

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5022

(Meadows Apartments at Lea Hill)

A RESOLUTION authorizing the acquisition of a low and moderate income housing project known as Meadows Apartments at Lea Hill (the "Project") or acquisition of the general partnership interest in the Project partnership, assumption of existing debt of the Project, renegotiation of terms of existing debt of the Project or payoff of such debt, financing capital improvements on the Project, and authorizing and directing appropriate officers and employees of the Authority to take such actions and execute such documents as are useful or necessary to the purposes of this resolution.

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5022

(MEADOWS APARTMENTS AT LEA HILL)

A RESOLUTION authorizing the acquisition of a low and moderate income housing project known as Meadows Apartments at Lea Hill (the "Project") or acquisition of the general partnership interest in the Project partnership, assumption of existing debt of the Project, renegotiation of terms of existing debt of the Project or payoff of such debt, financing capital improvements on the Project, and authorizing and directing appropriate officers and employees of the Authority to take such actions and execute such documents as are useful or necessary to the purposes of this resolution.

WHEREAS the Meadows Apartments at Lea Hill is a 90-unit low and moderate income housing project located at 12505 SE 312th Street in Auburn, Washington (the "Project") owned by Summerfield Threshold Limited Partnership (the "Partnership"); and

WHEREAS Threshold Housing ("Threshold") is the general partner of the Partnership; and

WHEREAS the Project is financed with the proceeds of the sale of low income housing tax credits to Weyerhaeuser Company, a mortgage note from Bank of America made in connection with the issuance of a revenue bond by the Washington State Housing Finance Commission and a loan from Resolution Trust Corporation; and

WHEREAS Threshold has informed the Authority that the Project is in need certain assistance and capital repairs; and

WHEREAS to ensure the Project's continued operation as housing for low and moderate income households, the Authority intends to either acquire the Project or acquire Threshold's general partner interest in the Partnership.

Section 1. Definitions. As used in this resolution, the following terms have the following meanings:

“Project Debt” means the note in the original principal amount of \$1,945,000 secured by a Deed of Trust, Security Agreement and Fixture Filing with Assignment of Leases and Rents dated June 1, 1993 in favor of Bank of America, successor to Seattle-First National Bank, a note in the original principal amount of \$240,000 secured by a Purchase Money Deed of Trust, Assignment of Rents and Security Agreement dated June 28, 1993 in favor of Resolution Trust Corporation as receiver for City Savings, F.S.B., and the accounts payable of the Project, in an amount to be determined by the Executive Director of the Authority.

“Investor Limited Partner” means Weyerhaeuser Company.

“Partnership Agreement” means the First Amended and Restated Agreement of Limited Partnership for Summerfield Threshold Limited Partnership dated January 30, 1995.

Section 2. Negotiation with the Partnership. The Authority is authorized and directed to enter into negotiations with the Partnership and/or Threshold with respect to acquiring either the Project or Threshold’s general partner interest in the Partnership, upon such terms and conditions as the Executive Director of the Authority deems to be in the best interests of the Authority. The Executive Director of the Authority is authorized to decide, based on his reasonable determination of what is in the best interests of the Authority, whether to acquire the Project or Threshold’s general partner interest in the Partnership

Section 3. Acquisition of Project. If the Executive Director of the Authority determines it to be in the best interests of the Authority, the Authority is authorized to take such steps as may be required to acquire the Project from the Partnership, including but not limited to, obtaining financing for such acquisition of the Project and/or assuming the existing debt secured by the Project; assuming the outstanding financial obligations of the Partnership and/ or Threshold in such amounts as determined reasonable by the Executive Director; payment to the

Partnership and/ or Threshold of such amounts as determined reasonable by the Executive Director; purchasing low income housing tax credit recapture bonds or providing other security required to acquire the Project or limited partner's interests prior to expiration of the low-income housing tax credit compliance period; and taking such actions and executing such documents as necessary to facilitate the closing of such acquisition.

Section 4. Acquisition of General Partner Interest. If the Executive Director of the Authority determines it to be in the best interests of the Authority, the Authority is authorized to acquire Threshold's interest in the Partnership. The Executive Director is authorized to negotiate the terms of such acquisition as he deems reasonable, to execute such documents as are necessary for the Authority to acquire Threshold's interest in the Partnership, and to assume all rights, duties and obligations under the Partnership Agreement.

Section 5. Existing Project Debt. The Authority is authorized and directed to take such actions and to execute such documents as are necessary for the Authority, either on behalf of the Authority for itself or on behalf of the Authority as successor general partner of the Partnership, to assume, renegotiate or payoff the Project Debt. If the Executive Director of the Authority deems it to be in the best interests of the Authority to payoff the Project Debt, the Authority, either on behalf of the Authority for itself or on behalf of the Authority as successor general partner of the Partnership, is authorized and directed to take such actions and to execute such documents, including incurring indebtedness, as are necessary for the Authority to obtain funds for such payoff.

Section 6. Project Capital Improvements. The Authority is authorized and directed to take such actions and to execute such documents as are necessary for the Authority, either on behalf of the Authority for itself or on behalf of the Authority as successor general partner of

the Partnership, to obtain funds not to exceed \$750,000 for capital improvements to the Project. The Authority is further authorized and directed to take such actions and execute such documents on behalf of the Authority, either on behalf of the Authority for itself or on behalf of the Authority as successor general partner of the Partnership, as are necessary to facilitate the closing of a loan for such capital improvements to the Project.

Section 7. Necessary Approvals. The Executive Director of the Authority is authorized and directed to execute any and all such documents as may be reasonably necessary to obtain (a) Washington State Housing Finance Commission's approval for the transfer of the Project or Threshold's interest in the Partnership to the Authority under the Tax Credit Regulatory Agreement (Extended Use Agreement) and the Bond Regulatory Agreement, (b) approval from existing lenders, or (c) such other parties as may be necessary to effectuate the purposes of this resolution.

Section 8. Director Authorized. The Executive Director of the Authority is authorized and directed to do everything necessary for the execution and delivery of all documents and to take such further actions as are useful or necessary to the purposes of this resolution. The Executive Director of the Authority is authorized and directed to execute any documents that are useful or necessary to the purposes of this resolution.

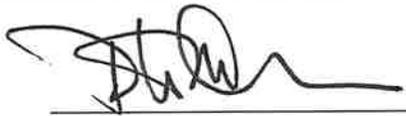
Section 9. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may in his absence be taken by the duly authorized Assistant Director or acting Executive Director of the Authority.

Section 10. 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 11. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

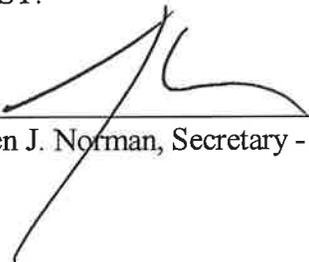
ADOPTED by the Board of Commissioners of Housing Authority of the County of King at a regular open public meeting thereof this 12th day of September 2005.

HOUSING AUTHORITY OF THE COUNTY OF KING

By 

Peter Orser, Chair

ATTEST:



Stephen J. Norman, Secretary - Executive Director

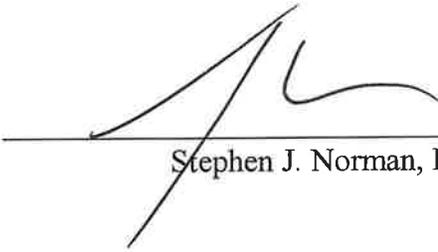
CERTIFICATE

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

1. That the attached Resolution No. 5022 (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 the 12th day of September, 2005, and duly recorded in the minute books of the Authority;

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such 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 this 12th day of Sept, 2005.



Stephen J. Norman, Executive Director
of the Authority