



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2009-12-16 (4)

**Date:** December 16, 2009  
**To:** THA Board of Commissioners  
**From:** Michael Mirra, Executive Director  
**Re:** Consent to HARRP Intergovernmental Agreement

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### **Background**

This resolution comes to us from the Housing Authority Risk Retention Pool (HARRP). HARRP is a pool of housing authorities that was created in order to provide a full range of risk management services and coverages for its members. THA is a member. Through HARRP, we insure our Public Housing properties, Local Fund properties, and other programs we administer, including Section 8. Currently, HARRP does **not** insure our tax credit properties. Tax credit investors own them and the tax laws that govern HARRP limits its ability to insure properties owned by for-profit entities. This resolution will allow THA to support changes to the HARRP governing documents to permit HARRP to create a separate insurance pool to offer coverage to tax credit properties.

Our membership in HARRP is fixed using an Intergovernmental Agreement between our agency and the pool. This agreement has recently been updated to reflect some necessary changes. The main purpose of the update is to solicit member approval of the establishment of a new pool that will provide risk management services and coverages for Mixed Finance properties like tax credit properties. The new agreement will also include other changes, including the following:

- Changed “premiums” to “contributions” and “policy” to “document”; this is actually not surprising; HARRP has never had a policy; instead they have a “coverage agreement” which says explicitly in that it is not a policy;
- Changed the structure of the Board of Directors so that seven are elected and the remaining four are appointed by the elected Directors; previously, all Board members were elected by the member Housing Authorities;
- Previously, a member could only be expelled by non-renewal and it only occurred at the renewal date; now the language reads that members can be expelled at any time and that if a member is expelled mid-term, the membership fee will not be reimbursed.

Although we insure our Mixed Finance properties through Alliant, our insurance broker, we

understand the benefit of creating a Mixed Finance Risk Management Pool and consent to its creation. Even if we do not elect to use the pool to insure our properties, we believe it will be a tremendous benefit to the other members of the pool, to HARRP in general, and to the Mixed Finance segment of the insurance industry in Washington State.

**Recommendation**

We recommend that the Board consents to the updated Intergovernmental Agreement.



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2009-12-16 (4) CONSENT TO UPDATED HARRP INTERGOVERNMENTAL COOPERATION AGREEMENT

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma.

**WHEREAS**, the Tacoma Housing Authority is a member of Housing Authorities Risk Retention Pool ("HARRP"), an intergovernmental entity created by agreement, which provides indemnification against risk of loss;

**WHEREAS**, the Board of Directors of HARRP has proposed that HARRP's members enter into an Intergovernmental Cooperation Agreement (the "ICA"), which amends and restates the Amended and Restated ICA dated July 15, 1992; and

**WHEREAS**, the ICA, which sets forth the powers, duties and functions of HARRP, shall become effective upon the approval of at least two-thirds of HARRP's members.

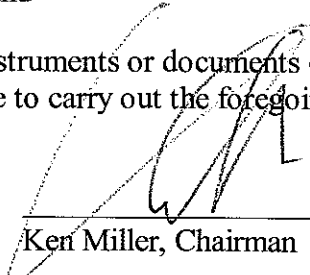
**RESOLVED**, that Tacoma Housing Authority shall be authorized to enter into the ICA;

**RESOLVED FURTHER**, that Michael Mirra is authorized to execute and deliver the ICA on behalf of the Tacoma Housing Authority; and

**RESOLVED FURTHER**, that Michael Mirra shall be authorized and directed on behalf of Tacoma Housing Authority to do the following:

- (a) Take such action as shall be necessary or appropriate for Tacoma Housing Authority to perform its obligations on a timely basis under the ICA or as otherwise required by HARRP;
- (b) Take from time to time such other action as is necessary or desirable to effect the purposes for which HARRP is organized as provided in the ICA;
- (c) Approve any amendments to the ICA; and
- (d) Execute and deliver any agreements, instruments or documents (or amendments thereto) necessary or desirable to carry out the foregoing resolutions.

**Approved: December 16, 2009**

  
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Ken Miller, Chairman