



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2021-06-23 (3)

**Date:** June 23, 2021

**To:** THA Board of Commissioners

**From:** Michael Mirra  
Executive Director

**Re:** Acquisition of the North Highland Court Apartments by Condemnation or  
Negotiated Purchase in Lieu Thereof

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*This resolution would authorize Tacoma Housing Authority (THA) to acquire the North Highland Court Apartments (the "Property") by condemnation or by negotiated purchase in lieu thereof, subject to final board approval.*

### Background

The Property is a 35-unit apartment complex located at 3015 N Highland Street in Tacoma. The property currently offers rents that are affordable to households earning 60% to 120% of Area Median Income. It is located near Pearl Street, providing mass transit opportunities to residents. Based on the foregoing, and subject to satisfactory due diligence work still to be performed by THA, acquisition of the Property by THA would preserve vital affordable housing in Tacoma.

### Recommendation

Approve Resolution 2021-06-23 (3) authorizing THA to declare the acquisition of the Property as necessary to fulfill THA's public purpose of providing affordable housing and to direct the Executive Director of THA to acquire the Property by condemnation or by negotiated purchase in lieu thereof for an approximate sale price of \$5,000,000.00. Notwithstanding the foregoing, approval by the Board and by the Executive Director will be required before an offer of just compensation is made pursuant to condemnation or before, in connection with a negotiated purchase in lieu of condemnation, any earnest money becomes nonrefundable to THA.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2021-06-23 (3)**

(Acquisition of the North Highland Court Apartments by Condemnation or Negotiated Purchase in Lieu Thereof)

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

**Whereas**, there is a critical shortage of modestly priced rental housing in the City of Tacoma; and

**Whereas**, the Housing Authority of the City of Tacoma (“THA” or “the Housing Authority”) is charged with addressing pursuant to its mission of providing quality affordable housing opportunities equitably distributed within the City of Tacoma; and

**Whereas**, it is a goal of local government and the Housing Authority to further fair housing in the region affirmatively, in part through preservation of existing affordable housing opportunities in areas with significantly appreciating housing costs; and

**Whereas**, North Highland Court Apartments (the “Property”) is a 35-unit apartment complex located at 3015 N Highland Street, Tacoma, Washington, in an area of Tacoma where rents are increasingly unaffordable to low-income households; and

**Whereas**, RCW 35.82.070(2) provides, in part, that a housing authority shall have the power to acquire housing projects within its area of operations, and RCW 35.82.070(5) authorizes a housing authority to acquire real property by exercise of the power of eminent domain or by purchase in lieu of exercise of the power of eminent domain; and

**Whereas**, acquisition of the Property by the Housing Authority will serve the mission of the Housing Authority and the housing goals of the region through an approach that is considerably less expensive than constructing the same number of new housing units; now, therefore, be it

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

**Section 1:** Acquisition of the Property by the Housing Authority is necessary to preserve and provide housing for persons of low income that is equitably distributed in various areas of its operations.

**Section 2:** The Board of Commissioners hereby authorizes the Executive Director (i) to give notice to the current owner of the Property of the Housing Authority’s intention to acquire the Property by eminent domain if it is unsuccessful in acquiring the Property on satisfactory terms



through negotiation and purchase in lieu of condemnation; and (ii) subject to the terms below, to acquire the Property by condemnation through exercise of the Housing Authority's power of eminent domain, if it is unsuccessful in acquiring the Property on satisfactory terms through negotiation with and purchase from the owner in lieu of condemnation.

**Section 3:** The Executive Director is hereby vested with the authority, and with discretion in the exercise of such authority, to negotiate the terms of an agreement to purchase for the Property at a price of approximately Five Million Dollars (\$5,000,000) and to pay into the purchase escrow the earnest money deposit for the purchase of the Property.

**Section 4:** If the Executive Director is successful in negotiating the terms of an agreement for the purchase of the Property, then the Executive Director is authorized and directed to execute the same. Following reviewing the results of inspection of the Property and other due diligence, and prior to any earnest money becoming nonrefundable to the Housing Authority, the Executive Director shall make a recommendation to the Board of Commissions as to whether to proceed with closing the purchase of the Property. If the Executive Director recommend proceeding and the Board of Commissioners approves of the same, then the Executive Director shall be authorized to take any and all actions necessary to close on the purchase of the Property on the terms approved by the Board of Commissioners.

**Approved: June 23, 2021**

  
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Stanley Rumbaugh, Chair