



TACOMA HOUSING AUTHORITY

RESOLUTION 2019-07-24 (2)

DATE: July 24, 2019

TO: THA Board of Commissioners

FROM: Michael Mirra
Executive Director

RE: Resolution to amend resolution 2016-12-14(11) and authorize THA to apply for financing to develop the site located at 1120-1124 Martin Luther King Jr Way

Purpose

The purpose of this resolution is to authorize Tacoma Housing Authority's Executive Director to:

- (1) Prepare, execute and submit funding applications, agreements and other documents necessary to secure funding to include, but not limited to, the City of Tacoma, Pierce County, the Washington State Housing Trust Fund, and the Washington State Housing Finance Commission for HOME, CDBG, 2060, trust fund, low income housing tax credits and other funding that might be applicable for the redevelopment of this site; and
- (2) Expend such funds as may be necessary to be paid by the Authority in connection with filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.

Background

In 2016 the Board approved resolution 2016-12-14(11) for redevelopment of 1120-1124 Martin Luther King Jr Way (aka "Mr. Mac"). This resolution formed the limited liability limited partnership (Hilltop Lofts LLLP) and authorized application to the WSHFC for low income housing tax credits for the new construction of one and two bedroom units. THA was not successful in being awarded the funds necessary to develop the building at that time.

Since then, THA has embarked on a community engagement process to gather community input for how the four parcels THA owns on the Hilltop should be redeveloped. The current plan calls for up to 250 units of affordable housing and approximately 50,000 sq. ft. of commercial space across the four parcels. At this time, THA is proceeding to assemble financing for this redevelopment, the first of which is for the property located at 1120-1124 MLK. The plan calls for approximately fifty (50) units of permanent supportive housing units for single adults experiencing homelessness, associated common areas and approximately 4,000 sq. ft of commercial space.

THA is exploring partnering with another non-profit to deliver the units and services to this clientele. THA expects to lease the land and improvements to the LLLP for up to 99 years.

The financing structure is expected to include, but not limited to the following sources of funding: tax credit equity, City of Tacoma and Pierce County funds and Housing Trust Fund dollars.

Recommendation

Approve Resolution No. 2019-07-24 (2).



TACOMA HOUSING AUTHORITY

THA BOC Resolution 2019-07-24 (2)

(Amend Resolution 2016-12-14(11) to Authorize THA to Apply for Financing to Develop 1120-1124 MLK Jr Way)

A **RESOLUTION** of the Housing Authority of the City of Tacoma authorizing (i) submission of applications for funding from sources to include but not limited to, Pierce County, City of Tacoma, Housing Trust Fund and Washington State Housing Finance Commission for an affordable rental housing project located at 1120-1124 Martin Luther King Jr Way in the City of Tacoma WA; and (ii) expend such funds as may be necessary to be paid by the Authority in connection with filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.

WHEREAS, The Housing Authority of the City of Tacoma (the "Authority") seeks to encourage the provision of long-term housing for low-income persons within the City of Tacoma, Washington; and

WHEREAS, RCW 35.82.070(5) provides that a housing authority may, among other things and if certain conditions are met, "lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project"; and

WHEREAS, RCW 35.82.020 defines "housing project" to include, among other things, "any work or undertaking . . . to provide decent, safe and sanitary urban or rural dwellings, apartments, mobile home parks or other living accommodations for persons of low income"; and

WHEREAS, RCW 35.82.070(18) provides that a housing authority may, among other things and if certain conditions are met, "make . . . loans for the acquisition, construction, reconstruction, rehabilitation, improvement, leasing or refinancing of land, buildings, or developments for housing for persons of low income"; and

WHEREAS, The Authority has formed Hilltop Lofts LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner (the "Borrower"), for the purpose of acquiring and constructing a multifamily housing facility to be located at 1120-1124 Martin Luther King Jr Way in the City of Tacoma (the "Project"). The total financing for this project will require the use of various funding sources, which may include low income housing tax credits, HOME, CDBG, Housing Trust Fund, and 2060 funds and loans from public and private lenders and/or grants; and

WHEREAS, The Board finds and determines that both the Partnership and the Project will provide for the necessary support of the por within the City Authority anticipates that the Borrower will request that the Authority issue and sell its revenue bonds for the purpose of assisting the Borrower in financing the Project; and

WHEREAS, the Authority desires to provide such assistance, if certain conditions are met; now therefore, be it

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA, as follows:

1. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the Partnership's general partner) to: (i) apply for, and enter into contracts relating to, such funding for the Project as they deem necessary or desirable, including without limitation public and/or private sector financing, an allocation of low income housing tax credits from the Washington State Housing Finance Commission, Washington State Housing Trust Fund grant and /or loan, Pierce County, the City of Tacoma and other federal, state and local funds (ii) seek and approve investors to serve as subsequent limited partners in the Partnership in connections with the receipt of low income housing tax credits for the Project (iii) negotiate with potential investors regarding their acquisition of limited partnership interest in the Partnership and (iv) prepare all appropriate resolutions for Board review

2. The Authority is authorized to expend such funds as may be necessary to be paid by the Authority in connection with filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.

3. Any action required by this resolution to be taken by the Executive Director of the Authority may, in his absence, be taken by the duly authorized acting Executive Director of the Authority.

4. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

5. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

Approved: July 24, 2019



Dr. Minh-Anh Hodge, Chair

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director of the Housing Authority of the City of Tacoma (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 2019-07-24 (2) (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on July 24, 2019, and duly recorded in the minute books of the Authority.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand on July 24, 2019.

HOUSING AUTHORITY OF THE CITY OF
TACOMA

By: Michael Mirra
Michael Mirra, Executive Director