demonstrated disproportionate representation in homelessness, housing instability, and housing affordability.

- Black, Indigenous, or other People of Color including people identified as socially disadvantaged as defined in 13 CFR Sec. 124.103.
- People with disabilities*
- People who identify as part of the d/Deaf and hard of hearing community
- People with behavioral health conditions, including substance use disorder.
- People who identify as LGBTQIA+**
- Survivors of family violence and/or intimate partner violence.
- Incarcerated and formerly incarcerated individuals.
- Undocumented individuals, immigrants and refugees, and mixed-immigration-status families and communities.

*Disability can be defined as having a physical or mental impairment (including cognitive, intellectual, and neurodevelopmental), or having a history of such impairment, or being perceived as having such impairment that severely limits one or more major life activity. This may include, but is not limited to: people with physical disabilities, people with chronic health conditions, and/or people who are neurodivergent.

**LGBTQIA+ is an acronym for lesbian, gay, bisexual, transgender, queer/questioning, intersex, asexual and other identities including but not limited to: two-spirit, non-binary, pansexual, agender, etc.

Note:

Tribes, Nations and Tribal Development Housing Entities (TDHEs) are not required to complete a By-and-For assessment to receive priority consideration and benefit as By-and-For organizations.

Certificate of Occupancy

[64.55.060 RCW](#)

Upon completion of an inspection required by this chapter, the qualified inspector shall prepare and submit to the appropriate building department a signed letter certifying that the building enclosure has been inspected during the course of construction or rehabilitative construction and that it has been constructed or reconstructed in substantial compliance with the building enclosure design documents, as updated pursuant to RCW 64.55.020. The building department shall not issue a final certificate of occupancy or other equivalent final acceptance until the letter required by this section has been submitted. The building department is not charged with and has no responsibility for determining whether the building enclosure inspection is adequate or appropriate to satisfy the requirements of this chapter.

Cottage

For the purpose of the current Round, Cottages will mean single dwelling units smaller than 400 square feet, built on a foundation that provides complete living facilities such as living, sleeping, eating, cooking and sanitation. To be eligible for capital funding, these must be built to Washington State Building Code (Defined within Appendix Q of the Washington Residential Building Code revised 2021).

Chronic Mental Illness

71.24.025 RCW

(12) "Chronically mentally ill adult" or "adult who is chronically mentally ill" means an adult who has a mental disorder and meets at least one of the following criteria:

- a.) Has undergone two or more episodes of hospital care for a mental disorder within the preceding two years; or
- b.) Has experienced a continuous psychiatric hospitalization or residential treatment exceeding six months' duration within the preceding year; or
- c.) Has been unable to engage in any substantial gainful activity by reason of any mental disorder which has lasted for a continuous period of not less than twelve months. "Substantial gainful activity" shall be defined by the authority by rule consistent with Public Law 92-603, as amended.

Imminent Risk of Homelessness

Per the Category 2 definition of [Homeless](#) at 24 CFR 91.5,

An individual or family who will imminently lose their primary nighttime residence, provided that:

1. Residence will be lost within 14 days of the date of application for homeless assistance;
2. No subsequent residence has been identified; and
3. The individual or family lacks the resources or support networks needed to obtain other permanent housing.

Note: Includes individuals and families who are within 14 days of losing their housing, including housing they own, rent, are sharing with others, or are living in without paying rent

Intellectual and/or Developmental Disability

71A.10.020(5) RCW

"Developmental disability" means a disability attributable to intellectual disability, cerebral palsy, epilepsy, autism, or another neurological or other condition of an individual found by the secretary to be closely related to an intellectual disability or to require treatment similar to that required for individuals with intellectual disabilities, which disability originates before the individual attains age eighteen, which has continued or can be expected to continue indefinitely, and which constitutes a substantial limitation to the individual. By June 30, 2025, the administration shall promulgate rules to further define developmental disability without the use of intelligence quotient scores.

Early Learning Facility

43.31.565 RCW

(3) "Early learning facility" means a facility providing regularly scheduled care for a group of children one month of age through twelve years of age for periods of less than twenty-four hours.

Homeless Person

43.185C.010 RCW

(12) "Homeless person" means an individual living outside or in a building not meant for human habitation or which they have no legal right to occupy, in an emergency shelter, or in a temporary housing program which may include a transitional and supportive housing program if habitation time limits exist. This definition includes substance abusers, people with mental illness, and sex offenders who are homeless.

Housing First

Per US Interagency Council on Homelessness:

Housing First is an approach and framework for ending homelessness that is centered on the belief that everyone can achieve stability in permanent housing directly from homelessness and that stable housing is the foundation for pursuing other health and social services goals. Implementing Housing First involves both project-level and community-level dimensions. Implementing Housing First at project level, including in permanent supportive housing models, means having screening practices that promote the acceptance of applicants regardless of their sobriety or use of substances, completion of treatment, and participation in services. At the community-level, Housing First means that the homelessness crisis response system is oriented to help people obtain permanent housing as quickly and with as few intermediate steps as possible.

Multifamily Housing

Multifamily Housing refers to a project intended to provide habitable space to more than one household (including single-person households). This can take any of the following forms:

- A single building consisting of two or more distinct units, each of which is inhabited by an unrelated household. This encompasses a continuum from duplexes to high rise apartment buildings
- A set of at least two structures, initially constructed as housing for unrelated households, which is managed as a single functional unit. This includes single-residency houses that are owned and managed by a single entity
- A building, or set of buildings, which by initial design or through adaptive renovations, is used to provide sleeping space to more than one single individual, with shared living, food preparation, and sanitary facilities. This includes shelters, dormitory-style housing (e.g. for seasonal farmworkers), and group home facilities.

Permanent Supportive Housing

36.70A.030 RCW

(31) "Permanent supportive housing" is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at **imminent risk of homelessness** prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services. Permanent supportive housing is subject to all of the rights and responsibilities defined in chapter 59.18 RCW.

Rural

Projects will be deemed “Rural” if they are located in:

1. Counties with a population of less than 90,000, except for:
 - a. Cities within these counties with a population of greater than 25,000. For example, the City of Pullman (population 33,060, located in Whitman County, population 48,100).
 - b. Cities within these counties which are associated with an urban area in a neighboring county or state. For example, Clarkston (population 7,220) is in Asotin County (population 22,650), but is immediately adjacent to Lewiston, Idaho (population 34,836).
2. Counties with a population greater than 90,000 but less than 390,000 when more than an aggregated 25% of that county’s population resides in one substantially contiguous metropolitan area. In this case, the county except such metropolitan area would be considered Rural. For example: Yakima County (population 261,200) except the greater Yakima area (113,760 population 113,760, approx. 43%).
3. Counties with a population greater than 390,000, but where the project is located in a sufficiently remote location to be reasonably considered as not associated with an Urban center. For example: Eatonville (population 2,875), located in Pierce County (pop. 928,200). Projects thought to be in “Rural” areas under this definition should contact MHU staff for an official determination.

All population numbers are as of the [OFM population estimates issued April 1](#) (04.01.2023), except Lewiston, ID, per [Census.gov](#) (07.01.2023 estimate).

Tiny Shelter

For the purpose of the current Round, a Tiny Shelter will be defined as a structure, intended for time-limited residency, which does not fully comply with the Washington State Department of Labor & Industries’ definition of a Tiny House due to it lacking the amenities of a single dwelling unit (no kitchen/food preparation space and/or no bathroom). The structure may or may not be on a foundation. Washington State Building Code will be required when supplemental standards are adopted, but are not eligible for the current Round.

Urban

An urban area or community is generally one with a population greater than 40,000, and which does not otherwise fit into the definition of Rural.

Urban areas in Washington State include:

- The Bellingham area
- The greater Mount Vernon-Burlington-Sedro Woolley area
- The Oak Harbor area
- The conurbation running from Marysville in Snohomish County in the north through Dupont in Pierce County in the south, and east at least as far as Issaquah
- The Bremerton-Silverdale-Poulsbo area
- The Olympia-Lacey-Tumwater area

- The Longview-Kelso area
- The greater Vancouver area (Vancouver, Battle Ground, Camas)
- The greater Wenatchee area (Wenatchee, East Wenatchee)
- The greater Yakima area (Yakima, Union Gap, Selah)
- The Tri-Cities area (Richland, Kennewick, Pasco)
- The greater Walla Walla area (Walla Walla, College Place)
- The greater Spokane area (Spokane, Spokane Valley, Liberty Lake)

All population numbers are as of the [OFM population estimates issued April 1](#) (04.01.2023).