



# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, NOVEMBER 15, 2017

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 2302 6<sup>th</sup> Avenue, Tacoma, WA 98403 at 4:45 PM on Wednesday, November 15, 2017.

### 1. CALL TO ORDER

Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:54 PM.

### 2. ROLL CALL

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

PRESENT	ABSENT
<b>Commissioners</b>	
Chair Janis Flauding	
Vice Chair Minh-Anh Hodge (arrived late at 5:20 pm)	
Commissioner Arthur Banks	
Commissioner Stanley Rumbaugh (arrived late at 4:57 pm)	
Commissioner Derek Young	
<b>Staff</b>	
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	
Greg Claycamp, Client Services Director	
Sandy Burgess, Interim Director for AD & Asset Management	

Chair Flauding declared there was a quorum present @ 4:55 pm and proceeded.

### 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Flauding asked for any corrections to, or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, October 25, 2017.

Commissioner Banks moved to adopt the minutes; Commissioner Young seconded.

Upon roll call, the vote was as follows:

AYES: 3  
NAYS: None  
Abstain: None  
Absent: 2 (Vice Chair Hodge and Commissioner Rumbaugh were not yet in attendance)

**Motion approved.**

### 4. GUEST COMMENTS

#### **Steve Payne, 6<sup>th</sup> Avenue Tenant, Unit 124**

Mr. Payne informed the board that a fir tree on the 6<sup>th</sup> Avenue property is crooked and a maple tree has hanging branches that could potentially be dangerous. Director Burgess will look into the tree concerns and risks involved.

Mr. Payne also stated that tenants were not informed of the renovation. According to Interim Director Burgess, residents were informed regarding the fix-up early on. She also offered that perhaps THA could have done a better job in keeping them up to date on the construction.

There are also issues with security. He only sees security 1-3 times per month. ED Mirra thanked him for his observation; he will inform THA's property management director.

Mr. Payne thanked property manager Eric Owens for being a wonderful manager.

### 5. COMMITTEE REPORTS

#### ***Real Estate Development Committee—Commissioner Rumbaugh***

Nothing to report.

#### ***Finance Committee—Vice Chair Hodge and Commissioner Young***

The Finance Committee met to go over the exit conference results with the state auditors. The auditors reported a very clean audit. The committee also discussed the 2018 budget and to give direction to staff on drafting a budget proposal for the Board to consider. ED Mirra recounted how the main topic for this purpose was how to manage HUD's expectation for that THA will serve 100% of the HUD assigned baseline number of

households at rising costs with flat funding. He reviewed the four options available to THA. He recounted that the Finance Committee directed THA to focus on the fourth one—Lower Utilization Targets. Commissioners Hodge and Young confirmed this account and recounted the reasons for this direction. Director Shalik proposed and the Board agreed that staff will draft a budget that presumes on a 95% utilization rate. That will allow a budget that meets the Board's budget principles.

***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 already covered the main topic of his report, which is the 95% utilization option for budget purposes. He shared the most recent news from Congress on the tax reform bill. In particular, he reported the good news the Senate's version of the bill retains the tax exemption of private activity bonds.

**7. ADMINISTRATIVE REPORTS**

**Finance**

Finance Department (FD) Director Ken Shalik directed the board to the financial reports. At the end of 2017, THA had less of a deficit than expected because THA received \$1 million in developer fee for the Rental Assistance Demonstration (RAD) project and for Bay Terrace 2. THA will not receive the developer fee for New Look until mid-December. The 2017 budget did not plan on New Look Apartments being on THA's portfolio. We figured that it would be refinanced and moved to the tax credit portfolio. That is taking longer than usual. So the buildings income and expenses show in the THA budget.

Commissioner Rumbaugh asked about variance in government grants. According to Director Shalik, most government grants involve community services so this is just timing issue. THA has received \$1.2 million from the continuing sale of scattered site homes. THA has 6 more to sell. We hope we will sell them by the end of April 2018.

Overall THA is in a healthy financial position.

Director Shalik informed the board that THA received a clean audit and thanked his staff for their hard work. The board asked Director Shalik to extend their thanks to his staff. The budget study session is scheduled for November 29.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$7,369,419 for the month of October, 2017. Commissioner Banks seconded.

Upon roll call, the vote was as follows:

AYES: 5  
NAYS: None  
Abstain: None  
Absent: None

**Motion Approved.**

### **Client Services**

Client Services (CS) Director Greg Claycamp reported that the public comment period for waitlist elimination started November 2. This would allow THA to begin offering Housing Opportunity Program (HOP) vouchers to applicants who are active on THA's site-based waitlist. THA will contact applicants by letter to see if they are interested in a HOP voucher. If they do not respond, they will be removed from the waitlist entirely. Chair Flauding spoke to some people regarding the idea of regular rental vs. waitlist and she received positive responses.

### **Property Management**

Property Management (PM) Director Frankie Johnson directed the board to her report. Turn days are improving and trending in the right direction; the number has decreased by 31%. THA handled just under 3,500 work orders for the year. For the first time, Salishan is at next day service for work orders.

PM is working with the TPU on a pilot project that will have TPU install new water heaters into Phase 1 Salishan. The water heaters will be connected wirelessly to TPU to allow TPU to monitor energy usage and to control settings. TPU pays for the water heaters. THA staff do the installation. This project replaces water heaters that were approaching the end of their life span. It may also lead to energy savings. If so, TPU and THA will seek to extend it to the rest of the portfolio.

Commissioner Rumbaugh inquired about the possible discounted internet service for THA tenants. According to Director Johnson, Comcast will be compared to one other provider.

### **Administration**

Administration (AD) Interim Director Sandy Burgess reported that THA has had concerns with the implementation of OpenDoor. AD is building the team structure to improve IT communication with staff, staff understanding and training and onboarding of new staff. AD added funding in 2018 budget to bring on new resources dedicated to OpenDoor.

## Real Estate Development

Real Estate Development (RED) Department Director Kathy McCormick directed the board to her report and asked for questions from the board. Most of her items will be discussed during the New Business portion of the board meeting.

### 8. OLD BUSINESS

None.

### 9. NEW BUSINESS

#### 9.1 RESOLUTION 2017-11-15 (1) (Proposed Revisions to THA's Administrative Plan and ACOP: Exit Vouchers; THA Help to People Fleeing Disasters; Process for PBV Vouchers)

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

**WHEREAS**, The Administrative Plan relates to the administration of the Housing Choice Voucher program and is required by HUD; and

**WHEREAS**, The Admissions and Continued Occupancy Plan (ACOP) relates to the administration of the Public Housing program and is required by HUD; and

**WHEREAS**, The Administrative Plan and ACOP is to establish policies for carrying out programs in a manner consistent with HUD requirements and local goals and objectives contained in THA's Moving to Work plan; and

**WHEREAS**, Changes to the Administrative Plan and ACOP 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:***

THA is authorized to adopt the following updates to the Administrative Plan to reflect the proposed policy changes.

Policy Proposal	Applicable THA Policies Requiring Revision
Choice Mobility for all Project Based Voucher Households (Administration Plan, pages 494)	17-V11.B. "Initial Term and Lease Renewal" MTW Policy waiving mobility option for PBV

Policy Proposal	Applicable THA Policies Requiring Revision
	tenants.  17-V11.C. "Family Right to Move" Now applies to all PBV households not just households assisted through RAD  17-XI.C Choice mobility waiting list guidelines 17.XI.F Now applies to all PBV tenants not just those assisted through RAD
Changing Project Based Voucher Solicitation and Selection for new contracts (Administration Plan, pages 466 - 468)	17-II.B Solicitation and Selection of PBV Proposals
Preference for households fleeing federally-declared disaster areas (Administrative Plan, page 110; ACOP page 77)	4-III.C. Local Preferences 4-I.D. [ACOP] Placement on the Waiting List

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

AYES: 5  
 NAYS: None  
 Abstain: None  
 Absent: None

**Motion Approved:** November 15, 2017

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 Janis Flauding, Chair

**9.2 RESOLUTION 2017-11-15 (2)  
 (Alberta J Canada Renovation – Construction and Permanent Lender Selection)**

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

**Whereas**, In April, 2017, Tacoma Housing Authority (THA) Staff issued a Request for Proposals (RFP) for Letters of Interest from lenders interested in providing construction and permanent financing for the acquisition/renovation of the Alberta J. Canada senior housing apartments; and

**Whereas,** The RFP was forwarded to seven lenders of which four lenders responded with Letters of Interest on May 26, 2017; and

**Whereas,** An evaluation team, composed of four THA staff and Brawner and Company evaluated the terms of each proposer; and

**Whereas,** The evaluation team unanimously agreed to recommend negotiating with the Banner Bank and the execution of the Commitment Letter for both the construction and permanent financing; 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 negotiate and execute the Commitment Letter from Banner Bank for construction and permanent financing for the acquisition/renovation of the Alberta J. Canada senior housing, (Alberta J. Canada LLLP). The negotiated final terms and loan agreements will be presented to the Board for its consideration and approval prior to execution and financial closing for the project.

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

Upon roll call, the vote was as follows:

AYES: 5  
NAYS: None  
Abstain: None  
Absent: None

**Motion Approved:** November 15, 2017

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Janis Flauding, Chair

**9.3 RESOLUTION 2017-11-15 (3)  
(Alberta J Canada Renovation – Construction and Permanent Lender Selection)**

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

**Whereas,** In April, 2017, Tacoma Housing Authority (THA) Staff issued a Request for Proposals (RFP) for Letters of Interest from investors interested in providing LIHTC equity for the acquisition/renovation of the Alberta J. Canada senior housing apartments; and

**Whereas,** The RFP was forwarded to eight investors of which four investors responded with Letters of Interest on May 31, 2017; and

**Whereas,** An evaluation team, composed of four THA staff and Brawner and Company evaluated the terms of each proposer; and

**Whereas,** The evaluation team unanimously agreed to recommend negotiating with Aegon and the execution of the Commitment Letter for LIHTC equity for the acquisition/renovation project; 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 (a) negotiate and execute the commitment letter from Aegon for the purchase of low-income housing tax credits to be allocated to Alberta J. Canada (Alberta J. Canada, LLLP), and (b) negotiate an Operating Agreement between THA as General Partner and Aegon as Limited Investor Partner. The negotiated Operating Agreement will be presented to the Board for its consideration and approval prior to execution.

Vice Chair Hodge motioned to approve the resolution. Commissioner Banks seconded the motion.

Upon roll call, the vote was as follows:

AYES: 5  
NAYS: None  
Abstain: None  
Absent: None

**Motion Approved:** November 15, 2017

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Janis Flauding, Chair

**9.4 RESOLUTION NO 2017-11-15 (4)  
(Crisis Residential Center Development on Arlington Property HUD  
Disposition Amendment)**

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

**WHEREAS,** The Board of Commissioners authorized the use of Arlington Drive to a youth campus to include a Crisis Residential Center/HOPE bed facility for homeless youth; and

**WHEREAS**, By resolution 2017-2-22(2), the Board of Commissioners authorized the terms of the agreement with the City to state that THA would own the land, not lease it to the City for the purpose of developing a youth home; and

**WHEREAS**, It is necessary to submit an amended disposition request to HUD for the use of the Arlington Drive property for this purpose; 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 submit an amended disposition request to HUD for the development of a Crisis Residential Center for youth experiencing homelessness on the Arlington Drive property.

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

Upon roll call, the vote was as follows:

AYES:	5
NAYS:	None
Abstain:	None
Absent:	None

**Motion Approved:** November 15, 2017

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Janis Flauding, Chair

**9.5 RESOLUTION 2017-11-15 (5)  
(Alberta J Canada Renovation – Enter Into Contract with General Contractor)**

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

**WHEREAS**, On August 30, 2017, THA staff notified interested General Contractors and publicly advertised an Invitation to Bid (ITB) for the Alberta J Canada Renovation project; and

**WHEREAS**, The ITB was posted on Washington Electronic Business Solutions, (WEBS) and THA's website and forwarded to 35 plan centers and prospective bidders; and

**WHEREAS**, Two firms submitted proposals for the public opening by the deadline of October 11, 2017, at 3:00 pm with the following bid results; and

Contractor	Base Bid	Deductive Alt 1	Deductive Alt 2	Unit Price 1	Unit Price 2	Unit Price 3
CDK Construction	\$4,680,000	-\$107,000	-\$207,500	\$8,800	\$11,600	\$15,900
Marpac	\$6,980,000	-\$217,266	-\$53,816	\$96,095	\$101,748	\$33,916

**WHEREAS,** The lowest responsive and responsible bidder is CDK Construction in the amount of \$4,680,000; and

**WHEREAS,** The lowest bid exceeded the project budget and THA will negotiate a lower price through a scope of work reduction; now, therefore, be it

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

Approve Resolution 2017-11-15 (5) authorizing THA's Executive Director to negotiate through a scope of work reduction, and if those negotiations are successful, to award the contract to CDK Construction in an amount not-to-exceed the base bid of \$4,680,000 plus owner contingency of \$481,000, as needed to reduce the cost closer to the budgeted amount of \$3,974,610.

Commissioner Young motioned to approve the resolution. Vice Chair Hodge seconded the motion.

Upon roll call, the vote was as follows:

AYES: 5  
 NAYS: None  
 Abstain: None  
 Absent: None

**Motion Approved:** November 15, 2017

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 Janis Flauding, Chair

**9.6 RESOLUTION 2017-11-15 (6)  
 (Alberta J. Canada Omnibus)**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma authorizing the lease of Authority property to The Alberta J. Canada LLLP, authorizing one or more loans to The Alberta J. Canada LLLP, approving the execution and delivery of documents relating to the acquisition and rehabilitation of the Alberta J. Canada Building, and determining related matters.

**Whereas**, RCW 35.82.070 authorizes the Authority, among other things, to “prepare, carry out, acquire, lease and operate housing projects; [and] to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof,” “lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project,” “make and execute contracts and other instruments, including but not limited to partnership agreements,” and “make . . . loans for the . . . acquisition, construction . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing of persons of low income”;

**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 dwelling apartments, mobile home parks or other living accommodations for persons of low income”;

**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”;

**Whereas**, pursuant to the authority provided by RCW 35.82.070, the Authority formed The Alberta J. Canada LLLP (the “Partnership”) with Tacoma Housing Development Group (“THDG”);

**Whereas**, the Partnership has applied to the Authority for financial assistance for the purpose of providing part of the funds with which to acquire, rehabilitate, operate and maintain the Alberta J. Canada Building currently consisting of 49-unit low-income housing units and ground floor commercial space (the “Project”), to provide housing for low income persons within the City of Tacoma, Washington (the “City”);

**Whereas**, in connection with the financing for the Project, the Authority will lease the Project to the Partnership;

**Whereas**, the financing for the Project will require the use of various funding sources, including a tax-exempt bond, low income housing tax credits and federal grants;

**Whereas**, AEGON USA Realty Advisors, LLC (or one or more of its affiliates) (collectively, the “Investor”) has offered to acquire the limited partner interest in the Partnership, and the Authority’s Board of Commissioners (the “Board”) finds and determines that the capital contributions expected to be made by the Investor to the Partnership will be sufficient, together with other available money, to enable the Partnership to acquire, rehabilitate, operate and maintain the Project;

**Whereas**, as a condition to acquiring the limited partner interest in the Partnership, the Investor requested that the Authority amend and restate the Partnership’s original limited partnership agreement and execute and deliver certain other agreements, certificates and other documents relating to the Partnership and the Project, which request the Board finds and determines to be reasonable;

**Whereas**, the Board finds and determines that the Project likely would not be developed and maintained as housing for individuals and families of low income unless the Partnership was formed and the Investor committed to make its capital contributions to the Partnership;

**Whereas**, the total cost of acquiring, constructing, equipping and financing the Project is not expected to exceed \$15,000,000, which will be financed by the Partnership with numerous sources of funds, including a loan of proceeds of a tax-exempt bond issued by the Authority, one or more additional loans from the Authority in the aggregate amount not expected to exceed \$4,300,000, and capital contributions from the Investor;

**Whereas**, the Partnership will provide the Authority with a right of first refusal to acquire the Project at the end of the 15-year low-income housing tax credit "compliance period" for the Project; and

**Whereas**, the Authority wishes to undertake those steps as may be necessary, reasonable and/or advisable for it to serve as general partner of the Partnership and developer of the Project, and to obtain the various funding sources on behalf of the Project described above, and to make such funds available to the Partnership;

**Whereas**, the Board finds and determines that the financial assistance to be provided by the Authority pursuant to this resolution is necessary to support the poor and infirm; and

**Whereas**, based on the consideration of funding sources available for the Project, the need for affordable housing in the City, and other matters, it is necessary that the Authority proceed with the transactions described in this resolution;

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

1. Approval of Transaction Documents. The Authority is authorized to continue as a general partner of the Partnership and to provide development services to the Partnership. The Chair of the Board, the Authority's Executive Director and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized and directed to execute, deliver and, if applicable, file (or cause to be executed and delivered and, if applicable, filed) on behalf of the Authority (acting on its own behalf or as general partner of the Partnership) (i) those documents listed in Exhibit A (collectively, the "Transaction Documents") in such forms as any Authorized Officer may approve (with the understanding that an Authorized Officer's signature on a Transaction Document shall be construed as the Authority's approval of such Transaction Document); and (ii) any other documents reasonably required to be executed by the Authority or the Partnership to carry out the transactions contemplated by the Transaction Documents. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by the Authority, on behalf of itself or as general

partner of the Partnership, under the provisions of or as necessary to carry out the transactions contemplated by the Transaction Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein).

From and after the date the Transaction Documents are effective, the Executive Director (or his designee) is authorized and directed, without further Board approval, to take such actions on behalf of the Authority as are required to be taken by the general partner of the Partnership.

2. Authorization to Lend Money. The Authority is authorized to lend to the Partnership, pursuant to the terms of the Transaction Documents listed in Exhibit A under the heading "Housing Authority Loan Documents", an amount(s) of up to \$4,300,000 for the purpose of financing or refinancing costs of the Project. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to determine the source (or sources) of funds for each loan contemplated under the Housing Authority Loan Documents. Such loan (or loans) is intended to be in addition to the loan of Authority bond proceeds authorized by the Board by a separate resolution.
3. Authorization to Lease Apartment Complexes. The Authority is authorized to lease to the Partnership, for a term not exceeding 100 years, the Project and the land on which the Project is located.
4. Assignments. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf or as general partner of the Partnership) to execute and deliver one or more instruments (i) assigning to the Partnership the Authority's rights under the construction contract, the architects' contracts, the geotechnical consultant contracts, and other development contracts, as such rights pertain to the construction of improvements on land leased to the Partnership, and (ii) assigning to lenders and others the Partnership's interests in such contracts.
5. Tax Credit Documents. The Authorized Officers (and each of them acting alone) are authorized on behalf of the Authority (acting on its own behalf or as general partner of the Partnership) to execute, deliver and/or file (or cause to be delivered and/or filed) all documents deemed necessary or appropriate to allow the Partnership to qualify for and obtain federal low-income housing tax credits in connection with the Project including, without limitation: the filing of one or more applications with the Washington State Housing Finance Commission (the "Commission"); the execution of all necessary and related documents, including without limitation regulatory agreements, declarations and restrictive covenants; the making of determinations required by Section 42(m)(2)(D) of the Internal Revenue Code of 1986, as amended; and the making of certifications with respect to the Project and the Partnership of the type described in Treasury Regulation § 1.42-8(b)(4)(i).

6. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf or as general partner of the Partnership) to: (i) determine that any document authorized by this resolution is, at the time such document otherwise would be executed, no longer necessary or desirable and, based on such determination, cause the Authority and/or the Partnership not to execute or deliver such document; (ii) execute and deliver and, if applicable, file (or cause to be delivered and/or filed) any government forms, affidavits, certificates, letters, documents, agreements and instruments that such officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein and/or further the acquisition, rehabilitation, development, financing, construction, and leasing of the Project; and (iii) cause the Authority and/or the Partnership to expend such funds as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution. Without limiting the scope of such authorization, such documents may include lease-up and marketing agreements, company management services agreements, development agreements, construction guaranty agreements, repayment guarantees, cash pledge agreements, environmental indemnity agreements, property management agreements, architect agreements, contractor agreements, housing assistance payment contracts, irrevocable consents and appointments of attorneys for service of process.
7. Execution of Duties and Obligations. The Board authorizes and directs the Authority's Executive Director to cause the Authority (whether acting on its own behalf or in its capacity as general partner of the Partnership, as applicable) to fulfill the Authority's duties and obligations, and cause the Partnership to fulfill the Partnership's duties and obligations under the various agreements authorized by this resolution.
8. Increase in Authority Participation. The Authorized Officers, and each of them acting alone, are authorized to decrease the principal amount of any loan or capital contribution authorized by this resolution by any amount, or to increase the principal amount of any loan by or capital contribution from the Authority by an amount up to \$500,000 more than the maximum principal amount for the loan or capital contribution stated in this resolution. The Board directs the Executive Director to report to the Board if the total amount borrowed by the Partnership for the Project exceeds the aggregate maximum principal amount stated in this resolution and the Bond Resolution for all loans to the Partnership.
9. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or the Executive Director of the Authority may, in such person's absence, be taken by the Vice Chair of the Board or the Deputy Executive Director of the Authority, respectively.
10. Changes to Titles or Parties. While the titles of and parties to the various documents listed in Exhibit A hereto 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.

11. Ratification and Confirmation. All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.
12. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

## EXHIBIT A TRANSACTION DOCUMENTS

### **Partnership Documents**

- Amended and Restated Agreement of The Alberta J. Canada LLLP A Washington Limited Liability Limited Partnership by and among the Authority, Tacoma Housing Development Group and the Investor;
- Development Services Agreement by and between the Partnership and the Authority;
- Put Option Agreement by and among the Partnership, the Authority and the Investor;
- Purchase Option and Right of First Refusal Agreement by and among the Partnership, the Authority and the Investor;
- Assignment, Pledge and Security Agreement by and among the Partnership, the Authority and the Investor;
- Environmental Indemnity Agreement by the Authority in favor of the Partnership and the Investor;
- Repurchase Option Agreement by and among the Partnership, the Authority and the Investor;
- Unconditional Guaranty by the Authority in favor of the Partnership and the Investor;
- Property Management Agreement by and between Quantum Management Services, Inc. and the Partnership;
- Reimbursement and Assignment Agreement between the Partnership and the Authority;
- Assignment and Assumption Agreement Section 8 Housing Assistance Payment Contract among the Authority and the Partnership;

### **Bond Loan Documents**

- Loan Agreement between the Authority and the Partnership;
- Regulatory Agreement between the Authority and the Partnership;
- Renovation and Term Loan Agreement between the Partnership and Banner Bank (the "Bank");
- Promissory Note from the Partnership payable to the Authority (and to be endorsed by the Authority to the Bank);

- Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing from the Partnership in favor of the Bank;
- Landlord's Consent and Subordination Agreement among the Authority, the Partnership, and the Bank;
- Replacement Reserve and Security Agreement between the Partnership and the Bank;
- Assignment of Construction Contracts and Permits by the Partnership in favor of the Bank;
- Assignment of Architect Contracts and Plans by the Partnership in favor of the Bank;
- Assignment of Rights Under Management Agreement by the Partnership in favor of the Bank;
- Hazardous Waste Warranty and Indemnification Agreement from the Partnership and the Authority in favor of the Bank;
- Commercial Guaranty by the Authority in favor of the Bank;
- Assignment of Rights Under Development Agreement by Borrower in favor of Bank;
- Federal Tax Exemption Certificate and Agreement between the Authority and the Partnership;

#### **Housing Authority Loan Documents**

- Master Loan Agreement between the Authority, as lender, and the Partnership, as borrower;
- Promissory Note (The Alberta J. Canada Project – Acquisition Loan) by the Partnership for the benefit of the Authority;
- Promissory Note (The Alberta J. Canada Project – Rehabilitation Loan) by the Partnership for the benefit of the Authority;
- Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing (The Alberta J. Canada Project – Master Loan) by the Partnership in favor of the Authority; and
- Hazardous Substance Warranty/Indemnity Agreement by the Partnership for the benefit of the Authority.

#### **Real Estate Documents**

- Regulatory Agreement (Extended Use Agreement) relating to each Apartment Complex among the Commission, the Authority and the Partnership;
- Lease Agreement between the Authority and the Partnership;
- Memorandum of Lease Agreement between the Authority and the Partnership;
- Commercial Lease Agreement between the Authority and the Partnership;
- Assignment of Leases and Rents between the Authority and the Partnership;
- Assignment of Contracts and Intangibles between the Authority and the Partnership; and
- Priority and Subordination Agreement among the Authority, the Partnership, the Bank, Tacoma Community Redevelopment Authority and the Commission.

## CERTIFICATE

I, the undersigned, the duly chosen, qualified 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. 2017-11-15(6) (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 November 15, 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 November 15, 2017.

HOUSING AUTHORITY OF THE CITY OF TACOMA

By: \_\_\_\_\_  
Michael Mirra, Executive Director

Commissioner Banks raised a motion to approve the resolution. Vice Chair Hodge seconded the motion.

Upon roll call, the vote was as follows:

AYES:	5
NAYS:	None
Abstain:	None
Absent:	None

**Motion Approved:** November 15, 2017

\_\_\_\_\_  
Janis Flauding, Chair

**9.7 RESOLUTION 2017-11-15 (7)  
(Alberta J. Canada Authorizing Bonds)**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma providing for the issuance of a revenue bond of the Authority in a principal amount of not to exceed \$7,500,000, the proceeds of

which will be used to make a loan to The Alberta J. Canada 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 a multifamily rental housing project located in the Alberta J. Canada Building, to provide housing for low income persons in the City of Tacoma, Washington; determining the form and terms of the bond; authorizing the execution and delivery of a loan agreement providing for repayment of the loan, a regulatory agreement governing the use of the facility and other bond and loan documents; providing for the sale and delivery of the bond to Banner Bank; and authorizing and directing appropriate officers of the Authority to execute such documents as are useful or necessary to the purposes of this resolution.

**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 35.82.070(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 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 or rent any . . . lands, buildings, structures or facilities 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 interests 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(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 35.82.070(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**, The Alberta J. Canada LLLP (the “Borrower”), 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 a multifamily rental housing project located in the Alberta J. Canada Building at 1102 South 11th Street in the City, currently known as the New Look Apartments and which currently contains 49 units and, after rehabilitation, is expected to contain 48 units (the “Project”); and

**Whereas**, the Borrower has requested that the Authority issue and sell its revenue bond for the purpose of assisting the Borrower in financing the Project; and

**Whereas**, the Project will be used by the Borrower to provide housing for low-income persons in the City, and no more than an insubstantial portion of the proceeds of the Bond (defined below) will be used in connection with the financing or refinancing of any portion of the Project to be used by the Borrower 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 Bond, in a principal amount not to exceed \$7,500,000, and to use the proceeds thereof to make a loan to the Borrower for the purposes described herein; and

**Whereas**, it is anticipated that Banner Bank will offer to purchase the Bond on the terms and conditions set forth herein;

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 Architect’s Contract” means the Assignment of Architect’s Contract and Plans to be executed by the Borrower, relating to assignment of certain of the Borrower’s interests in the architect contract with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Assignment of Construction Contracts and Permits” means the Assignment of Construction Contracts and Permits to be executed by the Borrower, relating to assignment of certain of the Borrower’s interests in the construction contracts and permits with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Assignment of Rights Under Development Agreement” means the Assignment of Rights Under Development Agreement to be executed by the Borrower, relating to

assignment of certain of the Borrower's interests in 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.

"Authorized Officers" means the Chair of the Board, the Executive Director of the Authority, any Deputy Executive Director of the Authority, and their respective designees.

"Bank" means Banner Bank, as Registered Owner of the Bond, and any subsequent Registered Owner thereof.

"Bank Loan Agreement" means the Renovation and Term Loan Agreement between the Borrower and the Authority, setting forth certain covenants and conditions relating to the Loan, including any supplements or amendments thereto made in conformity herewith and therewith.

"Board" means the Board of Commissioners of the Authority.

"Bond" means the Housing Authority of the City of Tacoma Revenue Bond, [2017/2018] (Alberta J. Canada Project), issued pursuant to, under the authority of and for the purposes provided in this resolution.

"Bond Fund" means the Housing Authority of the City of Tacoma Revenue Bond Fund, [2017/2018] (Alberta J. Canada Project).

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

"Bond Registrar" means the Executive Director of the Authority.

"Borrower" means The Alberta J. Canada LLLP, a Washington limited liability limited partnership.

"City" means the City of Tacoma, Washington.

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

"Deed of Trust" means the leasehold deed of trust encumbering the Borrower's leasehold interest in the real property and improvements and personal property constituting the Project, securing payment of the Loan, including any supplements or amendments thereto made in conformity herewith and therewith.

“Draws” means incremental draws on the Bond.

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

“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 the Authority’s obligations under the Guaranty or the Hazardous Waste 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).

“Guaranty” means the Commercial Guaranty executed by the Authority guaranteeing certain of the Borrower’s obligations with respect to the Loan.

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

“Loan” means the loan from the Authority to the Borrower of the proceeds of Draws on the Bond.

“Loan Documents” means the Assignment of Architect’s Contract, the Assignment of Construction Contracts and Permits, the Assignment of Rights Under Development Agreement, the Bank Loan Agreement, the Bond Loan Agreement, the Deed of Trust, the Hazardous Waste Agreement, the Promissory Note, any related UCC Financing Statements, and any other documents relating to the Loan to be executed by the Borrower.

“Project” means, depending on the context, (1) the acquisition and rehabilitation of a multifamily rental housing project, currently known as the New Look Apartments, located in the Alberta J. Canada Building at 1102 South 11<sup>th</sup> Street in the City, or (2) the multifamily rental housing project so acquired and rehabilitated.

“Promissory Note” means the promissory note evidencing the Loan.

“Proposal Letter” means the proposal letter dated May 26, 2017, prepared by the Bank setting forth certain of the terms under which the Bank may purchase the Bond, as it may be amended and supplemented, and any commitment letter issued pursuant or supplemental thereto.

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

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

“Subordination Agreements” means, collectively, subordination agreements by and among the Authority, the Borrower and certain other parties providing for the order of priority of various liens and encumbrances on the Project.

“Tax Certificate and Agreement” means the Tax Certificate and Agreement to be executed by the Borrower and the Authority in the connection with the Bond, including any supplements or amendments thereto made in conformity therewith.

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

Section 2. Authorization of Bond and Application of Proceeds. The Authority shall issue the Bond in a principal amount not to exceed \$7,500,000 for the purpose of making a loan to the Borrower to provide a portion of the funds required to pay, or reimburse the Borrower for, costs of the Project and costs of issuing the Bond. Such Bond financing is declared and determined to be important for the feasibility of the Project. All proceeds from Draws on the Bond shall be lent to the Borrower for those purposes. The Board finds that it is in the best interest of the Authority to issue the Bond for the purposes set forth in this resolution.

Section 3. Description of Bond. The Bond shall be called the Revenue Bond, [2017/2018] (Alberta J. Canada Project), of the Authority; shall be in a principal amount not to exceed \$7,500,000; shall be dated its date of delivery; and shall be numbered R-1. The Authorized Officers, and each of them acting alone, are authorized to determine and approve the final terms of the Bond. The Bond shall bear interest payable on such dates and at such rates (which may include variable and/or fixed rates), shall mature at such times and in such amounts, shall have such prepayment and/or redemption provisions and shall have such other provisions consistent with the purposes of this resolution as are set forth in the Bond and the Loan Documents. The authentication of the Bond by the Bond Registrar and the execution of the Loan Documents by an Authorized Officer shall be conclusive evidence of approval by the Authority of the terms set forth therein.

Section 4. Draws on the Bond. The Board authorizes the Executive Director, as authorized signer for the Authority, in its capacity as general partner of the Borrower, or his or her designee, to make Draws on the Bond in such amounts and at such times as he or she may determine, those Draws to be made in accordance with the terms and provisions set forth herein, in the Bond and in the Loan Documents. Draws shall be recorded in such form as the Borrower and the Bank may agree. Draws shall be limited to an aggregate principal amount of \$7,500,000. In the event that the Authority determines that legislative, judicial or other developments have occurred or other circumstances have emerged which could result in interest on Draws which have not been drawn to date (the “Remaining Authorized Amount”) not being excluded from gross income for federal income tax purposes, or otherwise determines that it is in its best interest to convert the Bond into a fully funded obligation of the Authority in order to assure that interest on the Bond will remain excluded from gross income for federal income tax, the

Authority is authorized to draw the Remaining Authorized Amount and to take any other action and to execute such other documents as may be required to be taken or executed by the Authority, on behalf of itself or as general partner of the Borrower, in connection therewith (including, without limitation, execution of agreements relating to the deposit and investment of such Remaining Authorized Amount prior to application to pay costs of the Project).

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

The Bond may be assigned or transferred only (i) in whole to a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended, (ii) if endorsed in the manner provided thereon and surrendered to the Bond Registrar and (iii) upon the assignee or transferee delivering to the Authority an executed Certificate of Transferee in the form attached to the Bond. The Bond Registrar shall not be obligated to exchange or transfer any Bond during the five days preceding any interest payment date, prepayment date or the maturity date.

Section 6. Payment of Bond. Both principal of and interest on the Bond 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 Bond Register on the date payment is mailed or delivered. Upon the final payment of principal of and interest on a Bond, the Registered Owner shall surrender the Bond at the principal office of the Bond Registrar in Tacoma, Washington, for destruction or cancellation in accordance with law.

Section 7. Bond Fund; Security for the Bond. The Bond Fund is hereby established as a special fund of the Authority designated the Revenue Bond Fund, [2017/2018] (Alberta J. Canada Project). The Bond Fund shall be drawn upon for the sole purpose of paying the principal of and interest and premium, if any, on the Bond. The Authority irrevocably obligates and binds itself to set aside and pay into the Bond Fund, from amounts owed or paid by the Borrower under the Loan Documents, amounts sufficient to pay principal of and interest and premium, if any, on the Bond when due, all of which amounts are pledged to the payment of the Bond. Payments of the Bond shall be further secured by the Loan Documents and the Guaranty.

Upon the issuance of the Bond, the Authority shall cause the Loan Documents to be executed by the Borrower for the benefit of the Authority and/or the Bank, as applicable, and the Authority shall assign certain of its rights under the Loan Documents to which it is a party to the Bank, as security for the Authority's payment of the principal of and interest and premium, if any, on the Bond. Upon that assignment, the Bank shall collect, on behalf of the Authority and the Bond Fund, 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 Bond, and the Authority shall have no obligation to make principal and interest payments on the Bond except from those payments collected by the Bank on the Authority's behalf (except to the extent and as required by the terms of the Guaranty). The Authority shall retain its rights under the Regulatory Agreement and certain rights under the Bond Loan Agreement as described therein.

The Registered Owner shall not charge the Authority, in its capacity as issuer of the Bond, 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, interest and premium payments under the Loan Documents or the Bond, 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 and premium, if any, on the Bond. If the Bond 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, premium, and interest payments under the Loan Documents and apply the same to the payment of principal of and interest and premium, if any, on the Bond.

The Authority pledges its General Revenues to the payment of its obligations under the Guaranty and the Hazardous Waste 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 obligations of the Authority under the Guaranty and the Hazardous Waste 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 Guaranty and the Hazardous Waste Agreement with respect to that portion of the General Revenues so pledged.

The Bond shall not be a debt of the City, the State of Washington or any political subdivision thereof, and the Bond shall so state on its face. Neither the City, the State of Washington nor any political subdivision thereof (except the Authority from the sources described herein) shall be liable for payment of the Bond nor in any event shall the principal of and interest on the Bond be payable out of any funds or

assets of the Authority other than those pledged to that purpose by the Authority herein. The Authority has no taxing power.

Neither the Authority (except to the extent of the pledge of its General Revenues) nor any of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the Bond.

Section 8. Form and Execution of Bond. The Bond shall be in a form consistent with the provisions of this resolution and state law, shall bear the manual or facsimile signatures of the Chair of the Board and the Executive Director and shall be impressed with the seal of the Authority or shall bear a facsimile thereof. Only a Bond bearing a Certificate of Authentication in the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution:

CERTIFICATE OF AUTHENTICATION

This Bond is the fully registered Housing Authority of the City of Tacoma Revenue Bond, [2017/2018] (Alberta J. Canada Project), described in the Bond Resolution.

\_\_\_\_\_  
Executive Director of the Authority, Bond Registrar

The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

If any officer whose facsimile signature appears on the Bond ceases to be an officer of the Authority authorized to sign bonds before the Bond bearing his or her facsimile signature is authenticated or delivered by the Bond Registrar or issued by the Authority, the Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be binding on the Authority as though that person had continued to be an officer of the Authority authorized to sign bonds. The Bond also may be signed on behalf of the Authority by any person who, on the actual date of signing of the Bond, is an officer of the Authority authorized to sign bonds, although he or she did not hold the required office on the date of issuance of the Bond.

Neither the Commissioners of the Authority nor any person signing the Bond shall be liable personally by reason of the issuance and sale of the Bond.

Section 9. Preservation of Tax Exemption for Interest on Bond. Subject to the last paragraph of this section, the Authority covenants that it will take all actions necessary to prevent interest on the Bond 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 Bond or other funds of the Authority treated as proceeds of the Bond at any time during the term of the Bond which would cause interest on the Bond 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 Bond, it will take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bond, 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 Bond from being included in gross income for federal income tax purposes (but only from amounts received by the Authority from the Borrower as payments for those purposes). The Borrower will agree in the Bond Loan Agreement 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 Bond Loan Agreement, in so complying.

Section 10. Authorization of Documents and Execution Thereof. The Board authorizes the Authorized Officers, and each of them acting alone, to negotiate and approve the Regulatory Agreement, the Guaranty, the Subordination Agreements, the Tax Certificate and Agreement, and the other Loan Documents. The Board authorizes and approves the execution and delivery of, and the performance by the Authority of its obligations contained in, the Bond, the Guaranty, the Subordination Agreements, the Tax Certificate and 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 Bond. The Board authorizes and directs the Authorized Officers, and each of them acting alone, to execute on behalf of the Authority and to deliver the Regulatory Agreement, the Guaranty, the Subordination Agreements, the Tax Certificate and 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 Bond or required by the Bank as a condition to purchasing the Bond. The Board further authorizes the Authorized Officers, and each acting alone, to do everything necessary or appropriate for the issuance, execution, and delivery of the Bond to the purchaser thereof and to execute and deliver any other documents that may be useful or necessary to ensure the proper use and application of the proceeds from the sale of the Bond.

Section 11. Authorization of Borrower Documents and Execution Thereof. The Board authorizes and directs the Authorized Officers, and each of them acting alone, to negotiate, execute and deliver, on behalf of the Authority in its capacity as general partner of the Borrower, the Loan Documents, the Regulatory Agreement, the Subordination Agreements, the Tax Certificate and Agreement, and such other documents, instruments and agreements as may be necessary or desirable in connection with the issuance of the Bond and the Loan to the Borrower.

Section 12. Approval of Sale of Bond to Bank. It is anticipated that the Bank will offer to purchase the Bond under the terms and conditions contained in this resolution and in the Proposal Letter. The Board finds that such offer is in the best interest of the Authority, and therefore authorizes the Authorized Officers, and each of them acting alone, accept such offer on behalf of the Authority. The Bond will be delivered to the Bank with the approving legal opinion of Foster Pepper PLLC, municipal bond counsel of Seattle, Washington.

Section 13. Acting Officers Authorized. Any action authorized by this resolution to be taken by the Executive Director of the Authority, may in his absence be taken by a duly authorized Deputy Executive Director of the Authority or any other employee of the Authority that has been designated by the Executive Director or the Board to act in the Executive Director's absence. Any action authorized by this resolution to be taken by a Deputy Executive Director, may in his or her absence be taken by a duly authorized acting Deputy Executive Director of the Authority or any other employee of the Authority that has been designated by such Deputy Director or the Board to act in the Deputy Executive Director's absence. Any action authorized by this resolution to be taken by the Chair of the Board may, in the absence of such person, be taken by the duly authorized acting Chair of the Board.

Section 14. 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 15. 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 16. 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 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. 2017-11-15 (7) (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 November 15, 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 November 15, 2017.

HOUSING AUTHORITY OF THE CITY OF  
TACOMA

By: \_\_\_\_\_  
Michael Mirra, Executive Director

Commissioner Banks raised a motion to approve the resolution. Commissioner Young seconded the motion.

Upon roll call, the vote was as follows:

AYES: 5  
NAYS: None  
Abstain: None  
Absent: None

**Motion Approved:** November 15, 2017

\_\_\_\_\_  
Janis Flauding, Chair

**9.8 RESOLUTION 2017-11-15 (8)**  
**(Authorization for Acquiring New Insurance Coverage from Philadelphia Insurance Company)**

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

**WHEREAS**, THA procured Alliant Insurance Services in 2015 to evaluate THA insurance coverage; and

**WHEREAS**, THA is currently insured through HARRP, AHRP, CHUBB, ORWACA and others; and

**WHEREAS**, The evaluation of current insurance coverage identified gaps and limitations with the current coverage; and

**Motion Approved:** November 15, 2017

\_\_\_\_\_  
Janis Flauding, Chair

**9.9 RESOLUTION 2017-11-15 (9)  
Contract Amendment to Increase Project Based Vouchers at Harborview  
Manor**

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

**Whereas**, American Baptist Homes of the West (ABHOW) owns Harborview Manor at South 9th and Fawcett in Tacoma. This building has 169 units. It houses only elderly residents;

**Whereas**, THA presently provides 125 project based vouchers to the building. Doing this helped to finance ABHOW's major fix-up of the building in 2013. The vouchers also make the units affordable to extremely low-income seniors.

**Whereas**, ABHOW has requested THA to add 20 vouchers to the contract. Doing this will help ABHOW finance the building's operations. It will also make those additional 20 units affordable to extremely low-income seniors.

**Whereas**, This contract with ABHOW helps THA with its own budget and utilization requirements. It helps in two ways. **First**, ABHOW has a rate of using our vouchers between 98% to 100%. **Second**, the cost of these vouchers is lower than THA's program average. It is lower because the units in Harborview Manor are studios or one bedroom.

**Whereas**, Harborview Manor provides a lovely building with numerous amenities and services.

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

The Board authorizes THA to increase the number of project based vouchers to Harborview Manor by 20.

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

Upon roll call, the vote was as follows:

AYES: 5  
NAYS: None  
Abstain: None  
Absent: None

**Motion Approved:** November 15, 2017

\_\_\_\_\_  
Janis Flauding, Chair

**9.10 RESOLUTION 2017-11-15 (10)  
(Salishan Family Investment Center and Maintenance Shop Renovation –  
Contractor)**

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

**WHEREAS**, On October 4, 2017, THA staff notified interested General Contractors and publicly advertised an Invitation to Bid (ITB) for the Salishan Family Investment Center and Maintenance Shop Renovation project; and

**WHEREAS**, The ITB was posted on Washington Electronic Business Solutions, (WEBS) and THA's website and forwarded to 35 plan centers and prospective bidders (previous project plan holders); and

**WHEREAS**, Three firms submitted proposals by the deadline of November 1, 2017; and

**WHEREAS**, The lowest responsive and responsible bidder is Buchanan General Contracting Company in the amount of \$1,164,432 with Deductive Alternates totaling \$168,327; and

**WHEREAS**, In order to keep a reasonable budget, Deductive Alternates 1, 2 and 3 are accepted along with an increase in the total budget of \$208,307 for a total budget of \$1,473,301; now, therefore, be it

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

Approve Resolution 2017-11-15 (10) to increase the overall budget \$208,307 for a total of \$1,473,301 and to authorize the executive director to negotiate, and if those negotiations are successful to award the contract to Buchanan General Contracting Company in the amount of \$996,105 plus contingency of \$99,611 as needed. The total amount of the contract is not to exceed \$1,095,716 including contingency.

Commissioner Banks motioned to approve the resolution. Vice Chair Hodge seconded the motion.

Upon roll call, the vote was as follows:

AYES:           5

NAYS: None  
Abstain: None  
Absent: None

**Motion Approved:** November 15, 2017

\_\_\_\_\_  
Janis Flauding, Chair

## 9. COMMENTS FROM COMMISSIONERS

None.

## 10. EXECUTIVE SESSION

The board went into Executive Session at 6:23 pm for 16 minutes to discuss a potential real estate purchase. The board came back to regular session at 6:40 pm.

Commissioner Banks moved to authorize ED Mirra to sign a Professional Service Agreement (PSA) for Allenmore Brownstones for \$11.5M, subject to financing, further due diligence, and board approval. Vice Chair Hodge seconded the motion.

AYES: 4  
NAYS: None  
Abstain: 1  
Absent: None

**Motion Approved:** November 15, 2017

\_\_\_\_\_  
Janis Flauding, Chair

## 11. ADJOURNMENT

There being no further business to conduct, the meeting ended at 6:45 PM.

**APPROVED AS CORRECT**

**Adopted:** December 13, 2017

  
\_\_\_\_\_  
Janis Flauding, Chair