



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-05-23 (6)

Date: May 23, 2018
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Option to Sell a Portion of Hillsdale Heights

Purpose

The purpose of this memo is to request approval to enter into an option to sell approximately three acres of the Hillsdale Heights property to the Korean Women's Association (KWA) for development of senior housing.

Background

KWA is searching for a site to construct 50 to 150 rental units for senior housing. It has been challenging to find a location that meets their requirements. In addition, KWA has learned that Housing and Urban Development (HUD) will release funds under its 202 senior housing program. KWA has experience using this type of funding and we believe competition for these funds will be fierce. To be competitive for this funding, KWA will need a site.

The KWA senior housing will nicely fit THA's plan for the site to develop an intergenerational housing campus. The campus will provide rental housing for low-income families who are fostering or adopting children and housing for seniors who will be respite care givers and honorary grandparents to those families. The KWA senior building will provide those seniors. KWA is also interested in providing the supportive services to the families.

THA purchased this 6.67 acre property in 2007 for \$870,000. THA will sell 3 acres to KWA for its senior building. The sale would be contingent on the following:

1. Sale price will be fair market value.
2. KWA must use the property only as affordable housing for low-income seniors.
3. KWA receiving 100% of the financing for the project.
4. THA will be KWA's developer, pursuant to an agreement that THA and KWA will sign. Pursuant to that agreement, the developer fee will go to THA except for an amount KWA might earn for any development work the agreement will assign to KWA.

5. THA must approve the design.
6. KWA will not be able to assign the Purchase and Sale Agreement or later sell the property without THA's consent.
7. KWA or any future owner will not be able to change the use or the affordability of the property without THA consent.
8. KWA agrees to abide by Fair Housing values and practices in the management of the project.
9. KWA agrees to collaborate with THA in the planning and implementation of uses that THA will select for the balance of the property. This use may include the intergenerational housing campus, in which case KWA will elicit the interest of the seniors to support the fostering and adopting families.
10. KWA will work with THA to secure support for the project on the local, state and national level.

Recommendation

Approve this resolution to authorize the executive director to negotiate and execute an agreement to sell to KWA a portion of Hillsdale Heights for the development and operation of senior housing on the terms set forth above.



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-05-23 (6) (Option to Sell a Portion of Hillsdale Heights)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma authorizing THA's Executive Director to finalize negotiations to sell up to three acres of the Hillsdale Heights parcel to the Korean Women's Association (KWA).

WHEREAS, THA owns and manages affordable rental housing in Tacoma; and

WHEREAS, THA has worked in partnership with the Korean Women's Association on its Senior Housing Development at Salishan; and

WHEREAS, Sale of the property will improve KWA's ability to secure financing to develop the project; and

WHEREAS, KWA has expressed an interest and support for working on an intergenerational housing campus; and

WHEREAS, KWA has agreed that THA will be the developer of the Senior Housing; and

WHEREAS, Time is of the essence to prepare a response to a HUD 202 housing grant planned for release in spring of 2018; and

WHEREAS, KWA has agreed to pay fair market value for the property; now, therefore, be it

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:

The executive director is authorized to negotiate, and if those negotiations are successful, to execute an agreement to sell to KWA approximately 3 acres of Hillsdale Heights for the development of senior housing on the terms set forth in the accompanying memo.

Approved: May 23, 2018


Janis Flauding, Chair