



## RESOLUTION 2025-09-24 (9)

**Date:** September 24, 2025

**To:** THA Board of Commissioners

**From:** April Black  
Executive Director

**Re:** Outrigger Refunding Bond

*This resolution will authorize Tacoma Housing Authority (THA) to issue a revenue bond to Heritage Bank associated with a 49-unit property known as the Outrigger Apartments and authorizes and directs appropriate officers of the Authority to negotiate, execute and deliver such other documents as are useful or necessary to the purposes of this resolution; and determining related matters.*

### BACKGROUND

In 2015, a \$2,652,000 tax-exempt bond was issued to Heritage Bank to fund a portion of the acquisition costs associated with Outrigger Apartments, a 49-unit apartment complex located at 6102 6<sup>th</sup> Avenue, Tacoma, Washington, see Resolution 2015-9-23(7). A new tax-exempt revenue bond not to exceed \$2,300,000 will be issued to Heritage bank to fund the remaining principal of the 2015 obligation, as well as any related fees or administrative costs associated with the refunding.

### RECOMMENDATION

Approve Resolution No. 2025-09-24 (9).



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**RESOLUTION 20250-09-24 (9)  
(Outrigger Refunding Bond)**

A RESOLUTION of the Board of Commissioners of the Housing Authority of the City of Tacoma providing for the issuance of the Authority's Housing Refunding Revenue Bond, 2025 (Outrigger Project), in the principal amount of not to exceed \$2,300,000, the proceeds of which will be used to effect the refunding of the Authority's Housing Revenue Bond, 2015, and, at the option of the Authority, to pay costs of issuing the bond and the administrative cost of such refunding; determining the form, terms and covenants of the bond; creating a bond fund; approving the sale and providing for the delivery of the bond to Heritage Bank; authorizing and directing appropriate officers of the Authority to negotiate, execute and deliver such other documents as are useful or necessary to the purposes of this resolution; 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 persons of low-income residing in the City of Tacoma, Washington (the "City");

WHEREAS, RCW 35.82.070(2) provides that a housing authority may acquire and operate of housing projects;

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";

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";

WHEREAS, RCW 35.82.070(5) provides that a housing authority may pledge any interest in real or personal property;

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;

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 Resolution 2015-9-23(7) adopted by the Board of Commissioners of the Authority (the "Board") on September 23, 2015, the Authority issued its Housing Revenue Bond, 2015 (Outrigger Project) (the "Refunded Obligation") to Heritage Bank (the "Bank") in the original principal amount of \$2,652,000, for the purpose of financing a portion of the cost of acquiring a 49-unit apartment complex located at 6102 6<sup>th</sup> Avenue, Tacoma, Washington, known as the Outrigger Apartments (the "Project");

WHEREAS, the Refunded Obligation is scheduled to mature on October 31, 2025, and is currently subject to prepayment at the option of the Authority;

WHEREAS, after due consideration, the Board has determined that it is necessary and desirable and in the best interest of the Authority to issue a revenue bond (the "Bond") of the Authority to provide funds to refund the Refunded Obligation and, at the option of the Authority, to pay all or a portion of the costs of issuing the Bond and the administrative costs of such refunding;

WHEREAS, it is anticipated that the Bank will offer to purchase the Bond on the terms set forth in this resolution;

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.

"Bank" means Heritage Bank of Seattle, Washington.

"Bank Loan Agreement" means the loan or credit agreement with respect to the Bond, between the Authority and the Bank.

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

"Bond" means the Housing Refunding Revenue Bond, 2025 (Outrigger Project), of the Authority issued pursuant to, under the authority of and for the purpose provided in this resolution.

"Bond Fund" the Authority's Housing Refunding Revenue Bond Fund, 2025 (Outrigger Project).

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

"Code" means the Internal Revenue Code of 1986, as amended.

"Deed of Trust" means the deed of trust under which the Authority is the grantor and the Bank is the beneficiary constituting a lien on the real property and improvements constituting the Project which may include, without limitation, an amendment to the existing Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing granted by the Authority in connection with the issuance of the Refunded Obligation .

"Environmental Indemnity Agreement" means the certificate and indemnity agreement regarding hazardous substances, made by the Authority for the benefit of the Bank.

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

"Project" means, depending upon the context, (1) the refinancing of a portion of the cost of acquiring the 49-unit apartment complex located at 6102 6<sup>th</sup> Avenue, Tacoma, Washington, known as the Outrigger Apartments; or (2) the apartment complex so refinanced.

"Project Revenues" means all amounts due to or received by the Authority for the account of the Authority pursuant or with respect to the Project, including without limitation all payments on contractors' bonds, lease payments, insurance proceeds and condemnation awards and proceeds resulting from foreclosure of the Deed of Trust, and all investment earnings thereon.

"Proposal Letter" means the letter of the Bank dated September 5, 2025, as it may be amended or supplemented, describing certain terms under which the Bank proposes to purchase the Bond, and any commitment letter issued pursuant thereto.

"Refunded Obligation" means all or a portion of the Authority's Housing Revenue Bond, 2015 (Outrigger Project), in the original principal amount of \$2,652,000.

"Registered Owner" means the Bank, as registered owner of the Bond, or any subsequent owner of the Bond.

Section 2 Authorization and Description of Bond and Application of Proceeds. The Authority shall issue the Bond for the purpose of providing all or a part of the funds required to effect a current refunding of the Refunded Obligation and, at the option of the Authority, to pay all or a portion of the costs of issuing the Bond and the administrative costs of refunding and redeeming the Refunded Obligation. All proceeds of the Bond shall be used, at the direction of the appropriate officers of the Authority, for such 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 the Bond. The Bond shall be called the Authority's Housing Refunding Revenue Bond, 2025 (Outrigger Project); shall be in a principal amount of not to exceed \$2,300,000; shall be dated its date of delivery; shall be numbered R-1; and shall mature not more than 126 months from its date of issue. From its date of issue to the fifth anniversary of the date of issue, the Bond shall bear interest at a fixed rate per annum determined in accordance with the Proposal Letter. The interest rate on the Bond is subject to change on the fifth anniversary of the date of issue, as described in the Bond and the Proposal Letter. The interest rate on the Bond may be subject to adjustment during the continuance of an event of default or determination of taxability, as described in the Bond, and shall be computed on the basis of the actual number of days elapsed in a 360 day year. Principal of and interest on the Bond shall be payable in approximately equal monthly installments in amounts necessary to amortize the payments on the Bond over a period of 20 years. At maturity, any remaining outstanding principal balance and accrued interest on the Bond shall be due and payable in full. The regularly scheduled payments on the Bond shall be adjusted to reflect reamortization upon any partial prepayment of the Bond. If any payment comes due on a day that is not a business day, the Authority may make the payment on the first business day following the scheduled payment date.

The Bond shall have such other provisions consistent with the purposes of this resolution and the Proposal Letter as are set forth in the Bond. The Authority finds that the fixing of the interest rate as described in the Bond and in the Proposal Letter is in the best interest of the Authority. The Executive Director is authorized to determine and approve the final terms of the Bond. The execution or authentication of the Bond by the Executive Director shall be conclusive evidence of approval of the terms of the Bond as set forth therein.

If the Bond is not paid when properly presented at its maturity date, the Authority shall be obligated to pay interest on the Bond at then-applicable default rate of interest thereon from and after the maturity date until the Bond, both principal and interest, is paid in full.

Further, if an Event of Default (as defined in the Bond) occurs then, at the option of the Bank, the principal of and interest on the Bond shall become immediately due and payable.

Section 4 Prepayment Option. The Authority reserves the right and option to prepay the Bond, in whole or in part, at any time prior to its stated maturity date, upon payment of a prepayment fee, if any, as set forth in the Bond. The Bank may, in its sole discretion, waive any otherwise-applicable prepayment fee. Interest on the principal amount of the Bond called for prepayment shall cease to accrue on the date fixed for prepayment unless the principal amount called for prepayment is not paid on the prepayment date.

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 recorded on the books or records maintained for the Bond by the Bond Registrar (the "Bond Register"). The Executive Director of the Authority shall serve as Bond Registrar for the Bond. The Bond Registrar shall keep, or cause to be kept, at the Bond Register's office in Tacoma, Washington, the Bond Register, which 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 not be assigned or transferred by the Bank without the Authority's prior written consent, except that the Bank may assign or transfer the Bond to any successor to the business and assets of the Bank.

Section 6 Place, Manner and Medium of 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 the 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 and is to be known as the Authority's Housing Refunding Revenue Bond Fund, 2025 (Outrigger Project). The Bond Fund is to be drawn upon for the sole purpose of paying the principal of and interest and prepayment fees (if any) on the Bond. The Authority pledges to deposit Project Revenues into the Bond Fund in amounts sufficient to pay the principal of and interest and any applicable prepayment fee on the Bond when due. The Bond will also be secured by the Deed of Trust.

The Bond shall not be a debt of 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 specified herein) shall be liable for payment of the Bond nor in any event shall principal of, premium, if any, on and interest on the Bond be payable out of any funds or assets 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 the Project Revenues) nor any of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the Bond.

Section 8 Lost, Stolen or Destroyed Bond. In case the Bond shall be lost, stolen or destroyed after delivery to the Registered Owner, the Bond Registrar may execute and deliver a new Bond of like date and tenor to the Registered Owner upon the Registered Owner paying the expenses and charges of the Authority and upon filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Bond was actually lost, stolen or destroyed and of the Registered Owner's ownership thereof, and upon furnishing the Authority with indemnity reasonably satisfactory to the Authority.

Section 9 Form and Execution of Bond. The Bond shall be in a form consistent with the provisions of this resolution and state law, shall bear signatures of the Chair of the Board and the Executive Director, either or both of whose signatures may be in manual or facsimile form, and shall be impressed

with the seal of the Authority or shall bear a manual or facsimile thereof. The Bond shall not be valid or obligatory for any purpose, or entitled to the benefits of this resolution, unless the Bond bears a Certificate of Authentication manually signed by the Bond Registrar stating "This Bond is the fully registered Housing Refunding Revenue Bond, 2025 (Outrigger Project) of the Housing Authority of the City of Tacoma described in the Bond Resolution." A minor deviation in the language of such certificate shall not void a Certificate of Authentication that otherwise is substantially in the form of the foregoing. 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 such officer's 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 as 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 such person did not hold the required office on the date of issuance of the Bond.

Section 10 Refunding of the Refunded Obligation.

(a) Use of Bond Proceeds. The proceeds of the sale of the Bond necessary to carry out the current refunding of the Refunded Obligation shall be transferred to the holder of the Refunded Obligation and used, together with other money of the Authority available therefor, if necessary, to discharge all of the obligations of the Authority under the Refunded Obligation.

(b) Calls for Redemption of the Refunded Obligations. The Executive Director is authorized and directed to give, or cause to be given, call for the prepayment of the Refunded Obligation at the time determined by the Executive Director.

(c) Authority Findings with Respect to Refunding. The Board finds and determines that the issuance and sale of the Bond at this time is in the best interest of the Authority. In making such finding and determination, the Board has given consideration to the fixed maturity of the Refunded Obligation and the Bond and the costs of issuing the Bond.

Section 11 Preservation of Tax Exemption for Interest on Bond. 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.

Section 12 Designation of Bond as "Qualified Tax-Exempt Obligation". The Authority has determined and certifies that (a) the Bond is not a "private activity bond" within the meaning of Section 141 of the Code; (b) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) which the Authority and all entities subordinate to the Authority (including any entity which the Authority controls, which derives its authority to issue tax-exempt obligations from the Authority or which issues tax-exempt obligations on behalf of the Authority) will issue during the calendar year in which the Bond is issued will not exceed \$10,000,000; and (c) the amount of tax-exempt obligations, including the Bond, designated by the Authority as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Bond is issued does not exceed \$10,000,000. The Authority designates the Bond as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code.

Section 13 Approval of Proposal Letter. 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 Executive Director of the Authority to accept such offer on behalf of the Authority.

Section 14 Authorization of Documents and Execution Thereof. The Authority authorizes and approves the execution and delivery of, and the performance by the Authority of its obligations contained in, the Bond, 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 further authorizes the Executive Director to negotiate, approve, execute and deliver the Bank Loan Agreement, the Environmental Indemnity Agreement, the Deed of Trust, and such other instruments and agreements as may be necessary or desirable in connection with the sale of the Bond to the Lender. The Executive Director of the Authority is authorized to authenticate

the Bond and to negotiate, execute and deliver documents reasonably required to be executed in connection with the issuance of the Bond and to ensure the proper use and application of the proceeds of the Bond.

The Bond will be prepared at the Authority's expense and will be delivered to the Bank together with the approving legal opinion of Foster Garvey P.C., municipal bond counsel of Seattle, Washington, regarding the Bond.

Section 15 Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may in the absence of such person be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively.

Section 16 Adoption of Post Issuance Compliance Policies and Procedures. The post-issuance compliance policies and procedures for tax-exempt bonds in the form on file with the Executive Director of the Authority and incorporated herein by reference are hereby adopted.

Section 17 Changes to Titles or Parties; Omission of Documents. While the titles of and parties to the various documents described herein may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform

the documents in their final form. The Executive Director in their discretion may omit any agreement described herein which is determined not to be necessary or desirable in connection with the issuance or sale of the Bond.

Section 18 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 19 Severability. If any provision in this resolution is declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provision of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bond.

Section 20 Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting thereof this 24 day of September, 2025.

HOUSING AUTHORITY OF THE CITY OF TACOMA

By   
Chair

ATTEST:

  
Executive Director

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director and Secretary of the Housing Authority of the City of Tacoma (the "Authority") and keeper of the records of the Authority, CERTIFY:

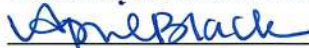
1. That the attached Resolution 2025-09-24 (9) (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on September 24, 2025 (the "Meeting"), and duly recorded in the minute books of the Authority;

2. That the public was notified of access options for remote participation in the Meeting via the Authority's website; and

4. That the Meeting was duly convened, held, and included an opportunity for public comment, in all respects in accordance with law, and to the extent required by law, due and proper notice of the 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 September 24, 2025.

HOUSING AUTHORITY OF THE CITY OF TACOMA



Secretary and Executive Director of the Authority