



BOARD OF HOUSING COMMISSIONERS
RESOLUTION NO. 2020-26

**REGARDING THE PROVISION OF A SUBORDINATE LOAN FOR THE
REDEVELOPMENT OF BROADWAY MCKNIGHT**

WHEREAS, the Albuquerque Housing Authority (AHA) seeks to secure funding for the rehabilitation and redevelopment of its public housing properties;

WHEREAS, the Rental Assistance Demonstration Program (RAD) of United States Department of Housing and Urban Development (HUD) allows public housing properties to convert to privately owned properties with project-based Section 8 rental assistance contracts;

WHEREAS, the RAD conversion process also allows for the use of Low-Income Housing Tax Credits (LIHTC), public or private debt, and grant funds for financing rehabilitation and redevelopment of the properties; and

WHEREAS, the AHA Board of Housing Commissioners, the Governing Body of AHA, finds that it is in the long term best interest of AHA to pursue the use of Low Income Housing Tax Credits, public or private debt, and grant funds for financing rehabilitation and redevelopment of the properties, and has approved Resolution 2019-19 Authorizing Submission of HUD Rental Assistance Demonstration Program Application for the property located at 1840-1878 Broadway Place North East, Albuquerque, New Mexico (collectively named “Broadway McKnight”);

WHEREAS, the AHA Board of Housing Commissioners approved Resolution 2020-04, Regarding Financing the Redevelopment of Broadway McKnight authorizing: 1) the submission of an application to the New Mexico Mortgage Finance Authority for Low Income Housing Tax Credits, 2) the submission of applications, or issuance of solicitations, by AHA for any other public or private sources of funding needed to affect the acquisition, demolition and redevelopment of Broadway McKnight, 3) the Executive Director or her designee to obligate AHA to provide limited financial guarantees or financial obligations related to the acquisition and redevelopment of Broadway McKnight including a loan from AHA to the limited partnership in an amount up to \$2 million, 4) the Executive Director or her designee to enter into a long-term lease commitment for the land with the limited partnership, which will allow the lessee to demolish the existing units and redevelop the site, and 5) the Executive Director or her designee to make other necessary and proper decisions needed to move the project forward;

WHEREAS, due to increased construction costs an increase in the loan from AHA to the limited partnership is requested to fill a funding gap;

WHEREAS, AHA wishes to finance the acquisition and redevelopment of Broadway McKnight using the LIHTC program, other public and private funding sources;

WHEREAS, AHA has over \$6.6 million in the State of New Mexico Local Government Investment Pool (LGIP) from the sale of public housing units;



/abqha



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Equal Housing Opportunity Agency



WHEREAS, the AHA Board of Housing Commissioners approved Resolution 2017-25 Amended Use of the Proceeds From the Sale of Public Housing Units authorizing the provision of gap financing for soft or hard costs on moderate and substantial rehabilitation projects as one of the uses of LGIP funds;

NOW, THEREFORE, BE IT RESOLVED BY THE AHA BOARD OF HOUSING COMMISSIONERS, the governing body of the AHA that:

1. The Board authorizes the Executive Director or her designee to obligate AHA to provide a loan from LGIP funds to the limited partnership in an amount up to \$3 million, to be repaid from available cash flow, at a rate and term to be determined.

PASSED and ADOPTED this 18th day of November 2020.
BY A VOTE OF 5 FOR, AND 0 AGAINST.

Members Absent: _____

Members voting against: _____

ALBUQUERQUE HOUSING AUTHORITY
BOARD OF HOUSING COMMISSIONERS
By: /s Rebecca Robinson
Rebecca Robinson, Chairperson of the Board

ATTEST:

 /s Linda Bridge
Linda Bridge, Secretary to the Board and Executive Director