

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5299

A RESOLUTION of the Housing Authority of the County of King amending Resolution No. 5246, authorizing the creation of a condominium development to include a Chinook senior rental housing component (now to be known as Providence Joseph House) of the Authority's Park Lake Homes, Site II, HOPE VI redevelopment project (now known as Seola Gardens) and a community space unit; authorizing the Executive Director to negotiate and execute a lease agreement relating to such Chinook senior rental housing component comprising the residential condominium unit of such condominium development; authorizing the making of loans to Providence Joseph House LLLP, an affiliate of Providence Health & Services Washington, in connection with such housing; authorizing the Executive Director to negotiate and execute such other documents as may be necessary to obtain, or in connection with, HUD Section 202 Financing; authorizing the construction of the development by the Authority on behalf of Providence Joseph House LLLP and the Authority, and authorizing the Executive Director of the Authority to negotiate and execute documents in connection therewith; and determining related matters.

ADOPTED November 17, 2010

This document was prepared by:

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WHEREAS, pursuant to Resolution No. 5246 adopted October 7, 2009, the Housing Authority of the County of King (the "Authority") authorized, among other things (i) Authority participation in the submission of an application for HUD Section 202 Financing Supportive Housing for the Elderly Program ("HUD 202 Financing") for the Chinook senior housing component (now to be known as Providence Joseph House) of the Park Lake Homes Site II, HOPE VI redevelopment project (now known as Seola Gardens); (ii) the negotiation and execution of a lease agreement with respect to the land for such senior housing between the Authority and Providence Health & Services Washington, a Washington nonprofit corporation or an affiliated limited liability company or limited partnership (in either case also encompassed by the term "Providence"); and (iii) the negotiation of the terms of a loan from the Authority to Providence, pursuant to which the Authority would lend to Providence an amount equal to at least 25% of the amount of the HUD 202 Financing to provide financing for the senior housing

component (now to be known as Providence Joseph House) (the “Project”) of the Park Lake Homes Site II, HOPE VI redevelopment project (now known as Seola Gardens) to meet the requirements for HUD 202 Financing; and

WHEREAS, it is now anticipated that the Project will comprise a single residential unit (the “Residential Unit”) in a two-unit condominium development, and that the non-residential unit or units of the condominium development (the “Community Space Unit”) will be owned and operated by the Authority (the Project and the Community Space Unit are referred to together as the “Development”); and

WHEREAS, Resolution No. 5246 contemplated that Providence would lease from the Authority the land for the Project; and

WHEREAS, it is now anticipated that the Authority will construct the Development and provide construction financing to build the Development and that Providence Joseph House LLLP, a Washington limited liability limited partnership and an affiliate of Providence (the “Partnership”), will lease the Project from the Authority and, upon taking possession of the Project, will reimburse the Authority for construction expenses relating to the Project pursuant to a lease agreement between the Partnership and the Authority; and

WHEREAS, the Authority desires to facilitate the financing of the Project and the application for the HUD 202 Financing and the other financing for the Project by committing to make loans to the Partnership to provide construction, bridge and permanent financing for the Project in amount necessary, together with other money available to the Project, to satisfy the HUD 202 Financing requirements; and

WHEREAS, the Authority has determined that the loans authorized herein are important for the feasibility of the Project; and

WHEREAS, the Authority wishes to undertake all steps as may be necessary, reasonable and/or advisable to obtain the HUD 202 Financing funding for the Project; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING as follows:

Section 1. Resolution No. 5246 Definitions. All capitalized terms used but not otherwise defined in this resolution shall have the meanings assigned to them in Resolution No. 5246.

Section 2. Amendment of Section 2 of Resolution No. 5246. Section 2 of Resolution No. 5246 is hereby amended and restated in its entirety to read as follows [*new text underlined, deleted text struck through*]:

Section 2. Lease Agreement. The Executive Director of the Authority is authorized to negotiate the terms of a Lease Agreement, which may initially take the form of a Lease Option Agreement (the "Option"), between the Authority and Providence, under which Providence will lease an undivided interest in the Land from the Authority. Such Lease Agreement ~~shall~~ may be substantially in the form of the lease option employed previously with the Korean Women's Association, with such changes, including material changes, as the Executive Director of the Authority shall deem necessary or appropriate.

In addition, the Executive Director of the Authority is authorized to negotiate the terms of a Lease Agreement, and/or a supplement to the terms of the Lease Agreement, to provide for the lease of the Residential Unit to the Partnership by the Authority.

and to execute such Lease Agreement, or supplement thereto, on behalf of the Authority.

Section 3. Amendment of Section 3 of Resolution No. 5246. Section 3 of Resolution No. 5246 is hereby amended and restated in its entirety to read as follows [*new text underlined, deleted text struck through*]:

Section 3. Loans to Providence. The Executive Director of the Authority is further authorized to negotiate the terms of a Master Loan Agreement between the Authority and Providence, under which the Authority will lend Providence an amount, which, together with other non HUD 202 Financing funding available to the Project, will be equal to at least 25% of the amount of the HUD 202 Financing to provide additional financing for the Project. The Authority expects to use Moving to Work (MTW) program funds to make loans which will provide construction, bridge and permanent financing for the Project. The Authority may use other available Authority sources to fund the construction and bridge financing. Bridge financing may include a loan to bridge receipt of the HUD 202 Financing funds upon completion of construction, and a loan to bridge receipt of tax credit equity for the Project. The Executive Director of the Authority is further authorized to negotiate the terms of and, as applicable, execute on behalf of the Authority, a Master Loan Agreement, a promissory note with respect to each of such loans, a deed of trust and a regulatory

~~agreement issue a binding commitment for such a loan to Providence, subject to the receipt by Providence of the Section 202 Financing and the continued need for such Project financing due to the failure to obtain a substitute source of Project financing on equivalent or better terms.~~

Section 4. Resolution No. 5246 Otherwise in Full Force and Effect. Except as amended by this resolution, all other provisions of Resolution No. 5246 shall remain in full force and effect.

Section 5. Creation of Condominium. The Executive Director of the Authority is further authorized to execute, deliver and, if applicable, file (or cause to be executed, delivered and filed), on behalf of the Authority, all documents as may be necessary to create a condominium of the Development consisting of the Project and the Community Space Unit.

Section 6. Approval of Development. The Board approves the construction of the Development by the Authority, on behalf of itself and the Partnership. The Executive Director of the Authority is authorized to execute, deliver and, if applicable, file (or cause to be executed, delivered and filed), on behalf of the Authority, such other documents as may be necessary or useful in connection with such construction.

Section 7. Additional Authorization for HUD 202 Financing. The Executive Director of the Authority is authorized to execute, deliver and, if applicable, file (or cause to be executed, delivered and filed), on behalf of the Authority, such documents as may be necessary or useful to obtain a firm commitment for HUD Section 202 Financing, and other documents as may be required or useful in connection with such HUD Section 202 Financing.

Section 8 Authorization of Documents and Execution Thereof. The Executive Director of the Authority is authorized and directed to do everything necessary for the execution and delivery, on behalf of the Authority, of such documents as are useful or necessary to the purposes of this resolution, as determined by the Executive Director.

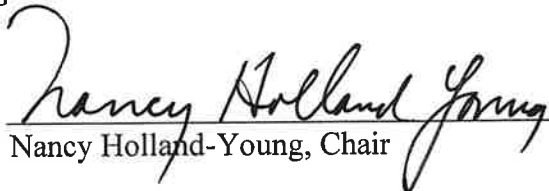
Section 9. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may in his absence be taken by a Deputy Executive Director of the Authority.

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.

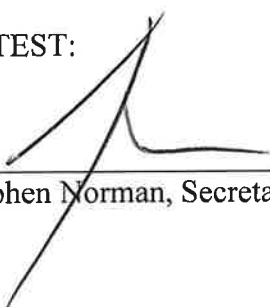
Section 11. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at an open public meeting this 17th day of November 2010.

HOUSING AUTHORITY OF THE COUNTY OF KING

By: 
Nancy Holland-Young, Chair

ATTEST:



Stephen Norman, Secretary-Treasurer

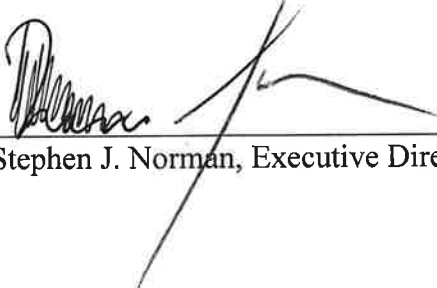
CERTIFICATE

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

1. That the attached Resolution No. 5299 (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 17th day of November 2010, 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 17th day of November 2010.



Stephen J. Norman, Executive Director