



## RESOLUTION 2025-11-21 (1)

**Date:** November 21, 2025  
**To:** THA Board of Commissioners  
**From:** April Black  
Executive Director  
**Re:** Approval to Use THA Funds to Retire Salishan 5 Debt

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*This resolution would authorize the Tacoma Housing Authority (THA) to issue a loan, grant, or equity investment to retire maturing debt held by Salishan Five LLC, of which THA is the managing member, funded by Section 32 proceeds or other THA dollars.*

### BACKGROUND

On August 13, 2010, a fifteen-year Permanent "Tax Credit" Note was made from Citicorp to Salishan Five LLC, in the original principal amount of \$1,579,156. This loan maturity date was extended from September 1, 2025 to December 1, 2025, via Resolution 2025-08-27 (6). This extension was sought due to contemplated refinancing of the loan with Heritage Bank. This refinance will not take place; instead, the loan will be fully repaid. On December 1, 2025, principal and interest in the amount of \$1,291,674.34 will be due.

THA intends to use Section 32 proceeds or other THA dollars to fund a loan, grant, or equity investment to repay this loan. As the original intent was for the LLC to refinance the loan, the planned disbursement to the LLC was not included in THA's 2025 budget. However, the 2025 budget included \$2,000,000 for property acquisitions, which will not be utilized and, with Board consent, are available to support this payment.

Retiring this debt aligns with THA's 2025 MTW Plan strategic goals to "Invest in Housing Stability and Community Vitality" and "Enhance our Financial Resilience and Sustainability" by ensuring the property remains in a stable financial position, ensuring its long-term viability and allowing for ease in potential resyndication of the property in the future.



**RESOLUTION 2025-11-21 (1)**

**(Approval to Use THA Funds to Retire Salishan 5 Debt)**

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

**WHEREAS**, Salishan Five LLC has a loan with Citicorp in excess of \$1 million that is maturing December 1, 2025; and

**WHEREAS**, THA is the managing member of Salishan Five, LLC; and

**WHEREAS**, it is in THA's interest to retire the debt with Citicorp by funding to the property a loan, grant, or equity investment of Section 32 proceeds or other THA dollars; and

**WHEREAS**, THA is authorized to "consent to any modification with respect to ... payment of any installment of principal or interest security, or any other term of any ... agreement of any kind to which the authority is a party." RCW 35.82.070(5); and

**WHEREAS**, 24 CFR 906.31(a) authorizes PHAs to use Section 32 funds, "for purposes relating to low-income housing and in accordance with its PHA plan"; and

**WHEREAS**, the purpose of using Section 32 funds to retire the debt is related to low-income housing as defined 24 CFR 906.2; and

**WHEREAS**, this use of funds is covered in THA's 2025 MTW Plan strategic goals to "Invest in Housing Stability and Community Vitality" and "Enhance our Financial Resilience and Sustainability"; now, therefore, be it

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

To approve the use of THA funds to retire Salishan Five, LLC debt.

**Approved: November 21, 2025**

  
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Stanley Rumbaugh, Chair