



TACOMA HOUSING AUTHORITY

RESOLUTION 2020-06-24 (3)

Date: June 24, 2020

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Authorization to acquire limited partner and investor member interests of the Hillside Terrace 1500 Block Limited Partnership

This resolution would authorize Tacoma Housing Authority (THA), acting together with Tacoma Housing Development Group (THDG), to acquire the investor interests of the Hillside Terrace 1500 Block Limited Partnership.

Background

In 2005 THA participated in the formation of Hillside Terrace 1500 Block Limited Partnership (the "LIHTC Entity") to develop and operate a low-income housing project that would qualify for federal low-income housing tax credits ("LIHTC"). THA is the general partner of the LIHTC Entity. Alliant Capital ("Alliant") owns all the limited partner interests in the LIHTC entity.

The period during which the tax credits can be claimed has expired. THA holds an option to purchase the LIHTC entity's leasehold interest in the land and buildings comprising a low-income housing project known as Hillside Terrace 1500 Block. The option period began at the end of the tax credit delivery period and runs for four years beyond the tax credit compliance period.

Alliant has agreed to transfer the limited partner interests in the LIHTC entity to THA and THDG for \$65,000. By purchasing Alliant's limited partner interest, THA can cause the LIHTC entity to remain in place while controlling the partner interests.

Recommendation

Approve Resolution No. 2020-06-24 (3).



TACOMA HOUSING AUTHORITY

RESOLUTION 2020-06-24 (3)

(Authorization to acquire limited partner interests of the Hillside Terrace 1500 Block Limited Partnership)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma to acquire the investor interests in Hillside Terrace 1500 Block Limited Partnership, authorizing the execution and delivery of certain agreements and other documents with respect to the acquisition of such interests, and providing for other matters properly related thereto.

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

WHEREAS, RCW 35.82.070 authorizes the Authority, among other things, to "prepare, carry out, acquire, lease and operate housing projects," to "provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof," to "lease or rent any dwellings... buildings, structures, or facilities embraced in any housing project," and to "make and execute contracts and other instruments, including but not limited to partnership agreements"; and

WHEREAS, Pursuant to the authority provided by RCW 35.82.070, the Authority participated in the formation of, and is the general partner of Hillside Terrace 1500 Block Limited Partnership ("LIHTC Entity"); and

WHEREAS, Alliant Capital ("Alliant") owns all the limited partner interests in the LIHTC entity; and

WHEREAS, Alliant is willing to exit the partnership and to transfer its investor interests in the LIHTC Entity to the Authority (and/or an affiliate of the Authority), so long as the Authority agrees to pay Alliant \$65,000 for the purchase of such investor interests; and

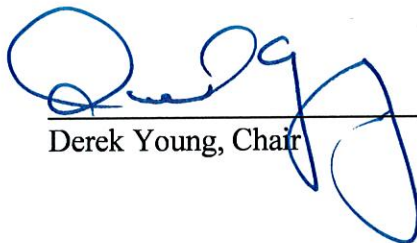
WHEREAS, the Board finds and determines that the Authority can obtain greater control of the LIHTC Entity if it acquires such investor interests from Alliant, and that such greater control is in the best interests of the Authority and the persons it serves; now therefore, be it

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

1. The Authority's Executive Director and Deputy Executive Director (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized on behalf of the Authority to negotiate with Alliant regarding the Authority's acquisition of Alliant's interests in the LIHTC Entity.
2. The Authority is authorized to acquire all of Alliant's interests in the LIHTC Entity and the Authority is authorized to pay Alliant up to \$65,000 of available Authority funds in connection with the acquisition of Alliant's interests in the LIHTC Entity.

3. Each Authorized Officer is authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the LIHTC Entity's general partner) with respect to any acquisition to be made pursuant to this resolution to: (i) execute, deliver and file (or cause to be executed, delivered and filed), to the extent required by law, such agreements, certificates, documents and instruments as are necessary or appropriate in each Authorized Officer's discretion to give effect to this resolution and to consummate such acquisition; and (ii) take any other action that each Authorized Officer deems necessary and advisable to give effect to this resolution and consummate the transactions contemplated herein.
4. Each Authorized Officer is authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the LIHTC Entity's general partner) to cause Alliant to transfer all of its interests in the LIHTC Entity to the Authority and/or an affiliate of the Authority, including but not limited to Tacoma Housing Development Group.
5. 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.
6. This resolution shall be in full force and effect from and after its adoption and approval.

Approved: June 24, 2020



Derek Young, 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. 2020-06-24 (3) (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 the 24th day of June, 2020 (the "Meeting"), and duly recorded in the minute books of the Authority.

2. Pursuant to the proclamations of the Governor of the State of Washington, as extended by the leadership of the Washington State Senate and House of Representatives, (a) the Meeting was not conducted in person, (b) one or more options were provided for the public to attend the Meeting remotely, including by telephone access, which mean(s) of access provided the ability for all persons attending the meeting remotely to hear each other at the same time, and (c) the public was notified of the access options for remote participation via the Authority's website.

3. The Meeting was duly convened and held in all respects in accordance with law, a quorum was present throughout the Meeting (whether in person or through telephonic and/or internet means of remote access), and the Resolution was passed by a vote of ____ commissioners voting in favor of passage, ____ commissioners voting against passage, and ____ commissioners abstaining.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of June, 2020.



Michael Mirra, Executive Director of the Authority