



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, February 24, 2016

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 South L Street, Tacoma, WA at 5:13 PM on Wednesday, February 24, 2016.

1. CALL TO ORDER

Vice Chair Arthur Banks and Commissioner Janis Flauding joined the meeting via conference call.

Commissioner Derek Young called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 5:13 PM.

Chair Stanley Rumbaugh arrived at 5:46 pm.

2. ROLL CALL

Upon roll call, those present and absent were as follows:

PRESENT	ABSENT
Commissioners	
Chair Stanley Rumbaugh	
Vice Chair Arthur Banks	
Commissioner Janis Flauding	
Commissioner Derek Young	Commissioner Minh-Anh Hodge
Staff	
Michael Mirra, Executive Director	
Sha Peterson, Executive Assistant	
April Davis, Deputy Executive Director	
Ken Shalik, Finance Director	
Barbara Tanbara, Human Resources Director	
Pat Patterson, Property Management Director	
Kathy McCormick, RED Director	
Sandy Burgess, Associate Director Asset Management	Todd Craven, Administration Director

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Commissioner Young asked for any corrections to or discussion of minutes for the Board meeting on Wednesday, January 27, 2016, Vice Chair Banks moved to adopt the minutes, Commissioner Janis Flauding seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion approved.

4. GUEST COMMENT

Richard J. Gill
2302-6th Avenue, Unit 104

Mr. Richard Gill thanked the Board for services THA has provided him. He stated that without THA, he does not know if he would have made it through. He previously spoke at another board meeting about security at the 6th Avenue apartments. He left his key in door the other day and it was taken by another tenant. He also placed broken blinds in front of the building. The security guard told management and he got written up for it. He has been asked by THA to pay for a new key and for disposal of the blinds. He does not believe he should pay for these. He spoke to PM Director Patterson about it and is requesting an investigation and a fair meeting.

Desiree Tolbert
3202 S. Fawcett, Unit 330

Ms. Desiree Tolbert informed the Board that her daughter sent her a package for her birthday, but the post office had been delivered to the wrong person. According to Ms. Tolbert, the mail man remembers seeing the box and made an attempt to come by to deliver the package but he could not get in the building. The mail man gave the box to a person he saw at the apartment alley who stated that she knew Ms. Tolbert. Ms. Tolbert has yet to receive her package, and is upset that someone else is keeping it.

Steve Wells
602 S. Wright

Mr. Steve Wells has been a tenant at S. Wright apartments for five years and has been a member of the Resident Council. He would like to address the needs for his building—security, coordination between buildings, leadership and social services that Tacoma Housing Authority (THA) offers. People are living in fear—locking their doors and not

socializing. On site management is necessary. Commissioner Derek Young asked if he had a chance to speak to others in his building about his concerns. Mr. Wells confirmed.

Shamai Qurrette
3201 S. Fawcett Avenue, Unit 32

Mr. Shammai Qurrette is a tenant at South Fawcett. According to Mr. Qurrette, his building needs better air quality. THA needs to also remind tenants that they are responsible for their guests. Guests are calling his number to be let in the building.

5. COMMITTEE REPORTS

Real Estate Development Committee—Commissioner Rumbaugh

Nothing to report.

Finance Committee—Commissioner Hodge and Commissioner Young

Nothing to report.

Education Committee—Commissioner Hodge

Commissioner Minh-Anh Hodge was not in attendance.

Citizen Oversight Committee—Vice Chair Banks

Nothing to report.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra will go over his report during the New Business portion of the Board meeting.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the finance report.

FD Director Shalik presented the year-end report for 2015. According to FD Director Shalik, there was an increase in budget income due to sale of a THA property. HAP reimbursements also came in higher than. Capital funds are \$700,000 less than anticipated because Finance decided to stop drawing down using capital funds. Everything was done intentionally. He has a more detailed analysis on his report.

Executive Director (ED) Michael Mirra asked for an update on the schedule for adopting the amended 2016 budget. According to FD Director Shalik, he will be presenting the 2016 budget to the Board in June. Right now, Finance is in the process of entering and verifying information. There are still some changes to make and his intention is to provide the Board with revised budget in June.



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Upon roll call, the vote was as follows:

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NAYS: None
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Real Estate Development Committee—Commissioner Rumbaugh
Nothing to report.

Finance Committee—Commissioner Hodge and Commissioner Young
Nothing to report.

Education Committee—Commissioner Hodge
Commissioner Minh-Anh Hodge was not in attendance.

Citizen Oversight Committee—Vice Chair Banks
Nothing to report.

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Commissioner Janis Flauding moved to ratify the payment of cash disbursements totaling \$4,521,250 for the month of January, 2016. Vice Chair Banks seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion Approved.

Administration

Associate Director of Administration and Asset Management (AD of AD&AM) Sandy Burgess provided a Rental Assistance Demonstration (RAD) update to the Board. Closing for RAD has been pushed to April. Tacoma Housing Authority (THA) has submitted the necessary documents to HUD. We now await HUD's approval. Commissioner Young asked for the cost ramifications of the delay. AD Burgess recounted some of the risks but thought they were manageable.

THA received the consultant's report about the contamination cleanup at Wright Street. The consultant recommends the less costly cleanup at \$176,000.

THA also needs to increase its contract for services from Jim Brawner by about \$350,000. AD Burgess present a resolution to the Board for this purpose in March.

Client Services

Client Services (CS) Director Greg Claycamp was not in attendance. Rental Assistance (RA) Associate Directors (ADs) Julie LaRocque and Mia Navarro addressed the Board. They introduced Client Services' new Program Managers—Jessie Beck and Caroline Cabellon. Ms. Beck came from Consejo Counseling in Seattle. She will be a big part of Community Services. Ms. Cabellon will be coordinating work with rental assistance and property management. Board Chair Stanley Rumbaugh welcomed the new additions to Tacoma Housing Authority (THA).

AD Navarro provided the Board CS highlights for January and February. CS is scheduled to have its leadership retreat on Friday. ED Mirra asked for a brief update on replenishing the McCarver cohort. AD Navarro stated that the application was released for the McCarver cohort. THA received 22 applications as of this afternoon, and many will move forward. She looks forward to replenishing the cohort and the redesigning of the program. According to ED Mirra, THA and the Tacoma School District are in their final

stages of drafting an interlocal agreement which will formalize their partnership. ED Mirra hopes to present this to THA Board and School District Board next month. Chair Rumbaugh stated that it is important when thinking about metrics for the Education Project to focus on not only academic achievement, absentism, and disciplinary issues related to students but also on the income progression of families. He added that he understands the broad scope and goal of the program in the beginning, but so far it seems to him that the education component has outperformed the income rising of Tacoma median families.

Property Management

Property Management (PM) Director Pat Patterson directed the Board to his report.

According to PM Director Patterson, there are no real updates and highlights for PM. He directed the Board to a couple of charts on his report. CS and PM have teamed up to create a usable waitlist. The goal is to get units ready to lease up. Chair Rumbaugh asked how PM maintains the integrity of the list of those still waiting. PM Director Patterson explained that THA will inquire with persons on the waiting list to determine if they are still interested in THA housing. In reply to a question from Chair Rumbaugh, PM Director Patterson stated that THA removes people from the list if they either do not return their completed questionnaires or if they report that they are no longer interested in THA housing. He explained that THA does this “purge” of the waiting list periodically. The plan is to send the letters to the first 100 on the list and see if they are still interested then it would be sent to the next 100 on the list.

PM Director Patterson’s will be proposing to close the list before it gets longer and to go through the list a little faster. Commissioner Young asked for a timeline. According to AD LaRocque the letters will go out by the end of the week. Chair Rumbaugh suggested for PM Director Patterson to keep track of this—how many are responding and the percentage dropping off. PM Director Patterson stated that there are multiple applicants who do not have the funds to move in but that THA is shortly to begin its new program to help cover the expense of deposits. Chair Rumbaugh asked if people are taken off the list after they decline twice. PM Director Patterson confirmed. Chair Rumbaugh thanked PM Director Patterson and asked how the electronic maintenance request ticket system for PM is going. PM Director Patterson stated that as far as he knows everything is going well. PM will be launching a new software program soon. ED Mirra asked if tenants can submit their work order online. PM Director Patterson confirmed. ED Mirra asked about the new system and how it will change the work order process. According to PM Director Patterson, there will be no changes but the portal will be more interactive and tenants can track their requests online. ED Mirra asked if it will be available on tenant’s smart phones. PM Director Patterson confirmed, and added how he would like to make the process easier for tenants.

Real Estate Development

Real Estate Development (RED) Department Director Kathy McCormick directed the Board to her report.

RED Director McCormick stated that THA will be closing on Bay Terrace March 4th. She will be in Seattle to sign documents. The clean up there is not as extensive as they had planned so THA will save some money. She then mentioned the cleanup of Wright Street. ED Mirra stated that AD Burgess had reported on the clean up and the four alternative choices for clean-up from the environmental report. RED Director McCormick stated that they are looking at \$176k for installation of a well to monitor ground water at Wright Street. Chair Rumbaugh asked if we are still anticipating seeking reimbursement from prior owners. AD Burgess confirmed. Chair Rumbaugh noted how on the RED report, it showed that D.R. Horton sold out on Area 3 at Salishan. RED Director McCormick confirmed. Chair Rumbaugh asked to be reminded of how much the homes sold for. ED Mirra stated that we probably would have made more per lot on area 2B if we sat on it longer but it was relieving to see that we are done. Chair Rumbaugh agrees but he just wondered about the depreciation. ED Mirra asked RED Director McCormick if we can take a look back to track. RED Director McCormick will talk to Bob Fredrickson.

Chair Rumbaugh asked about Key Bank. RED Director McCormick stated that the report on the soil testing will arrive tomorrow. Chair Rumbaugh asked if we had to remove asphalt, and RED Director McCormick said no. RED put a Request for Proposal (RFP) out for architects for THA's master planning for the Hilltop properties we are assembling. She will bring the recommendation to the Board next month.

According to RED Director McCormick, she has plans on submitting a 9% tax credit application for Hillsdale Heights.

Human Resources

Nothing to report.

8. OLD BUSINESS

None.

9. NEW BUSINESS

8.2 RESOLUTION 2016-02-24 (2), Ratifying Board Actions Taken on January 27, 2016

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

WHEREAS, The Board met in regular session on January 27, 2016, at 902 South L Street; and

WHEREAS, At some point during the meeting, the outside doors to that building were locked and unattended. This would have prevented any member of the public from entering the building at that time and attending the meeting; and

WHEREAS, The locked door violated the Open Public Meetings Act, Chap. 42.30 RCW; and

WHEREAS, The Board took actions at that January 27, 2016 meeting; and

WHEREAS, To ensure the validity of those actions, the Board must ratify them, now, therefore, be it

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

The Board ratifies all actions that it took at its regular meeting on January 27, 2016, including the monthly financial motion and the following resolutions:

- 2016-01-27 (1), RAD A&E Work Addendums #5 & #6, Casey Dechant Architects
- 2016-01-27 (2), Second Amendment to eightCloud Contract
- 2016-01-27 (3), Bay Terrace II, Issuance of Revenue Bonds
- 2016-01-27 (4), Bay Terrace II, 2500 Court G Omnibus Resolution
- 2016-01-27 (5), Amendment to Income Program and Income Certification and Leasing Services with Allied Residential

Approved: February 24, 2016

Stanley Rumbaugh, Chair

**8.3 Resolution 2016-02-24 (3)
RENEW TACOMA HOUSING PORTFOLIO**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma providing for the issuance of a revenue note in the principal amount of not to exceed \$45,000,000, the proceeds of which will be used to make a loan to Renew Tacoma Housing LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner, to provide part of the funds with which to acquire and rehabilitate nine affordable rental housing projects containing a total of 456 units to provide housing for low income persons in the City of Tacoma, Washington; determining the form and terms of the note;

authorizing the execution and delivery of a funding loan agreement with respect to the issuance of the note, a borrower loan agreement providing for repayment of the loan, a regulatory agreement governing the use of the projects and other note and loan documents; providing for the sale and delivery of the note to Citibank, N.A.; authorizing and directing appropriate officers of the Authority to execute such documents as are useful or necessary to the purposes of this resolution; and rescinding Resolution No. 2015-12-16 (8).

WHEREAS, The Housing Authority of the City of Tacoma (the “Authority”) seeks to encourage the provision of housing for low-income persons residing in the City of Tacoma, Washington (the “City”); 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(5) provides that a housing authority may, among other things, “lease any . . . lands . . . embraced in any housing project and . . . establish and revise the rents or charges therefor”; and “sell, lease, exchange, transfer. . . or dispose of any real or personal property or any interest therein . . .”; 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 . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing for persons of low-income”; and

WHEREAS, RCW 35.82.020(11) and 35.82.130 together provide that a housing authority may issue bonds, notes or other obligations for any of its corporate purposes; and

WHEREAS, Renew Tacoma Housing LLLP (the “Partnership”), a Washington limited liability limited partnership of which the Authority is the sole general partner, has applied to the Authority for financial assistance for the purpose of providing part of the funds with which to acquire and rehabilitate the following nine apartment complexes, all of which will be leased by the Partnership from the Authority (the “Project”); and

Property Name	Address	Number of Units
K Street Apartments	911 North K Street Tacoma, Washington 98403	43
G Street Apartments	401 North G Street Tacoma, Washington 98403	40
E.B. Wilson Apartments	1202 South M Street Tacoma, Washington 98405	77
Fawcett Apartments	3201 Fawcett Avenue Tacoma, Washington 98418	30
Ludwig Apartments	5425 South Lawrence Street Tacoma, Washington 98409	41
6 th Avenue Apartments	2302 6 th Avenue Tacoma, Washington	64
Wright Street Apartments	602 South Wright Street Tacoma, Washington 98418	58
Bergerson Terrace Apartments	5301, 5303, 5305, 5307, 5309, 5311, 5313 and 5315 South Orchard Street Tacoma, Washington 98467	72
Dixon Village Apartments	5401-5512 South Stevens Street Tacoma, Washington 98409	31

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WHEREAS, The Project will be used by the Partnership to provide housing for low-income persons, and no more than an insubstantial portion of the proceeds of the Note (defined below) will be used in connection with the financing or refinancing of any portion of the Project to be used by the Partnership for any other purpose; and

WHEREAS, The Board of Commissioners of the Authority deems it necessary and advisable and in the best interest of the Authority to issue the Note, and to use the proceeds thereof to make a loan to the Partnership for the purposes described herein; and

WHEREAS, It is anticipated that Citibank, N.A. will offer to purchase the Note on the terms and conditions set forth herein; and

WHEREAS, On December 16, 2015, the Authority's Board of Commissioners adopted Resolution No. 2015-12-16 (8), providing for the issuance of notes to finance the acquisition and rehabilitation of the Project; and

WHEREAS, The provisions of this resolution shall govern the terms of the Note and the related documents, and the Authority now wishes to rescind Resolution No. 2015-12-16 (8); and

WHEREAS, RCW 35.82.040 provides that a housing authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper, **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA** as follows:

Section 1. Definitions. As used in this resolution, the following words have the following meanings:

“Assignment of Deed of Trust and Loan Documents” means the Assignment of Leasehold Deed of Trust and Loan Documents to be executed by the Authority, relating to the assignment of the Authority’s interests in the Deed of Trust and the Borrower Note, including any supplements or amendments thereto made in conformity therewith.

“Assignment of Equity Interests” means the Assignment of Equity Interests, Pledge and Security Agreement to be executed by the Partnership and the Authority (in its capacity as general partner of the Partnership), relating to the assignment of certain of the Authority’s equity interests in the Partnership, including any supplements or amendments thereto made in conformity therewith.

“Assignment of HAP Agreement” means the Assignment of Housing Assistance Payments Agreement to be executed by the Partnership, relating to the assignment of certain of the Partnership’s rights under its PBV Housing Assistance Payment Contract pertaining to the Project, including any supplements or amendments thereto made in conformity therewith.

“Assignment of Management Agreement” means the Assignment of Management Agreement to be executed by the Partnership and the Authority (in its capacity as manager of the Project relating to assignment to the Bank of certain of the Partnership’s rights under property management agreements with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Assignment and Subordination of Developer Fees” means the Assignment of Subordination of Developer Fees, Pledge and Security Agreement to be executed by the Partnership and the Authority (in its capacity as developer), relating to the assignment of certain of the Partnership’s and the Authority’s interests in the development agreement with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Authority” means the Housing Authority of the City of Tacoma, a public body corporate and politic duly organized and existing under and by virtue of the laws of the State of Washington.

“Bank” means Citibank, N.A., as Registered Owner of the Note, and any subsequent Registered Owner thereof.

“Board” means the Board of Commissioners of the Authority.

“Borrower Loan Agreement” means the Borrower Loan Agreement between the Authority and the Partnership providing for, evidencing and securing the obligation of the Partnership to repay the Loan, and including any supplements or amendments thereto made in conformity herewith and therewith.

“Borrower Note” means the Multifamily Note to be executed by the Partnership in favor of the Authority and endorsed in favor of the Bank.

“Code” means the Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

“Completion and Repayment Guaranty” means, together, the Completion and Repayment Guaranty (Including Operating Deficit Guaranty) and the Exceptions to Non-Recourse Guaranty to be executed by the Authority providing for a guaranty of certain of the Partnership’s obligations with respect to the construction of the Project and repayment of the Loan, including any supplements or amendments thereto made in conformity herewith and therewith.

“Construction Funding Agreement” means the Construction Funding Agreement to be executed by the Partnership and the Bank, setting forth certain covenants and conditions relating to the Loan, including any supplements or amendments thereto made in conformity herewith and therewith.

“Deed of Trust” means the Multifamily Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, encumbering the Partnership’s leasehold interest in the real property and improvements and personal property constituting the Project, securing payment of the Loan, including the exhibits thereto (including, without limitation, the Master Lessor’s Subordination and Joinder, to be entered into by the Authority (in its capacity as lessor) and the Partnership), and any supplements or amendments thereto made in conformity herewith and therewith.

“Deposit Account Control Agreement” means the Deposit Account Control Agreement to be executed by the Partnership and/or the Authority, relating to the deposit of funds for the purpose of securing payments on the Loan and/or the Note, including any supplements or amendments thereto made in conformity herewith and therewith.

“Draws” means incremental draws on the Note.

“Environmental Indemnification Agreement” means the Agreement of Environmental Indemnification to be executed by the Partnership and the Authority relating to environmental claims with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Executive Director” means the Executive Director of the Authority.

“Funding Loan Agreement” means the Funding Loan Agreement between the Bank and the Authority providing for a loan from the Bank to the Authority evidenced by the Note.

“General Revenues” means the rent, fees and other revenues of the Authority from any source, except those revenues which are now or hereafter prohibited from being used for the purpose of paying Authority’s obligations under the Completion and Repayment Guaranty or Environmental Indemnification Agreement under the provisions of any law, regulation, contract or covenant, resolution or deed of trust (including restrictions relating to funds available to the Authority under the U.S. Housing Act of 1937).

“Loan” means the loan from the Authority to the Partnership of the proceeds of Draws on the Note.

“Loan Documents” means, collectively, the Assignment of Equity Interests, the Assignment of HAP Agreement, the Assignment of Management Agreement, the Assignment of Subordination of Developer Fees, the Borrower Loan Agreement, the Borrower Note, the Construction Funding Agreement, the Deed of Trust, the Deposit Account Control Agreement, the Environmental

Indemnity Agreement, the Master Lease Estoppel Certificate, the Replacement Reserve Agreement, any related UCC Financing Statements and any other documents relating to the Loan to be executed by the Partnership.

“Master Lease Estoppel Certificate” means the Master Lease Estoppel Certificate to be executed by the Authority and acknowledged and agreed to by the Partnership, relating to certain of the Authority’s rights under the master lease of the Project to the Partnership, including any supplements or amendments thereto made in conformity therewith.

“Note” means the Multifamily Mortgage Revenue Note, 2016 (Renew Tacoma Housing Portfolio), of the Authority, issued pursuant to, under the Authority of and for the purposes provided in this resolution.

“Note Registrar” means the Executive Director of the Authority.

“Partnership” means Renew Tacoma Housing LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner, formed in connection with the Project.

“Project” means, depending on the context, (1) the acquisition and rehabilitation of nine affordable housing projects located on real property described in Exhibit A to the Deed of Trust, or (2) the affordable rental housing projects so acquired and rehabilitated.

“Proposal Letter” means the proposal letter dated September 21, 2015, prepared by the Bank setting forth certain of the terms under which the Bank may purchase the Note, as it may be amended and supplemented, and any supplement or amendment or commitment letter issued pursuant or supplemental thereto.

“Registered Owner” means the Bank, as registered owner of the Note, registered as such on the registration books maintained by the Note Registrar.

“Regulatory Agreement” means the Regulatory Agreement executed by the Partnership for the benefit of the Authority governing the use of the Project, and including any supplements or amendments thereto made in conformity herewith and therewith.

“Replacement Reserve Agreement” means the Replacement Reserve Agreement between the Partnership and the Bank, providing for the establishment of a replacement reserve fund, including any supplements or amendments made in conformity herewith and therewith.

“Subordination Agreement” means the Subordination and Intercreditor Agreement between the Authority and the Bank and acknowledged by the Partnership, including any supplements or amendments thereto made in conformity herewith and therewith.

All other capitalized terms used but not defined herein shall have the meanings assigned to them in the Borrower Loan Agreement.

Section 2. Authorization of Note and Loan and Application of Proceeds. The Authority shall issue the Note in an original principal amount of not to exceed \$45,000,000 for the purpose of making a loan to the Partnership to provide a portion of the funds required to accomplish the Project and pay costs of issuing the Note. Such Note financing is declared and determined to be important for the feasibility of the Project. All proceeds from Draws on the Note shall be lent to the

Partnership for those purposes. The Board finds that it is in the best interest of the Authority to issue the Note for the purposes set forth in this resolution.

Section 3. Description of the Note. The Note shall be issued in registered form in an original principal amount of not to exceed \$45,000,000. The Note shall be dated such date, shall be in such denominations, shall bear interest payable on such dates and at such rates, shall mature at such times and in such amounts, shall have such prepayment or redemption provisions and shall have such other provisions consistent with the purposes of this resolution as are set forth in the Funding Loan Agreement and the Note.

Section 4. Draws on the Note. The Board authorizes the Executive Director, as authorized signer for the Authority, in its capacity as general partner of the Partnership, or his designees, to make Draws against the Note in such amounts and at such times as they may determine, those Draws to be made in accordance with the terms and provisions set forth herein and in the Loan Documents. Draws shall be recorded in such form as the Partnership and the Bank may agree. Draws shall be limited to an aggregate principal amount of \$45,000,000.

Section 5. Note Registrar; Registration and Transfer of Note. The Note shall be issued only in registered form as to both principal and interest and shall be recorded on books or records maintained by the Note Registrar (the "Note Register"). The Executive Director shall serve as Note Registrar for the Note. The Note Register shall contain the name and mailing address of the Registered Owner of the Note. The Note Registrar is authorized, on behalf of the Authority, to authenticate and deliver the Note in accordance with the provisions of the Note, the Funding Loan Agreement and this resolution, to serve as the Authority's paying agent for the Note and to carry out all of the Note Registrar's powers and duties under this resolution and the Funding Loan Agreement. The Note may be transferred only in accordance with the terms of the Funding Loan Agreement.

Section 6. Payment of Note. Both principal of and interest on the Note shall be payable in lawful money of the United States of America and shall be paid by check mailed to arrive on or before each payment date, or in immediately available funds delivered on or before each payment date, to the Registered Owner at the address appearing on the Note Register on the date payment is mailed or delivered. Upon the final payment of principal of and interest on a Note, the Registered Owner shall surrender that Note at the principal office of the Note Registrar in Tacoma, Washington, for destruction or cancellation in accordance with law.

Section 7. Security for the Note. The Note shall be a special, nonrecourse obligation of the Authority payable solely from Pledged Revenues (as defined in the Funding Loan Agreement) and such other funds and money as may be pledged or assigned under the Funding Loan Agreement. The obligations of the Authority under the Funding Loan Agreement and the Note are not a debt of the

City of Tacoma, the State of Washington or any political subdivision thereof and neither the City of Tacoma, nor the State Washington or any political subdivision thereof shall be liable thereon, nor in any event shall the obligations of the Authority thereunder be payable out of any funds or properties other than those of the Authority expressly pledged thereto. The obligations of the Authority under the Funding Loan Agreement and the Note shall not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Authority has no taxing power.

The Authority pledges its General Revenues to payment of its obligations under the Completion and Repayment Guaranty and the Environmental Indemnification Agreement subject to release in accordance with their respective terms. The Authority reserves without limitation the right to issue other obligations, the principal of and interest on which are to be paid from the General Revenues on a parity of lien with the obligations of the Authority under the Completion and Repayment Guaranty and the Environmental Indemnification Agreement. At its option, the Authority may pledge any revenues that comprise a portion of the General Revenues to payment of other obligations, such payments to have priority over the payments to be made under the Completion and Repayment Guaranty and Environmental Indemnification Agreement with respect to that portion of the General Revenues so pledged.

Except to the extent of the pledge of the General Revenues of the Authority to payment of the Authority's obligations under the Completion and Repayment Guaranty and the Environmental Indemnification Agreement to which it is a party, neither the Authority nor any of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the Note.

Upon the issuance of the Note, the Authority shall cause the Loan Documents to be executed by the Partnership for the benefit of the Authority and/or the Bank, and shall assign certain of its rights under the Loan Documents to which it is a party to the Bank, as security for the payment of the principal of and interest on the Note. The Authority shall retain rights under the Regulatory Agreement and certain rights under the Borrower Loan Agreement as described therein. Upon that assignment, the Bank shall collect, on behalf of the Authority, the principal and interest payments received under the Loan Documents, and shall apply the same to the payment of the principal of and interest on the Note, and the Authority shall have no obligation to make principal and interest payments on the Note except from those payments collected by the Bank on the Authority's behalf and those payments made pursuant to the Completion and Repayment Guaranty.

The Registered Owner shall not charge the Authority, in its capacity as issuer of the Note, and, in such capacity, the Authority shall not be obligated to pay to the Registered Owner, any fees for or costs of collection and application of principal and interest payments under the Loan Documents or the Note, including any fees for or costs of collecting such payments or exercising the power of sale or any other power under the Deed of Trust, nor shall the Authority be obligated to pay for the application of such payments to the payment of principal of and interest on the Note, except as may be required by the terms of the Completion and Repayment Guaranty. If the Note is assigned and transferred to a new

Registered Owner, the security interest in the Loan Documents shall be assigned to such new Registered Owner, and such new Registered Owner shall have the rights to carry out all of the duties of the prior Registered Owner as set forth in this resolution, including the duty to collect principal and interest payments under the Loan Documents and apply the same to the payment of principal of and interest on the Note.

Section 8. Form and Execution of Note. The Note shall be in a form consistent with the provisions of this resolution, the Funding Loan Agreement and state law, shall bear the manual or facsimile signatures of the Chair of the Board and Executive Director of the Authority. The Note shall be authenticated by the Note Registrar as set forth in the Funding Loan Agreement. No Note shall be valid for any purpose until so authenticated. The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Note so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

Section 9. Preservation of Tax Exemption for Interest on Note. The Authority covenants that it will take all actions necessary to prevent interest on the Note from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Note or other funds of the Authority treated as proceeds of the Note at any time during the term of the Note which would cause interest on the Note to be included in gross income for federal income tax purposes. The Authority also covenants that, to the extent arbitrage rebate requirements of Section 148 of the Code are applicable to the Note, it will take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Note, including the calculation and payment of any penalties that the Authority has elected to pay as an alternative to calculating rebatable arbitrage, and the payment of any other penalties if required under Section 148 of the Code to prevent interest on the Note from being included in gross income for federal income tax purposes (but only from amounts received by the Authority from the Partnership as payments for those purposes).

The Borrower Loan Agreement shall require the Partnership to reimburse the Authority for all costs to the Authority of its compliance with the covenants contained in this section, and the Authority shall not be required to expend any funds, other than such amounts to be reimbursed or other money received under the terms of the Borrower Loan Agreement, in so complying.

Section 10. Approval of Sale of Note to Bank. It is anticipated that the Bank will offer to purchase the Note under the terms and conditions contained in this resolution and the Proposal Letter. The Board finds that such offer is in the best interest of the Authority, and therefore approves the offer to purchase the Note under the terms and conditions in this resolution and the Proposal Letter. The Note will be delivered to the Bank with the approving legal opinion of Foster

Pepper PLLC, municipal bond counsel of Seattle, Washington, regarding the Note.

Section 11. Authorization of Documents and Execution Thereof. The Board authorizes the Executive Director to negotiate and approve the Regulatory Agreement, the Completion and Repayment Guaranty, the Assignment of Deed of Trust and Loan Documents, the Funding Loan Agreement, the Subordination Agreements, and the Loan Documents. The Board authorizes and approves the execution and delivery of, and the performance by the Authority of its obligations contained in, the Note, the Assignment of Deed of Trust and Loan Documents, the Completion and Repayment Guaranty, the Subordination Agreement, the Regulatory Agreement, the Funding Loan Agreement, the Loan Documents to which it is a party, and this resolution and the consummation by the Authority of all other transactions contemplated by this resolution in connection with the issuance of the Note. The Board authorizes and directs the Executive Director to execute on behalf of the Authority and to deliver the Assignment of Deed of Trust and Loan Documents, the Regulatory Agreement, the Completion and Repayment Guaranty, the Funding Loan Agreement, the Subordination Agreement, and the Loan Documents to which the Authority is a party, and such financing statements and other documents, instruments, and agreements as may be necessary or desirable in connection with the issuance of the Note or required by the Bank as a condition to purchasing the Note.

Section 12. Acting Officers Authorized. Any action authorized or directed by this resolution to be taken by the Chair of the Board or Executive Director may in the absence of such person be taken by the duly authorized acting Chair of the Board or the acting Executive Director, respectively.

Section 13. Reimbursement. For purposes of applicable Treasury Regulations, the Partnership and the Authority are authorized to advance such funds as may be necessary for the Project and the financing thereof, which expenditures may be reimbursed with proceeds of Draws on the Note. It is intended that this resolution shall constitute a declaration of official intent to reimburse expenditures for the Project made before the issue date of the Note from proceeds of the Draws on the Note, for the purposes of Treasury Regulations Sections 1.103-8(a)(5) and 1.150-2.

Section 14. Changes to Titles, Parties and Number and Designation of Notes. While the titles of and parties to the various documents described herein may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form. The Executive Director is delegated the authority to determine that whether the Note should be issued in the form of a single note or multiple notes. If the Executive Director determines that the Note will be issued in the form of multiple notes, the aggregate principal amount of such Notes shall not exceed \$45,000,000, and the Executive Director may, in his discretion, alter the designation of the Note to cause the various notes to be distinguishable. The Executive

Director's authentication of such notes, as described herein, will constitute conclusive evidence of his or her approval of the issuance of the Note in the form of multiple notes and of the designation of such notes.

Section 15. Resolution No. 2015-12-16(8) Rescinded. Resolution No. 2015-12-16(8) of the Authority, adopted by the Board on December 16, 2015, is hereby rescinded.

Section 16. 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.

Section 17. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting thereof this **24th day of February, 2016.**
HOUSING AUTHORITY OF THE CITY OF TACOMA

By:

Stanley Rumbaugh, Chair, Board of Commissioners

ATTEST:

Secretary-Treasurer

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary and 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 copy of Resolution No. 2016-02-24 (3) (the "Resolution") is a full, 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 February 25, 2016, and duly recorded in the minute books of the Authority;

2. That written notice specifying the time and place of the meeting and noting the business to be transacted was given to all members of the Board of Commissioners by mail, fax, electronic mail or personal delivery at least 24 hours prior to the meeting, a true and complete copy of which notice is attached hereto as Appendix I;

3. That the written notice described above was also posted on the Authority's website and prominently displayed at the main entrance of the

Authority's administrative office at 901 South L Street, Tacoma, Washington 98405 and at the meeting site, if different, at least 24 hours prior to the meeting;

4. That the written notice described above was given to each local radio or television station and to each newspaper of general circulation that has on file with the Authority a written request to be notified of special meetings and to any others to which such notices are customarily given by the Authority; and

5. That such meeting was duly convened and held in all respects in accordance with law; 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 this 24th day of February, 2016.

Michael Mirra, Secretary and Executive Director of the Authority

Approved: February 24, 2016

Stanley Rumbaugh, Chair

8.4 RESOLUTION 2016-02-24 (4)

(Amendment #4 to Legal Services with Gordon, Thomas, Honeywell, LLP)

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

WHEREAS, Tacoma Housing Authority procured for legal services in December 2011; and

WHEREAS, The contract was signed in January 20, 2012 for \$100,000 for a duration of one (1) year with the option of four one year extensions; and

WHEREAS, The accumulative budget from services rendered are near or exceed the contract limit of \$100,000, authorized by the Executive Director; and

WHEREAS, THA will need additional legal services from this contract for matters related to THA properties, policy review and human resources; and

WHEREAS, The amended contract amount with Gordon, Thomas, Honeywell, LLP will be a Not-to-Exceed \$400,000 for legal services, now, therefore, be it

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

Authorize THA's Executive Director to amend the Legal Services contract with Gordon, Thomas, Honeywell, LLP an additional \$300,000, making the total amount of the contract of \$400,000.00.

Approved: February 24, 2016

Stanley Rumbaugh, Chair

**8.5 RESOLUTION 2016-02-24 (5)
(Approval of Strategic Objectives Performance Measures, Baselines and Targets)**

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

WHEREAS, By Resolution 2013-2-27(1), the Board adopted THA's Statements of Vision and Mission, and its seven strategic objectives. It also adopted performance measures for each of the strategic objectives. The resolution acknowledged that the performance measures would be dynamic, requiring continual review and adjustment;

WHEREAS, The staff have continued to refine those measures and their baselines and targets, with periodic updates to the Board; the attached draft shows their present version; a

WHEREAS, This version is developed enough for staff to use to create a digital dashboard for the visual display of the performance measures, baselines, targets and outcomes;

WHEREAS, The digital dashboard will provide the next good chance to review and adjust them as part of a continual review and reassessment, now, therefore, be it

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

1. THA adopts the performance measures for its seven strategic objectives as they show in the attached chart, with baselines and targets.
2. The Board asks the staff to display these performance measures, baselines and targets, and outcomes, in a digital dashboard using appropriate techniques of visualizations.
3. These standards will require continual adjustment to account for our improving understanding of the availability and limitation on data and our evolving understanding of our work. Staff are encouraged to adjust them for this purpose.

Staff need not seek Board approval for every such adjustment. Instead, the Board asks staff to keep it reasonably informed about such adjustments.

4. In particular, the Board anticipates that its next thorough review will occur once the information is available in the digital dashboard.

Approved: February 24, 2016

Stanley Rumbaugh, Chair

9. COMMENTS FROM COMMISSIONERS

None.

10. EXECUTIVE SESSION

None.

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:17 PM.

APPROVED AS CORRECT

Adopted: March 23, 2016


Stanley Rumbaugh, Chair