
Washington State Multifamily Housing Unit (MHU) CONTINUING AFFORDABILITY (CA) NOFA #MHU-2026-03

2026 FUNDING ROUND

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

Public Comment Period:	February 3 – February 17, 2026
Published:	March 3, 2026
Technical Assistance Period:	March 3 – April 10, 2026
Application Due Date:	By NOON on April 17, 2026

- 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 “2026 Continuing Affordability Application Requirements Checklist” document.**

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.

For detailed instructions on how to complete the application, please review the 2026 CA Application Workshop video posted with the NOFA. The Workshop is also posted on MHU’s [Funding Opportunities webpage](#), located at the bottom under Training Resources for Grantees.

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I. Introduction

This Notice of Funding Availability and Solicitation of Applications (NOFA) is intended for applicants seeking funding for the preservation of affordable multifamily rental housing at risk of losing affordability due to expiration of use restrictions that otherwise require affordability including, but not limited to, United States Department of Agriculture (USDA) funded multifamily housing.

II. Funds Available

Washington State Housing Trust Fund [SSB 5195 § 1021(g)(ii)]

The Washington State Legislature appropriated **\$50,000,000 from the State Building Construction Account – State in the 2025-2027 Capital Budget** for Commerce to award for the preservation of affordable multifamily housing.

Pursuant to [RCW 43.185A.140](#), three percent (3%) of the capital bond proceeds used for this funding round will be retained for the administration costs associated with application, distribution, and project development activities. The total amount available from the \$50,000,000 appropriated from the State Building Construction Account - State in the 2025-2027 Capital Budget is \$48,500,000.

MHU has elected to offer up to \$10,000,000 of the appropriated funds to projects that are at risk of losing affordability due to expiration of use restrictions via this NOFA. This includes projects that are exiting the HTF portfolio.

III. Timeline – Subject to revision based on business needs

Project Applications Solicited (this NOFA)	March 3, 2026
Technical Assistance, Application Clarifying Questions and Answers	March 3 – April 10, 2026
Deadline for Submittal of Waivers	April 10, 2026
Technical Assistance Office Hours #1	March 12, 2026 at 10:00am
Technical Assistance Office Hours #2	March 26, 2026 at 1:00pm
Project Applications Due to <u>and Received by</u> Commerce	By NOON on April 17, 2026
List of Applications Received Published on MHU Website	May 1, 2026
Final Funding Decisions and Awards	Approx. June 8, 2026
Contract Execution Deadline	July 2027

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. Commerce 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. Evergreen Sustainable Development Standard (ESDS) Compliance

Compliance with ESDS is required of all projects funded by MHU. Proposed preservation activities may be subject to specific ESDS Criteria. Any potential ESDS requirements (appliances, materials used during rehab activities, etc.) applicable to the project's scope of work must be planned and budgeted for in the application. Upon award, your HTF Project Manager will ensure any applicable ESDS requirements are met for your project.

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

C. Waivers

Applications must meet all of the thresholds identified in the review criteria described in Appendix A: Continuing Affordability Application Evaluation Criteria in order to be considered for funding. Waiver requests are subject to review and approval by the Managing Director of the Multifamily Housing Unit.

Waiver requests must be submitted via email **no later than April 10, 2026 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. Commerce 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.

D. Application Review Process

All applications will be reviewed and evaluated for funding.

If threshold items are missing, Commerce 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 Appendix A: Continuing Affordability Application Evaluation Criteria under Decision Point #1 Eligibility & Readiness and Decision Point #2 Priorities, with final decisions made in reference to criteria detailed under Decision Point #3 Determinants.

Applicants must answer all questions, attach all required or necessary documents, and submit a complete CA application.

E. Conditions for Receiving Funds

The following requirements are conditions for executing a contract and receiving funding. Any project or applicant unable to confirm in their application that they **can meet** these requirements will not be awarded funds.

1. Applicant commits to maintain the property acquired, or acquired and rehabilitated, with these funds for a **minimum of 40 years** as a low-income affordable housing property.
2. Current residents who meet the property income requirements must be allowed to remain housed in the property.
 - Over-income residents may not be evicted solely due to exceeding the property income requirements.
 - As over-income residents move out, the funding recipient and new property owner will need to ensure that the vacated units will be rented to income eligible residents (i.e., less than 80% of the area median income).

F. Reporting Requirements

Awards Data

Commerce is required to report, at a minimum, all area median income levels for the awarded funds to HUD and to the Washington State Legislature. 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 HUD, and to the Washington State 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 CFA 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 policies of the HPP program (see [HTF Handbook](#)). for funding consideration, **may not be changed after a project is awarded funds.**

V. Geographic Determination

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 C 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 on April 10, 2026.

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. **MHU strongly recommends applicants submit their application materials 1-2 days prior to the due date to allow time to mitigate any technical difficulties.**

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 **Continuing Affordability NOFA #MHU-2026-03**.

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 April 17, 2026. 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 Multifamily Rental Housing [Funding Opportunities](#) webpage.

Applications in response to this NOFA must be submitted using the correct materials and instructions. All applicants must use the **2026** application documents. **Applicants must NOT use other versions.**

i. Application

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

- **2026 Affidavits and Assurances for Continuing Affordability Projects (Microsoft Word)**
Name this file as follows: “[PROJECT NAME] – CA Affidavits”.
- **2026 Continuing Affordability Application Requirements Checklist (Microsoft Word)**
Name this file as follows: “[PROJECT NAME] – CA Table of Contents”. Do not convert the file to PDF.
- **2026 Continuing Affordability Application Forms (Microsoft Excel)**
Name this file as follows: “[PROJECT NAME] – CA Forms”. Do not convert the file to PDF.

ii. Attachments

All supplemental documents are listed in the **2026 Continuing Affordability Application Requirements Checklist** 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. Hold Back of Funds

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.

B. Type of Award

Awards can only be made in the form of a grant as CA funds were appropriated by the Legislature in the 2025-2027 Capital Budget, SSB 5195 § 1021(g)(ii), from the State Building Construction Account.

Commerce will not accept any loan requests under any circumstances for this funding source.

C. Terms of Award

The financing structure will be provided as a recoverable grant with no expectation of repayment if the terms and conditions of the contract are met. The commitment period for any project awarded under this NOFA will be **no less than 40 years**.

Awarded preservation projects will result in appropriate collateral and documentation, including a Contract, Deed of Trust, Low Income Housing Covenant and Promissory Note.

- For acquisition-only projects, the 40-year commitment period will begin at the time of HTF contract execution.
- For acquisition and rehabilitation projects, the 40-year commitment period will begin on the estimated date of receipt of a certification of occupancy or substantial completion (or equivalent, as applicable).

VIII. Questions

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

htfapp@commerce.wa.gov

Indicate in the subject line that the question is related to the Continuing Affordability NOFA #MHU-2026-03.

As part of the application process under this NOFA, questions can be submitted through **April 10, 2026**. MHU will publish, and update as necessary, a questions and answers document with the NOFA on Commerce’s Multifamily Rental Housing [Funding Opportunities](#) webpage.

Washington State Multifamily Housing Unit NOFA [MHU-2026-03] Appendix A: Continuing Affordability 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) Continuing Affordability (CA) program.

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

- **Decision Point #1** – Eligibility & Readiness
- **Decision Point #2** – Priorities
- **Decision Point #3** – Determinants

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 C.

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 goals, priorities and legislative priorities.

Finally, Commerce will make final decisions after taking into account a risk assessment of the organization, and input from other public funders involved in each project (city, county, the Washington State Housing Finance Commission, and USDA).

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 – ELIGIBILITY & READINESS

In order for applications to be considered for funding, they must meet ALL of the items identified below and in this NOFA (see Section IV(C) of the NOFA for information regarding waivers).

E-1. 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). If the applicant has not, it must either hire an experienced development consultant or partner with a developer that has affordable housing development experience. See Section 201.4.1 and 206.2 of the [HTF Handbook](#).

If an applicant enters into a partnership with an experienced organization, the structure of the partnership must be documented. Such an agreement must contain the following provisions:

- Meaningful control over the administration of the project; and
- A right not to be removed without cause and at the sole discretion of the partnership.

E-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](#).

The proposed project must acquire and preserve rental multifamily housing units that are currently restricted by a low-income affordable housing covenant, and which are at risk of losing their affordability restrictions. This includes projects exiting the HTF portfolio. The risk of losing these restrictions can be evidenced by any one of the following:

- a. Copies of loan documents demonstrating that the date of loan maturity and/or end of the commitment period is near its expiration; or
- b. Evidence that the current property seller has taken steps to sell the property and the property is currently eligible under current programmatic regulations (e.g., USDA or other program) to apply for prepayment; or

- c. Evidence the current property seller has applied to prepay the current loan (for example, USDA projects eligible for prepayment and/or in prepayment negotiations); or
- d. The property is in foreclosure or at risk of foreclosure; or
- e. Other documentation or evidence that clearly demonstrates the property is at risk of losing its low-income affordability restrictions.

E-3. Readiness

Funding/Execution Timeline

The project schedule must reflect that the applicant will have secured all funding sources, execute the MHU contract, and begin construction **no later than 12 months** from the date the funding award is announced. This is estimated to be **July 2027**. 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](#), **within six (6) months** from the date the award is announced. Commerce reserves the right to extend this deadline in unique and unforeseeable circumstances.

Environmental

Projects with a secured property or properties 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.

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. 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.

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.

E-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

Applications will be evaluated and ranked using the prioritization criteria identified in the proviso and applicable statutory criteria under [RCW 43.185A.150\(6\)](#). 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. Priorities are then scored and ranked within their respective geographic pool.

Each criterion will receive a High/Medium/Low score.

P-1. Location and Scarcity

Commerce seeks to fund projects in areas that have small numbers of low-income affordable housing units using data readily available (AHAB needs study, American Communities Survey data).

- a. First priority will be given to projects located in **Rural** areas. The current operating definition of Rural is provided in Appendix C to this NOFA.
- b. Second priority will be given to projects located in **Small Urban** towns and cities. The current operating definition of Small Urban is provided in Appendix C to this NOFA.

P-2. Urgency

Higher scores will be assigned to applications demonstrating more urgent need and higher risk for the property losing its low-income restrictions (i.e., being sold to the private market, current restrictions expiring, etc.). Urgency will be determined based on an analysis of the documents provided to establish the project as eligible for funding, as described at Item 3 under Eligibility & Readiness, as well as data obtained from other relevant sources (e.g. USDA Program Exit reports).

P-3. Readiness

Higher scores will be assigned to projects that demonstrate greater readiness to proceed by taking ownership of the property, having all necessary funding to complete any rehabilitation work, and readiness to close and execute the HTF contract. In the case of projects under USDA restrictions, readiness to submit a transfer application will also be considered.

P-4. Units

Priority will be given to projects with a greater number of units to be preserved. This will also include an evaluation of the per unit investment.

P-5. Rental Assistance

Higher scores will be assigned to projects demonstrating federal rental assistance is secured to the project. The level of priority given to this factor will be based on the percent of units having federal rental assistance tied to the resident's income level.

P-6. Clarity/Quality of Proposal

Priority will be given to applicants that ensure the information they enter in the application is consistent and any activities are clearly detailed.

DECISION POINT #3 – DETERMINANTS

This third step will 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 eligibility & readiness applied at the end of the evaluation process.**

D-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 & Past Performance

The applicant organization must be in good standing with the MHU and Commerce, and must be fiscally sound. The MHU Portfolio 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.

D-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.

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.** MHU will work to the greatest extent possible to make awards aligning with local funding priorities.

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.

D-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.

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 B 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”.

D-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:

- Other requirements that Commerce/MHU may deem necessary during the application evaluation process.

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

Washington State Multifamily Housing Unit

Multifamily Rental Projects

NOFA [MHU-2026-03]

Appendix B:

By-and-For Definition and Assessment Process

The Washington State Legislature tasked the Department of Commerce with distributing funding in multiple programs that emphasize **Partnerships with** 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 2025, the Housing Division is employing a modified division-wide process. Organizations interested in applying for affordable housing capital funds under **NOFA #MHU-2026-03** 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 prior years, it will still be considered a By-and-For organization under this **NOFA #MHU-2026-03**, 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 Norma Chavez, Equity and Social Justice Administrator, at norma.chavez@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 of investing 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-2026-03] Appendix C: Definitions

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Overview

The definitions in this Appendix are intended to provide additional clarity for the 2026 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 the 2026 Continuing Affordability Funding Round *only*.

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.

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 Organization

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.

Chronic Mental Illness

71.24.025 RCW

(10) "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.

Intellectual and/or Developmental Disability (IDD)

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 is defined by the Multifamily Housing Unit as 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" is defined by the Multifamily Housing Unit as 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.
 - b. Cities within these counties which are associated with an urban area in a neighboring county or state.

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.
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. Projects thought to be in "Rural" areas under this definition should contact MHU staff for an official determination prior to submitting an application.

All population numbers are as of the [OFM population estimates issued April 1](#) (04.01.2025).

Small Urban

Commerce will consider towns and cities to be "small urban" if they have populations between 25,000 and 40,000. For example, the City of Moses Lake (population 25,760).

All population numbers are as of the [OFM population estimates](#) issued April 1, 2025.

Urban

An urban area or community is generally defined by the Multifamily Housing Unit as any municipality with a population greater than 25,000 and which does not fall into the definitions of rural. Projects located within a municipality with a population less than 25,000, but which is adjacent to a city deemed "Urban" may be deemed functionally related to that city and therefore also deemed Urban. Also review the Rural definition above