



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-09-22 (6)

Date: September 22, 2021

To: THA Board of Commissioners

From: April Black
Acting Executive Director

Re: Board Authorization for Acquisition of the Saravida Property by Condemnation or Negotiated Purchase in Lieu Thereof

This resolution would authorize Tacoma Housing Authority (THA) to acquire the Saravida property (the "Property") by condemnation or by negotiated purchase in lieu thereof, subject to final board approval.

Background

The Property is a former house and standalone garage that has been converted to a multitenant commercial building and related parking located at 1011, 1013, and 1015 S. L Street in Tacoma. THA owns vacant properties (currently parking lots) to the north and south of the Property. If THA acquired the Property, it would own the entire western half of the block that is bounded by S. 10th and S. 11th Streets on the north and south and by S. L Street and Martin Luther King Jr. Way on the west and east. The Property has public transit access on S. 11th Street and on Martin Luther King Jr Way and is located near People's Park. Acquiring the Property would provide many benefits to THA, including the ability to develop THA's adjoining properties in a more efficient way, resulting in more available housing units and resident services. Based on the foregoing, and subject to satisfactory due diligence work still to be performed by THA, acquisition of the Property by THA would enable THA to develop vital affordable housing in Tacoma.

Recommendation

Approve Resolution 2021-9-22 (6) authorizing THA to declare the acquisition of the Property as necessary to fulfill THA's public purpose of providing affordable housing and to direct the Executive Director of THA to acquire the Property by condemnation or by negotiated purchase in lieu thereof for an approximate sale price of \$1,500,000. Notwithstanding the foregoing, approval by the Board and by the Executive Director will be required before an offer of just compensation is made pursuant to condemnation or before, in connection with a negotiated purchase in lieu of condemnation, any earnest money becomes nonrefundable to THA.



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-09-22 (6) (Acquisition of the Saravida Property)

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

WHEREAS, there is a critical shortage of modestly priced rental housing in the City of Tacoma; and

WHEREAS, the Housing Authority of the City of Tacoma ("THA" or "the Housing Authority") is charged with addressing pursuant to its mission of providing quality affordable housing opportunities equitably distributed within the City of Tacoma; and

WHEREAS, it is a goal of local government and the Housing Authority to further fair housing in the region affirmatively, in part through preservation of existing affordable housing opportunities in areas with significantly appreciating housing costs; and

WHEREAS, the Saravida property (the "Property") is located at 1011, 1013, and 1015 S. L Street, Tacoma, Washington, in an area of Tacoma where rents are increasingly unaffordable to low-income households; and

WHEREAS, the Property is strategically located between two properties already owned by THA, which properties can be better developed under common ownership; and

WHEREAS, RCW 35.82.070(2) and (5) provide, in part, that a housing authority shall have the power to acquire real property within its area of operations, including for the development of low income housing projects, and RCW 35.82.070(5) further authorizes a housing authority to acquire real property by exercise of the power of eminent domain or by purchase in lieu of exercise of the power of eminent domain; and

Whereas, acquisition of the Property by the Housing Authority will serve the mission of the Housing Authority and the housing goals of the region by maximizing the development potential of the Housing Authority's neighboring properties; now, therefore, be it

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

Section 1: Acquisition of the Property by the Housing Authority is necessary to provide housing for persons of low income that is equitably distributed in various areas of its operations.

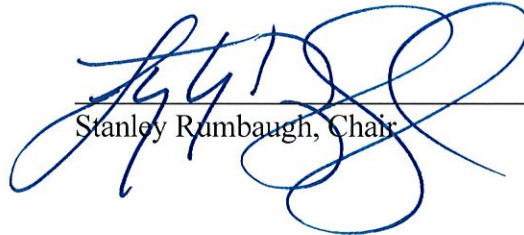
Section 2: The Board of Commissioners hereby authorizes April Black, as Acting

Executive Director, or her successor as Executive Director (both, as applicable, the "Executive Director"): (i) to give notice to the current owner of the Property of the Housing Authority's intention to acquire the Property by eminent domain if it is unsuccessful in acquiring the Property on satisfactory terms through negotiation and purchase in lieu of condemnation; and (ii) subject to the terms below, to acquire the Property by condemnation through exercise of the Housing Authority's power of eminent domain, if it is unsuccessful in acquiring the Property on satisfactory terms through negotiation with and purchase from the owner in lieu of condemnation.

Section 3: The Executive Director is hereby vested with the authority, and with discretion in the exercise of such authority, to negotiate the terms of an agreement to purchase for the Property at a price of approximately One Million, Five Hundred Thousand Dollars (\$1,500,000) and to pay into the purchase escrow the earnest money deposit for the purchase of the Property.

Section 4: If the Executive Director is successful in negotiating the terms of an agreement for the purchase of the Property, then the Executive Director is authorized and directed to execute the same. Following reviewing the results of inspection of the Property and other due diligence, and prior to any earnest money becoming nonrefundable to the Housing Authority, the Executive Director shall make a recommendation to the Board of Commissions as to whether to proceed with closing the purchase of the Property. If the Executive Director recommends proceeding and the Board of Commissioners approves of the same, then the Executive Director shall be authorized to take any and all actions necessary to close on the purchase of the Property on the terms approved by the Board of Commissioners.

Approved: September 22, 2021



Stanley Rumbaugh, Chair