



BOARD OF HOUSING COMMISSIONERS  
RESOLUTION NO. 2022-28

**REGARDING THE FINANCING OF THE REHABILITATION OF 60TH STREET AND CONSTRUCTION OF KNOTTS LANDING COURT, AND PROVISION OF A LAND LEASE AND SUBORDINATE LOAN**

**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;

**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 2021-10 Authorizing Submission of HUD Rental Assistance Demonstration Program Application for the property located at 112 - 232 60th Street NW, Albuquerque, New Mexico (collectively named “60<sup>th</sup> Street”) with the intent of rehabilitating existing Public Housing units and construction new affordable units on the adjoining Knotts Landing Court parcel;

**WHEREAS**, AHA was awarded a \$3.5 million in Workforce Housing Trust Fund grant for the rehabilitation 60<sup>th</sup> Street and construction of Knotts Landing Court;

**WHEREAS**, AHA wishes to finance the acquisition and rehabilitation of 60<sup>th</sup> Street and construction of Knotts Landing Court using the LIHTC program, other public and private funding sources;

**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; and

**WHEREAS**, AHA has \$3 million in the State of New Mexico Local Government Investment Pool (LGIP) from the sale of public housing units, and Development Reserves;

**WHEREAS**, AHA can, at no cost to AHA, use a seller note to offset the lease cost and earn income from the proceeds of the lease land and buildings;

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

1. The Board authorizes the submission of an application by AHA to the New Mexico Mortgage Finance Authority for Low Income Housing Tax Credits;



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Equal Housing Opportunity Agency



2. The Board authorizes the submission of applications, or issuance of solicitations, by AHA for any other public or private sources of funding needed to affect the rehabilitation 60th Street and construction of Knotts Landing Court;
3. The Board authorizes the Executive Director or her designee to enter into a Development Agreement with the City of Albuquerque for the \$3.5 million Workforce Housing Trust Fund grant and ratifies prior actions taken by the Executive Director or her designee to secure the funds.
4. The Board authorizes the Executive Director or her designee to enter in to enter in to a long-term lease commitment for the land and buildings with the to-be-formed limited partnership, which will allow the lessee to rehabilitate the existing units at 60th Street and construct new units at the Knotts Landing Court site.
5. The Board authorizes the Executive Director or her designee to obligate AHA to provide limited financial guarantees or financial obligations related to the rehabilitation of 60th Street and construction at the Knotts Landing Court:
  - a. Operating deficit guarantees, low-income housing tax credits delivery guarantees, repurchase guarantees, and similar financial obligations using, and not to exceed the amount of, unrestricted cash earned from developer fees and the sale of non-public housing units.
  - b. Construction completion guarantees, using and not to exceed the amount of, the balance of funding available in the Local Government Investment Pool (LGIP) from the sale of public housing units, as approved by HUD.
  - c. Seller financing for the leasehold acquisition of the land and buildings at 60<sup>th</sup> Street and Knotts Landing Court, to be repaid by the to be formed partnership from available project cash flow, at a rate and term to be determined.
  - d. A loan to the limited partnership in an amount up to \$1.8 million, to be repaid from available cash flow, at a rate and term to be determined.
6. The Board authorizes the Executive Director or her designee to make other necessary and proper decisions needed to move the project forward.

PASSED and ADOPTED this 21st day of December 2022.  
 BY A VOTE OF 4 FOR, AND 0 AGAINST.

Members Absent: Skowran  
 Members voting against: \_\_\_\_\_

ALBUQUERQUE HOUSING AUTHORITY  
 BOARD OF HOUSING COMMISSIONERS

By: /s Rebecca Robinson  
 Rebecca Robinson, Vice Chairperson of the Board

ATTEST:

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