

Tacoma Pierce County Coalition to End Homelessness

To: TPCCEH Steering Committee
From: Maureen Howard, Senior Policy Analyst
Re: Letter from the Coalition on WA State Department of Commerce Rapid Capital Acquisition Fund

Background:

I've been working with the City of Tacoma Community and Economic Development and Government Relations staff and LIHI on comments about the new Rapid Capital Acquisition Fund. This is the state and federal money that can be used to purchase hotels/motels/apartments, even single family - ie 1-4 unit homes. Commerce provided a draft of how the program would operate at a May 17 meeting with stakeholders.

There were a couple of key items we felt needed to be changed so that projects in Pierce County would be competitive. Right now, there are three rounds of funding scheduled but ALL of the money could go in the first round. That round requires matching public funds. It also assumes higher acquisition costs for hotels than we are seeing. LIHI is under \$100K/unit for the Comfort Inn and the two Bridge Housing brought us in January were under \$95K/unit.

LIHI is asking the Coalition to do a letter to the Dept of Commerce in support of changes that the City, LIHI and I discussed last week. These changes keep evolving so I'm suggesting we focus on a few of them - things that we know would help any organization that decides to apply. We're not being asked to endorse LIHI or any other project.

We won't know all of the rules until Commerce issues its NOFA - July 8.

We would request:

1. No match requirement on units below \$150K. Commerce has added a waiver on units at \$100K or less but we'd like to go a bit higher. Right now, Round One requires a public match and that is really hard - especially in Pierce County outside of Tacoma.
2. If there must be a match on the \$100-150K units, then in addition to capital and operating match, make rehab costs also be allowable as match.
3. Let City/County Housing Staff perform the due diligence required on the properties to be acquired. Right now, it's building codes and fire chief.
4. Make properties acquired with Rapid Capital Acquisition Funds for use as permanent supportive housing be a priority for the new funds for Operating Support for permanent supportive housing.

The letter would go to:

Housing Trust Fund Manager
Dept of Commerce

Timing:

Commerce wants comments as soon as possible but for sure by June 10.
I could have a draft for the Coalition Friday morning, screen share it and put it in the chat, and ask for a vote.

Finalize the letter Monday and send to Commerce.