

**THE HOUSING AUTHORITY OF THE COUNTY OF KING
RESOLUTION NO. 5658**

(Nia Apartments – Transfer Resolution and Entity Formation)

A RESOLUTION of the Housing Authority of the County of King (the “Authority”) authorizing (i) the formation of Northwest Affordable Communities LLC, a Washington limited liability company, of which the Authority will serve as the sole member and manager (the “Replacement Investor Entity”); (ii) the acquisition by the Replacement Investor Entity of the investor member interest in Nia Apartments LLC, a Washington limited liability company (the “Company”), which is the owner of the Nia Apartments (the “Project”); and (iii) the use of such Replacement Investor Entity to acquire the investor member interest or limited partner interests in other such entities owning an interest in tax credit projects for which the Authority is the land owner and lessor; and (iv) the Executive Director or his designee to approve, execute and deliver any and all such documents necessary to effectuate the foregoing.

WHEREAS the Housing Authority of the County of King (the “Authority”) seeks to encourage the provision of long-term housing for low-income persons;

WHEREAS RCW 35.82.070(2) provides that a housing authority may, among other things, “prepare, carry out, acquire, lease and operate housing projects ...;”

WHEREAS RCW 35.82.020 defines “housing project” to include, among other things, “any work or undertaking ... to provide decent, safe and sanitary urban or rural dwellings, apartments, mobile home parks or other living accommodations for persons of low income;”

WHEREAS RCW 35.82.070(5) provides that a housing authority may, among other things, and if certain conditions are met, “own, hold, and improve real or personal property” and “sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest therein ...;”

WHEREAS RCW 35.82.080(1) provides that a housing authority may, among other things, “make and execute contracts and other instruments, necessary or convenient to the exercise of the powers of the authority ...;”

WHEREAS the Authority is the managing member of Nia Apartments LLC (the “Company”), Nia-Apollo Housing Capital, LLC, a Delaware limited liability company, is the investor member (“Apollo”) and RBC Tax Credit Manager II, Inc., a Delaware corporation, formerly

known as Apollo Housing Manager II, Inc., is the special investor member (the “Special Member” and together with Apollo, the “Investor Member”);

WHEREAS the Authority is the fee owner of the real property located at 9935 Eighth Avenue SW in Seattle, Washington (the “Property”), and pursuant to the terms of a capital lease agreement dated March 15, 2007 (the “Lease”), the Company was granted a leasehold interest in that certain 82-unit apartment building and all assets thereto located on the Property commonly known as Nia Apartments (collectively, the “Project”);

WHEREAS the Project was financed in part with low income housing tax credits (“LIHTC”);

WHEREAS the Project has been operating as “qualified low income housing” pursuant to Section 42 of the Internal Revenue Service Code (the “Code”) and, as such, the Company has been receiving LIHTC during the 15-year compliance period pursuant to the Code (the “Compliance Period”);

WHEREAS the Authority desires to acquire the interests of the Investor Member in the Company (the “Investor Member Interests”);

WHEREAS the Authority intends to form Northwest Affordable Communities LLC, a Washington limited liability company (the “Replacement Investor Member”), of which the Authority will serve as the sole member and manager, for the purpose of acquiring the Investor Member Interests in the Company and for such other purposes in furtherance of the Authority’s mission as may be authorized in the Operating Agreement of the Replacement Investor Member;

WHEREAS the Authority, in its own capacity, as managing member of the Company, and as sole member and manager of the Replacement Investor Entity, desires to effectuate the transfer of the Investor Member Interests to the Replacement Investor Entity:

WHEREAS the Authority, in its own capacity, as managing member of the Company, and as sole member and manager of the Replacement Investor Entity, desires to take such steps, make

such reasonable expenditures, including, but not limited to, attorneys' fees and costs, and to ratify all steps already taken, as reasonably necessary to accomplish the foregoing.

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

RESOLUTIONS

RESOLVED that the Authority, in its own capacity, is authorized, empowered and directed to form the Replacement Investor Entity, to serve as the sole member and manager, and if desired, to utilize the Replacement Investor Entity in this and other such instances when the investor member or limited partner exits the tax credit owner entity of projects leased or owned by the Authority.

RESOLVED that the Authority as managing member of the Company on behalf of the Company, and as sole member and manager of the Replacement Investor Entity on behalf of the Replacement Investor Entity, is authorized, empowered and directed to take such steps that are reasonably necessary or advisable to effectuate the transfer of the Investor Member Interests in the Company to the Replacement Investor Entity, and to negotiate, execute and deliver any and all such documents as may be reasonably required by the Investor Member to effectuate the transfer, including, without limitation, an Assignment and Assumption of Investor Member Interests and Amendment to Operating Agreement, Compliance Agreement Guaranty, Post Transfer Compliance and Indemnity Agreement, and Controlling Interest Transfer Return, or other such similarly named documents (collectively, the "Transfer Documents");

RESOLVED that any and all documents in connection with the foregoing, which are authorized to be executed by or on behalf of the Authority, in its own capacity, as managing member of the Company, and as sole member and manager of the Replacement Investor Entity, are authorized to be executed by the Executive Director of the Authority.

RESOLVED the Executive Director is authorized, empowered and directed to take such further action on behalf of the Authority, in its own capacity, as managing member of the Company on behalf of the Company, and as sole member and manager of the Replacement Investor Entity on

behalf of the Replacement Investor Entity, to cause to be done all other acts and to take all further steps and actions, and to deliver all agreements, documents and instruments, and make such reasonable expenditures as the Executive Director shall deem necessary or desirable to carry out the foregoing resolutions.

RESOLVED that all steps or actions heretofore taken and/or documents heretofore executed with respect to the foregoing by the Authority in its own capacity, as managing member of the Company on behalf of the Company, and as sole member and manager of the Replacement Investor Entity on behalf of the Replacement Investor Entity, as contemplated by the transactions herein are hereby ratified and affirmed.

RESOLVED that 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 acting Deputy Executive Director of the Authority or such other designee as the Executive Director or the Board of Commissioners may designate.

ADOPTED AT THE MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 20TH DAY OF JULY, 2020.

HOUSING AUTHORITY OF THE COUNTY OF KING

By: 
Douglas J. Barnes, Chair
Board of Commissioners

ATTEST:


Stephen J. Norman
Executive Director and Secretary-Treasurer

[CERTIFICATE FOLLOWS ON NEXT PAGE]

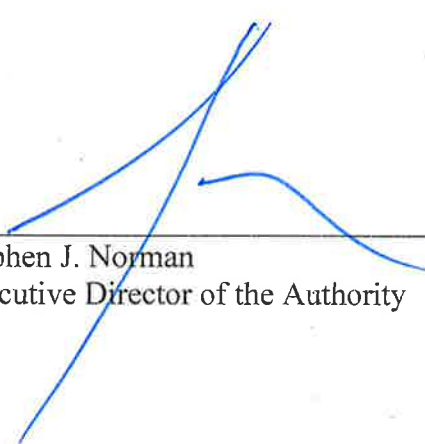
CERTIFICATE

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 foregoing Resolution No. 5658 (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 July 20, 2020, 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 the 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 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.

DATED: July 20, 2020.



Stephen J. Norman
Executive Director of the Authority