

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5400

(LEASE WITH OPTION TO PURCHASE FOR 15455 - 65TH AVE SO, TUKWILA)

A RESOLUTION providing for the disposition of improved property located at 15455 – 65th Ave South, Tukwila, WA (a/k/a the Hopkins Building) through a lease (with an option to purchase and a right of first offer) to the Cowlitz Indian Tribe, and the crediting of a portion of the rent payments toward the sale price; authorizing the execution and delivery of a lease agreement and other agreements, documents and certificates relating to the closing of the lease and any future sale.

ADOPTED August 30, 2012

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5400

(LEASE WITH OPTION TO PURCHASE AND RIGHT OF FIRST OFFER
FOR 15455 - 65TH AVE SOUTH, TUKWILA, WA)

A RESOLUTION providing for the disposition of improved property located at 15455 – 65th Ave South, Tukwila, WA (a/k/a the Hopkins Building) through a lease, with an option to purchase and a right of first offer, to the Cowlitz Indian Tribe, and the crediting of a portion of the rent payments toward the sale price; authorizing the execution and delivery of a lease agreement and other agreements, documents and certificates relating to the signing of the lease and the closing of any future sale.

WHEREAS, the Housing Authority of the County of King (the “Authority”) owns land and improvements located at 15455 65th Avenue South, Tukwila, Washington (the “Property”) which it has operated as its Section 8 offices; and

WHEREAS, the Authority has relocated its Section 8 operations and has determined that it no longer needs such Property; and

WHEREAS, the building on the Property was originally built by KCHA using a portion of bonds issued to fund public housing development but was subsequently released for sale by the U.S. Department of Housing and Urban Development ~~from the Declaration of Trust~~ through an approved disposition application granted in 2000 and is now available for disposition; and

WHEREAS, the Authority has entered into a letter of intent with the Cowlitz Indian Tribe (the “Tribe”) to lease the Property, which lease (the “Lease”) includes an option to purchase the Property for \$1,650,000 within the first two years, a right of first offer thereafter and such other material terms as are described on the attached termsheet (the “Termsheet”); and

WHEREAS, after due consideration, it appears to the Board of Commissioners of the Authority (the "Board") that it is in the best interests of the Authority to lease the Property on such terms.

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

Section 1. Recitals. The above recitals are determined to be true and correct and are hereby adopted.

Section 2. Lease of Property with Purchase Option and Right of First Offer. The Board hereby authorizes and approves the lease of the Property on the terms described in the Termsheet. The Executive Director is authorized to execute and deliver the Lease and all documents related thereto, on substantially the same terms as described in the Termsheet. The Executive Director is further authorized and directed to do all things necessary or desirable to consummate the Lease and/or a future sale of the Property pursuant to the terms of the Lease.

Section 3. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may, in the absence of such person, be taken by a duly-authorized Deputy Executive Director of the Authority.

Section 4. 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.

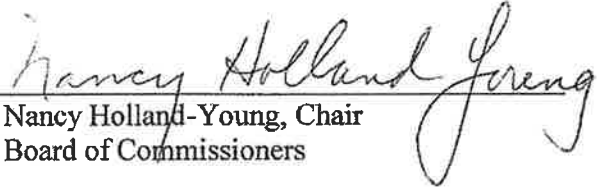
Section 5. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

Transaction Termsheet

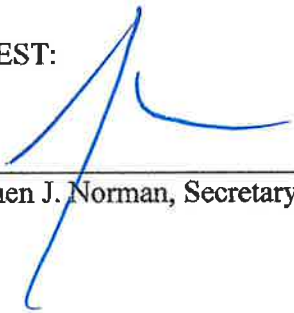
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|-----------------|--|
| Term | 12 months, commencing in early September, with four 1-year extension options |
| Rent | Triple net, commencing no later than October 15. Rent is fixed at \$10/sf/yr (market rate), with \$.50 annual increases. Up to 45 days free rent. |
| Security | \$12,000 security deposit |
| Personalty | Existing furniture (partitions, cubes, chairs and tables) to be transferred to the Tribe by quitclaim bill of sale. |
| Commission | About \$8,8005,000 upfront and <u>between \$9,100-10,100</u> at each lease renewal. If a sale occurs, the fee is \$66,000, with a credit for commission paid. |
| Purchase Option | 2 year option to purchase the Property at a fixed price of \$1.65 million, with a credit against the price equal to 87% of base rent paid prior to closing. |
| ROFO | If the Tribe extends the lease after the first 2 years. |

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at a special meeting this 30th day of August, 2012.

HOUSING AUTHORITY OF THE COUNTY OF
KING

By: 
Nancy Holland-Young, Chair
Board of Commissioners

ATTEST:



Stephen J. Norman, Secretary

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary and 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 copy of Resolution No. 5400 (the "Resolution") is a full, true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a special meeting of the Authority held on August 30, 2012, and duly recorded in the minute books of the Authority.

2. That written notice specifying the time and place of the special meeting and noting the business to be transacted was given to all members of the Board of Commissioners by mail, fax, electronic mail or personal delivery at least 24 hours prior to the special meeting, a true and complete copy of which notice is attached hereto as Appendix I;

3. That the written notice described above was also posted on the Authority's website and prominently displayed at the main entrance of the Authority's office at 600 Andover Park West, Tukwila, WA 98188 and at the meeting site, if different, at least 24 hours prior to the special meeting;

4. That the written notice described above was given to each local radio or television station and to each newspaper of general circulation that has on file with the Authority a written request to be notified of special meetings and to any others to which such notices are customarily given by the Authority; and

5. That such meeting was duly convened and held in all respects in accordance with law; 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 30th day of August, 2012.



Stephen J. Norman
Secretary and Executive Director of the Authority

CERTIFICATE