

**THE HOUSING AUTHORITY OF THE COUNTY OF KING**

**RESOLUTION NO. 5618**

*(Valley Park Apartments- Transfer Resolution)*

A RESOLUTION of the Housing Authority of the County of King (the "Authority") authorizing (i) the acquisition by the Authority of the investor member interest in Green River Homes LLC, a Washington limited liability company (the "Company"), which is the owner of the Valley Park Apartments project (the "Project"); (ii) the termination of the lease; (iii) the dissolution of the Company and the distribution and transfer of the Project to the Authority; (iv) the assumption of the other obligations and liabilities of the Company with respect to the Project; (v) the submission to the Washington State Housing Finance Commission for consent to transfer the Project and (vi) the Executive Director 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; and

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

**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;" and

**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;" and

**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;” and

**WHEREAS**, the Authority is the managing member (the “Managing Member”) of Green River Homes LLC, a Washington limited liability company (the “Company”), and NEF Assignment Corporation, an Illinois not-for-profit corporation, is the investor member of the Company (“Investor Member”); and

**WHEREAS**, the Authority is the fee owner of the real property located at 801-1108 L Place SE, Auburn, King County, Washington (the “Property”), and pursuant to the terms of a Financing Lease between the Authority and the Company dated as of June 29, 2004 which is evidenced by that certain Memorandum of Lease dated June 29, 2004 and recorded under King County recording number 20040630000605 and which was amended pursuant to that certain First Amendment to Memorandum of Lease dated May 31, 2011 and recorded under King County recording number 20110624000132 (as amended, the “Lease”), whereby the Company was granted a leasehold interest in that certain 60-unit low-income apartment complex and all assets thereto located on the Property commonly known as Valley Park Apartments (collectively the “Project”); and

**WHEREAS**, the Authority previously passed Resolution No. 5550 authorizing the transfer of the Project and/or transfer of the Investor-Member interest which transfer at such time was not consummated; and

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

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

**WHEREAS**, the Compliance Period for the Project expired on December 31, 2018; and

**WHEREAS**, the Authority desires to own the Project and continue its operation as an affordable low income housing project; and

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

**WHEREAS**, the Authority, in its own capacity and as Managing Member of the Company, desires to take such steps as are reasonably necessary to terminate the Lease; and

**WHEREAS**, the Authority, in its own capacity and as Managing Member of the Company, desires to take such steps as are reasonably necessary to terminate and dissolve the Company and to distribute and transfer the Project to Authority for the sole consideration of the assumption of the debt encumbering the Project (the “Debt”); and

**WHEREAS**, the Authority, in its own capacity and as Managing Member of the Company, desires to take such steps as are reasonably necessary to obtain consents necessary to effectuate the Authority’s assumption of the Debt, and to negotiate, execute and deliver such documents as may be required in connection with the foregoing, including, without limitation, any loan assumption documents; and

**WHEREAS**, the Authority, in its own capacity and as Managing Member of the Company desires to obtain the approval of the Washington State Housing Finance Commission (“Commission”) to the transfer of the Project from the Company to the Authority; and

**WHEREAS**, the Authority, in its own capacity and as Managing Member of the Company, desires to take such steps as are reasonably necessary to assume the obligations of the Company with respect to the ownership and operation of the Project; and

**WHEREAS**, the Authority, in its own capacity and as Managing Member of the Company desires to take such steps, and make such reasonable expenditures, including, but not limited to attorney's fees and costs, and to ratify all steps already taken, as are reasonably necessary to accomplish the foregoing; and

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**RESOLUTIONS**

**RESOLVED**, that the Authority, in its own capacity and as Managing Member of the Company is authorized, empowered and directed to take such steps and execute such documents as may be necessary or desirable to acquire the Investor Member Interests and to negotiate, execute, and deliver such documents as may be reasonably required by the Investor Member to effectuate such transfer, including, without limitation, any loan assumption documents, investor member transfer agreements, amendments to the operating agreement, indemnities, and guaranties;

**RESOLVED**, that the Authority, in its own capacity and as Managing Member of the Company, is authorized, empowered and directed to take such steps and execute such documents as may be necessary or desirable for the Authority to terminate the Lease;

**RESOLVED**, that the Authority, in its own capacity and as Managing Member of the Company, is authorized, empowered and directed to take such steps and execute such documents as may be necessary to terminate and dissolve the Company, to distribute and transfer the Project to the Authority, and to assume all of the Company's obligations with respect to the Debt;

**RESOLVED**, that the Authority, in its own capacity and as Managing Member of the Company, is authorized, empowered and directed to take such steps and execute such documents as may be necessary to assume the obligations of the Company with respect to ownership and operation of the Project;

**RESOLVED**, that the Authority, in its own capacity and as Managing Member of the Company, is authorized, empowered and directed to take such steps and execute such documents as may be as may be necessary or desirable to obtain consent of the lenders of the Debt or other necessary parties, and to negotiate, execute and deliver such documents as may be required by the lenders of the Debt in connection with the foregoing, including, without limitation, any loan assumption documents;

**RESOLVED**, that the Authority, in its own capacity and as Managing Member of the Company, is authorized, empowered and directed to take such steps and execute such documents as may be necessary or desirable to obtain the consent of the Commission to the transfer of the Project to the Authority;

**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 and as managing member of the Company, are authorized to be executed by the Executive Director of the Authority;

**RESOLVED**, that the Executive Director of the Authority, is authorized, empowered and directed to take such further action on behalf of the Authority, in its own capacity and as managing member of the Company, 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 of the Authority, 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 and as managing member of the Company, as contemplated the transactions herein are hereby ratified and affirmed; and

**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.

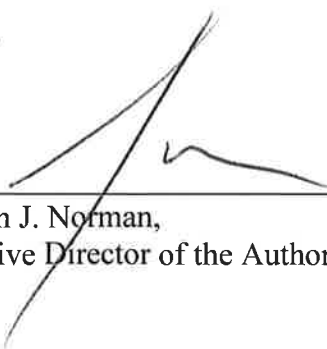
**CERTIFICATE**

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. 5618 (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 February 19, 2019, and duly recorded in the minute books of the Authority.

2. That such meeting was duly convened and held in all respect 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: February 19 2019.

  
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Stephen J. Norman,  
Executive Director of the Authority

