



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, AUGUST 23, 2017

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at Bay Terrace, 2550 South G. Street, Tacoma, WA at 5:00 PM on Wednesday, August 23, 2017.

1. CALL TO ORDER

Vice Chair Hodge called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 5:00 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
	Chair Janis Flauding
Vice Chair Minh-Anh Hodge	
	Commissioner Arthur Banks
Commissioner Stanley Rumbaugh (arrived late at)	
Commissioner Derek Young	
Staff	
Michael Mirra, Executive Director	
	Sha Peterson, Executive Assistant
April Black, Deputy Executive Director	
Ken Shalik, Finance Director	
Toby Kaheiki, Human Resources Director	
	Frankie Johnson, Property Management Director
Kathy McCormick, Real Estate Development Director	
Todd Craven, Administration Director	
	Greg Claycamp, Client Services Director
Sandy Burgess, Associate Director for AD & Asset Management	

Vice Chair Hodge declared there was a quorum present @ 5:02 and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Vice Chair Hodge asked for any corrections to, or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, July 26, 2017. Commissioner Rumbaugh moved to adopt the minutes, Commissioner Young seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Kischa McGee, Salishan Resident

Ms. McGee lives near 44th and R Street at Salishan. She noted that it is dark behind her house and last June someone vandalized 10 cars. She called the police. In August, the police were chasing someone who went behind her house and crashed their car; this was at 1 AM and would not have happened if it were not so dark. In the winter, it is too dark even to go outside.

She called security regarding kids hanging around and the security officer told the kids that Ms. McGee was the one who called; this led the kids to harass her.

Richard Gill, 6th Avenue Resident

Mr. Gill noted the construction at 6th Avenue. He lives on the first floor and stated that THA does not know what is going on with the construction. There are no signs marking the construction so people can stay clear of hazards.

He requested THA compensation because he left a laptop in the laundry room briefly to cross the street; upon returning to the building, he found his laptop missing. He asked the staff person where his laptop was and the staff person denied knowing where it was. Mr. Gill offered a reward of \$25 for the return of his laptop and learned that a neighbor had it but wouldn't return it. He says that THA staff was in a conspiracy to take his computer. A week later another staff person asked him if he recovered his laptop. He also said on other occasions someone stole his wallet and on another occasion someone stole his car.

He was reading from a letter. We invited him to leave a copy and he did.

5. COMMITTEE REPORTS

Real Estate Development Committee—Commissioner Rumbaugh
Committee met in open Board session on August 21st.

Finance Committee—Vice Chair Hodge and Commissioner Young
Committee met in open Board session on August 21st..

Education Committee—Vice Chair Hodge
Nothing to report.

Citizen Oversight Committee—Commissioner Banks
Nothing to report.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra directed the board to his report. He mentioned the mayor's letter announcing that THA will receive a AMOCAT Award 2017 as a patron of the arts.

7. ADMINISTRATIVE REPORTS

Finance

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

The new OpenDoor system is not perfect and requires improvements, but finance was able to acquire the necessary financial information.

THA is running below projected expenses and he is projecting a higher surplus than budgeted. There are continuing issues with Housing and Urban Development's (HUD) description of Housing Assistance Program (HAP) money and how its procedure does not quite work for Moving to Work (MTW) agencies and their use of HAP money on non-HAP expenses. But the HUD processes are getting smoother.

Overall, Director Shalik is not concerned about the budget. He noted a greater rental income from New Look and some unexpected expenses. This nets out to a zero effect.

Commissioner Rumbaugh asked why utilities are up over projections by 30%; Director Shalik will inquire, but thinks it is related to New Look.

THA's cash position is healthy.

Director Shalik noted that the state auditors are at work and will make the required submissions to HUD on time. He noted that HUD auditors are visiting to verify that THA properly spent the MTW funds on what we said we spent it on.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$3,839,664 for the month of July, 2017. Commissioner Young seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Administration

Administration (AD) Director Todd Craven directed the board to his software conversion status report and invited questions. He noted some main problems with finance functions and reported much progress and a further major fix will be installed tomorrow. There were discussions about the problems and possible solutions.

Client Services

Client Services (CS) Director Grey Claycamp was not in attendance. Program Manager Caroline Cabellon directed the board to the CS report and invited questions.

She noted that in a previous Board meeting residents had asked for shopping carts; Caroline was pleased to report that THA found the money for shopping carts for each of the buildings. They are collapsible and hang on a hook.

Commissioner Rumbaugh asked about the Children's Savings Account (CSA) project and the recent meeting of funders and stakeholders. Caroline reported that the meeting as very successful.

Property Management

Property Management (PM) Director Frankie Johnson was not in attendance. Senior Property Manager Barb Pearsal directed the board to the PM report.

Bay Terrace lease up is on schedule. PM is above goal on occupancy and turn numbers are down to 22 days. Work orders are done 100% within 24 hours.

Commissioner Rumbaugh noted the impressive improvements and asked Barb to extend the Board's thanks to the PM staff and the Board's expectations that the numbers will continue to improve. Vice Chair Hodge asked for the reasons for the improvement. According to Barb, PM has increased its pool of vendors and improved the speed of leasing.

Real Estate Development

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

THA is negotiating a lease with SpaceWorks for all of Key Bank for art activities (\$2,500 per month plus utilities). This is a 5-year lease with an option to end early.

RED expanded the space for Sound Outreach at New Look, which is now fully leased.

Rental Assistance Demonstration (RAD) is on track to be done by the end of September. THA is ahead of schedule.

8. OLD BUSINESS

None.

9. NEW BUSINESS

9.1 RESOLUTION 2017-08-23 (1) (Revising THA's HOP Hardship Policy)

WHEREAS, Tacoma Housing Authority's Housing Opportunity Program (HOP) has a five-year time limit for work-able households; and

WHEREAS, The first of these time limits will expire in March 2018; and

WHEREAS, THA's existing HOP hardship policy lacks a definition of hardship and is not well equipped to serve households facing hardship when their time limit expires and in a way that gives them a further incentive to improve their earned income; and

WHEREAS, Changes to the HOP Hardship Policy must be approved by THA Board of Commissioners; now, therefore, be it

Resolved by the Board of Commissioners of the Housing Authority of the City Of Tacoma, Washington, that:

Authorize THA's Executive Director to revise THA's Administrative Plan Chapter 18, section XXII related to the Housing Opportunity Program (HOP) Hardship Policy to read substantially as follows:

1. Proposed Interim HOP Hardship Policy:

1.1 Unforeseen Loss of Income Hardship: 90 day Extension

Within three (3) months prior to the voucher expiration, households may request a 90 day hardship extension by showing:

1.1.1 an extraordinary change in circumstances resulting in an unforeseen loss of income that occurs within the three months prior to voucher expiration; and

1.1.2 the unforeseen loss of income must cause the household, once the rental assistance ends, to experience a shelter burden requiring more than 50% of its income for rent and utilities

1.2 Hardship Plus Completing a Qualifying Self-Sufficiency Activity: Up to 1 year Extension

Within 6 months prior to the voucher expiration households may request up to a 1 year extension by showing:

1.2.1 the household once the assistance ends would experience a shelter burden requiring more than 50% of its income for rent and utilities; and

1.2.2 the household must be engaged in the qualifying self-sufficiency activity at least six months prior to voucher expiration; and

1.2.3 the household must remain engaged in the qualifying self-sufficiency activity until the earlier of the end of the shelter burden or the end of the extension.

“Qualifying activities” are any activity for which all the following is true: (i) will be completed within a period of 1 to 12 months; (ii) must likely result in the reduction of shelter burden to below 50% by the end of the extension and for a sustained period beyond that end. Examples of qualifying self-sufficiency activities include: degree, vocational certificate, or homeownership programs and completion of FSS.

THA staff, in consultation with the household, will determine the duration of the extension but in no case shall it last longer than 1 year beyond the expiration of the 5 year time period.

Any adult member of the household may be engaged in the qualifying activity. This is not restricted to the head of household(s).

THA will eliminate the need for households to present their justification for their request to a review committee. Instead, we will use a simplified process to protect the dignity of the participant households and save THA staff time.

If a hardship request is denied, the household may request an appeal. THA will have up to 20 business days to review the request and make a determination.

Comments:

Director Black noted that the first 5-year time limits will start to expire in the spring of 2018. The present hardship policy would require THA to request a hardship extension in July 2017. THA knows that some of these families will be shelter burdened.

Policy Innovation and Evaluation (PIE) staff consulted with Housing Opportunity Program (HOP) families with a public hearing and 2 families appeared. Staff also invited comments from landlords but none replied. PIE staff met with NJP in person and consulted with other housing authorities.

Once the full evaluation is done in November PIE may have other changes to propose.

Commissioner Rumbaugh motioned to approve the resolution. Commissioner Young seconded the motion.

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

Motion Approved: August 23, 2017

Janis Flauding, Chair

**9.2 Tacoma Housing Authority 2017-8-23 (2)
(Alberta J. Canada – New Look Inducement Resolution)**

A RESOLUTION of the Housing Authority of the City of Tacoma declaring its intention to sell bonds in an amount not to exceed \$6 Million to provide financing to a Washington limited liability limited partnership in connection with the acquisition and rehabilitation of a 49 unit apartment complex in the City of Tacoma, Washington, and determining related matters.

WHEREAS, the Housing Authority of the City of Tacoma (the “Authority”) seeks to encourage the provision of long term housing for low income persons; 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, 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, the Authority has formed The Alberta J. Canada LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner (the "Borrower"), for the purpose of acquiring and rehabilitating a building known as the Alberta J. Canada Building, including ground floor commercial space and 49-units of low-income housing, currently known as the New Look Apartments. Such low-income housing, together with functionally related and subordinate facilities, shall be referred to herein as the "Project." The estimated cost of acquisition and rehabilitation of the Project is not expected to exceed \$13 Million]; and

WHEREAS, the 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; and

WHEREAS, Treasury Regulations Section 1.103 8(a)(5) requires that, in order for expenditures for an exempt facility that are made before the issue date of bonds issued to provide financing for that facility to qualify for tax-exempt financing, the issuer must declare an official intent under Treasury Regulations Section 1.150-2 to reimburse any such expenditures from the proceeds of those bonds, and one of the purposes of this resolution is to satisfy the requirements of such regulations;

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

Section 1. To assist in the financing of the Project, with the public benefits resulting therefrom, the Authority declares its intention, subject to the conditions and terms set forth herein, to issue and sell its revenue bonds or other obligations (the "Bonds") in a principal amount of not to exceed \$6 Million, to use the proceeds of the sale of the Bonds to make a loan (the "Loan") to the Borrower, and to permit the Borrower to reimburse itself from proceeds of the Bonds for expenditures for the Project made the Borrower before the issue date of the Bonds.

Section 2. The proceeds of the Bonds will be used to assist in financing the Project, and may also be used to pay all or part of the costs incident to the authorization, sale, issuance and delivery of the Bonds.

Section 3. The Bonds will be payable solely from the revenues derived as a result of the Project financed by the Bonds, including, without limitation, amounts received under the terms of any financing document or by reason of any

additional security furnished by or on behalf of the Borrower in connection with the financing of the Project, as specified by resolution of the Board of Commissioners of the Authority. The Bonds may be issued in one or more series, and shall bear such rate or rates of interest, payable at such times, shall mature at such time or times, in such amount or amounts, shall have such security, and shall contain such other terms, conditions and covenants as shall later be provided by resolution of the Board of Commissioners of the Authority.

Section 4. The Bonds shall be issued subject to the conditions that (a) the Authority, the Borrower and the purchaser of the Bonds shall have first agreed to mutually acceptable terms for the Bonds and the sale and delivery thereof and mutually acceptable terms and conditions of the Loan or other agreement for the Project, and (b) all governmental approvals and certifications and findings required by laws applicable to the Bonds first shall have been obtained. The Executive Director of the Authority or his or her designee is authorized (1) to seek an allocation of volume cap for the Bonds from the Washington State Department of Commerce or a transfer of volume cap from the Washington State Housing Finance Commission; (2) to submit applications for funding for the Project from other public and private sources; and (3) to submit such materials as may be necessary to secure low income housing tax credits for the Project.

Section 5. For purposes of applicable Treasury Regulations, the Borrower is authorized to commence financing of the Project and advance such funds as may be necessary therefor, subject to reimbursement for all expenditures to the extent provided herein out of proceeds, if any, of the issue of Bonds authorized herein. However, the adoption of this resolution does not constitute a guarantee that the Bonds will be issued or that the Project will be financed as described herein, or an endorsement of the Project by the Authority. The Board of Commissioners of the Authority shall have the absolute right to rescind this resolution at any time if it determines in its sole judgment that the risks associated with the issuance of the Bonds are unacceptable.

Section 6. 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 Bonds from proceeds of the Bonds, for the purposes of Treasury Regulations Sections 1.103-8(a)(5) and 1.150-2.

Section 7. 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 8. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

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. 2017-8-23 (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 August 23, 2017, 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 August 23, 2017.

HOUSING AUTHORITY OF THE CITY OF TACOMA

By: _____
Michael Mirra, Executive Director

Commissioner Rumbaugh motioned to approve the resolution. Commissioner Young seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: August 23, 2017

Janis Flauding, Chair

**9.3 RESOLUTION 2017-08-23 (3)
(AUTHORIZED SIGNERS FOR FINANCIAL INSTITUTION
ACCOUNTS)**

WHEREAS, The Board selects its chair and vice chair at its annual meeting. When these Board officers change, THA needs a resolution changing the authorized signatures for its accounts at its various financial institutions; and

WHEREAS, This resolution does that and replaces Resolution 2016-8-24(1), which had authorized previous offices as signers; and

WHEREAS, The Board of Commissioners needs to formally authorize the financial institutions and the authorized signers on the accounts, now, therefore, be it

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

The funds of THA are hereby authorized by the laws of the State of Washington and the regulations of the Department of Housing and Urban Development to be utilized, held and invested and that said funds may be deposited with any or all of the following institutions:

BANK OF AMERICA
HERITAGE BANK
KEY BANK
J.P. MORGAN CHASE BANK
U.S. BANK
THE BANK OF NEW YORK MELLON TRUST CO.
WASHINGTON STATE INVESTMENT POOL

Or such other institutions as may be found to provide the highest interest rate.

Be it further resolved that any of the below designated individuals are authorized to enter into any and all transactions relating to the above mentioned institutions as they exist now or may be created in the future upon signature of any two (2) of the following designated individuals:

Janis Flauding	Chair	_____
Minh-Anh Hodge	Vice Chair	_____
Michael Mirra	Executive Director	_____
Kenneth Shalik	Director of Finance	_____
Duane Strom	Comptroller	_____

Be it further resolved that this resolution replaces any and all previous resolutions designating authorized financial institutions and signers.

Be it further resolved that the authorized signers acknowledge and accept Heritage Bank's policy of accepting any check with one authorized signature.

Commissioner Rumbaugh motioned to approve the resolution. Commissioner Young seconded the motion.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None

Abstain: None
Absent: 2

Motion Approved: August 23, 2017

Janis Flauding, Chair

**9.4 Tacoma Housing Authority 2017-8-23 (4)
(James Center Authorizing Resolution)**

A RESOLUTION of the Housing Authority of the City of Tacoma authorizing the acquisition of property located at and around 1620 S. Mildred Street, Tacoma, Washington (the "Project"), the issuance of a note of the Authority in the principal amount of not to exceed \$4,000,000 to evidence the obligations of the Authority under a loan agreement between the Authority and Enterprise Community Loan Fund, Inc. and a note of the Authority in the principal amount of not to exceed \$2,000,000 to evidence the obligations of the Authority under a loan Agreement between the Authority and the Washington State Housing Finance Commission, the proceeds of which notes will be used to finance all or a portion of the cost of acquiring the Project; authorizing the execution and delivery of the notes, loan agreements, deed of trusts, environmental indemnity agreements, regulatory and low income housing covenant agreements, and other agreements, documents and certificates; and determining related matters.

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 in the City of Tacoma, Washington (the "City"); and

WHEREAS, RCW 35.82.070(2) provides that a housing authority may acquire and provide for the construction, reconstruction, improvement, alternation or repair of housing projects; and

WHEREAS, RCW 35.82.020 defines "housing project" to include, among other things (a) any work or undertaking to "demolish, clear or remove buildings from any slum area . . . [including] adaptation of such area to public purposes, including parks or other recreational or community purposes", (b) 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" including "land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances . . . site preparation, . . . administrative, community, health, recreational, welfare or other purposes", and (c) "the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration and repair of the improvements and all other work in connection therewith"; and

1

2

3

WHEREAS, RCW 35.82.070(2) authorizes a housing authority to “acquire, lease, rent, sell, or otherwise dispose of any commercial space located in buildings or structures containing a housing project or projects” and RCW 35.82.070(5) authorizes a housing authority to “purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, or otherwise . . . , any real or personal property or any interest therein”; 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, RCW 35.82.070(1) permits a housing authority to “make and execute contracts and other instruments . . . necessary or convenient to the exercise of the powers of the authority”; and

WHEREAS, RCW 35.82.040 authorizes the Authority to “delegate to one or more of its agents or employees such powers or duties as it may deem proper”; and

WHEREAS, it is anticipated that Enterprise Community Loan Fund, Inc. (“ECLF”) will offer to make a loan to the Authority in a maximum principal amount of \$4,000,000 pursuant to a loan agreement, to be evidenced by a note (the “ECLF Note”), for the purposes of financing a portion of the cost of acquiring property located at and around 1620 S. Mildred Street in Tacoma, Washington (the “Project”); and

WHEREAS, it is further anticipated that the Washington State Housing Finance Commission (the “WSHFC”) will offer to make to loan to the Authority in a maximum principal amount of \$2,000,000 pursuant to a loan agreement, to be evidenced by a note (the “WSHFC Note”), for the purpose of financing a portion of the cost of acquiring the Project; and

WHEREAS, the Board of Commissioners of the Authority deems it to be in the best interest of the Authority to acquire the Project for the purpose of future development to include residential rental components, and to borrow money by the issuance of the ECLF Note and the WSHFC Note for the purpose of financing all or a portion of the cost of acquiring the Project;

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:

“Act” means chapter 35.82 of the Revised Code of Washington.

“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.

“Authorized Officers” means the Executive Director of the Authority and the Deputy Executive Director of the Authority.

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

“ECLF” means Enterprise Community Loan Fund, Inc.

“ECLF Deed of Trust” means the deed of trust, assignment of rents and leases, security agreement and fixture filing under which the Authority is the grantor and ECLF is the beneficiary constituting a lien on the real property and improvements constituting the Project.

“ECLF Environmental Indemnity Agreement” means the environmental indemnity agreement made by the Authority for the benefit of ECLF.

“ECLF Loan Agreement” means the loan agreement between the Authority and ECLF relating to the ECLF Note.

“ECLF Loan Documents” shall have the meaning ascribed thereto in Section 7.

“ECLF Note” means the note of the Authority issued to ECLF pursuant to, under the authority of and for the purposes provided in this resolution.

“ECLF Regulatory Agreement” means a REDI Fund regulatory agreement made by the Authority for the benefit of the public agency to be named therein.

“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 debt service on the Note or the Authority’s obligations under the Environmental Indemnity 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 Documents” shall have the meaning ascribed thereto in Section 7.

“WSHFC” means the Washington State Housing Finance Commission.

“WSHFC Deed of Trust” means the deed of trust under which the Authority is the grantor and the WSHFC is the beneficiary constituting a lien on the real property and improvements constituting the Project.

“WSHFC Environmental Indemnity Agreement” means the environmental indemnification agreement made by the Authority for the benefit of the WSHFC.

“WSHFC Loan Agreement” means the loan agreement between the Authority and the WSHFC relating to the WSHFC Note.

“WSHFC Loan Documents” shall have the meaning ascribed thereto in Section 7.

“WSHFC Note” means the note of the Authority issued to the WSHFC pursuant to, under the authority of and for the purposes provided in this resolution.

“WSHFC Regulatory Agreement” means a low income housing covenant agreement made by the Authority for the benefit of the WSHFC.

“Project” means, depending upon the context, (1) the acquisition of the real property and improvements located at and around 1620 S. Mildred Street in Tacoma, Washington; or (2) the real property and improvements so acquired.

Section 2. Authorization of the Project. The Board approves the acquisition of the Project. The Authorized Officers, and each of them acting alone, are granted the authority to negotiate, approve, and execute all documents required or advisable in connection with the acquisition of the Project including,

without limitation, a purchase and sale agreement pertaining to the Project. The Board declares the Project to be a "housing project" of the Authority for purposes of the Act. The Board determines that persons or families who earn 80 percent or less of area median income lack the amount of income which is necessary to enable them, without financial assistance, to live in decent, safe and sanitary dwellings, without overcrowding, in the area in which the Project is located, and therefore shall be deemed "persons of low income" for purposes of the Act.

Section 3. Authorizing of the ECLF Financing. The Authority shall issue the ECLF Note in a single revenue note in a principal amount not to exceed \$4,000,000 for the purpose of providing financing for the Project. The Authorized Officers, and each of them acting alone, are authorized to determine and approve the final terms of the ECLF Note. The ECLF Note 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 set forth in the ECLF Note and the ECLF Loan Documents. The execution of such instruments by an Authorized Officer shall be conclusive evidence of approval of the terms of the ECLF Note as set forth therein.

Section 4. Security for the ECLF Note. The ECLF Note shall be secured by the ECLF Deed of Trust. The Authority pledges its General Revenues to payment of its obligations under the Environmental Indemnity Agreement and the ECLF Note, which shall subject to release and limitation 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 ECLF Note and the ECLF Environmental Indemnity Agreement. At its option, the Authority may pledge any revenues that comprise a portion of the General Revenues to the payment of other obligations, such payments to have priority over the payments to be made under the ECLF Note and the ECLF Environmental Indemnity 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 ECLF Note and the ECLF Environmental Indemnity 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 ECLF Note. The ECLF Note shall not be a debt of the City of Tacoma, the State of Washington or any political subdivision thereof, and the ECLF Note shall so state on its face. Neither the City of Tacoma, the State of Washington nor any political subdivision thereof (except the Authority from the sources specified herein) shall be liable for payment of the ECLF Note nor in any event shall principal of and interest on the ECLF Note be payable out of any funds other those of the Authority expressly pledged thereto. The owner of the ECLF Note shall not have recourse to any receipts, revenues or properties of the Authority other than as described herein and in the ECLF Note. The Authority has no taxing power.

Section 5. Authorizing of the WSHFC Financing. The Authority shall issue the WSHFC Note in a single revenue note in a principal amount not to exceed \$2,000,000 for the purpose of providing financing for the Project. The Authorized Officers, and each of them acting alone, are authorized to determine and approve the final terms of the WSHFC Note. The WSHFC Note 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 set forth in the WSHFC Note and the WSHFC Loan Documents. The execution of such instruments by an Authorized Officer shall be conclusive evidence of approval of the terms of the WSHFC Note as set forth therein.

Section 6. Security for the WSHFC Note. The WSHFC Note shall be secured by the WSHFC Deed of Trust. Neither the Authority nor any of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the WSHFC Note. The WSHFC Note shall not be a debt of the City of Tacoma, the State of Washington or any political subdivision thereof, and the WSHFC Note shall so state on its face. Neither the City of Tacoma, the State of Washington nor any political subdivision thereof (except the Authority from the sources specified herein) shall be liable for payment of the WSHFC Note nor in any event shall principal of and interest on the WSHFC Note be payable out of any funds other those of the Authority expressly pledged thereto. The owner of the WSHFC Note shall not have recourse to any receipts, revenues or properties of the Authority other than as described herein and in the WSHFC Note. The Authority has no taxing power.

Section 7. Authorization of Loan Documents and Execution Thereof. The Board authorizes the Authorized Officers, and each of them acting alone, to negotiate and approve the ECLF Deed of Trust, ECLF Environmental Indemnity Agreement, ECLF Loan Agreement, ECLF Note, ECLF Regulatory Agreement and such financing statements and other documents, instruments, and agreements as may be necessary or desirable in connection with the issuance of the ECLF Note or required by ECLF as a condition to making the loan evidenced by the ECLF Note (collectively, the "ECLF Loan Documents"). The Board further authorizes the Authorized Officers, and each of them acting alone, to negotiate and approve the WSHFC Deed of Trust, WSHFC Environmental Indemnity Agreement, WSHFC Loan Agreement, WSHFC Note, WSHFC Regulatory Agreement and such financing statements and other documents, instruments, and agreements as may be necessary or desirable in connection with the issuance of the WSHFC Note or required by WSHFC as a condition to making the loan evidenced by the WSHFC Note (collectively, the "WSHFC Loan Documents" and, together with the ECLF Loan Documents, 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 Loan Documents, and this resolution and the consummation by the Authority of all other transactions

contemplated by this resolution in connection with the issuance of the ECLF Note and the WSHFC Note.

Section 8. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director or Deputy Executive Director may, in such person's absence, be taken by any employee of the Authority that has been designated by the Executive Director to act in the absence of the Executive Director or Deputy Executive Director.

Section 9. Payment of Expenses. The Authority is authorized to expend such funds as are necessary to pay for all application fees, financing fees, purchase price, recording fees and other costs relating to the actions authorized by this resolution.

Section 10. Changes to Titles or Parties. 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.

Section 11. 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 12. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

Commissioner Rumbaugh motioned to approve the resolution. Commissioner Young seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: August 23, 2017

Janis Flauding, Chair

9. COMMENTS FROM COMMISSIONERS

Vice Chair Hodge noted that it has been a busy summer with very good work – Bay Terrace, RAD and others – she thanked staff.

10. EXECUTIVE SESSION

None.

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:30 PM.

APPROVED AS CORRECT

Adopted: September 27, 2017


Janis Flauding, Chair