

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5619

(Egis Housing Project – Transfer Resolution)

A RESOLUTION of the Housing Authority of the County of King (the “Authority”) authorizing (i) the acquisition by the Authority of the limited partner interest in the Egis Housing Limited Partnership, a Washington limited partnership (the “Partnership”), which is the owner of the Egis Housing Project (the “Project”); (ii) the termination of the lease (iii) the dissolution of the Partnership and the distribution and transfer of the Project to the Authority; (iv) the assumption of the other obligations and liabilities of the Partnership with respect to the Project, (v) the submission to the Washington State Housing Finance Commission for consent to transfer the Project; (vi) the submission to the Department of Housing and Urban Development (“HUD”) for consent to transfer the Project; and (vii) 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, RCW 35.82.020(11) and 35.82.130 together provide that a housing authority may issue bonds, notes or other obligations for any of its corporate purposes; and

WHEREAS, public funds have been provided to the Authority in accordance with the Public Housing Capital Fund Allocation Rule and an Annual Contribution Contract (“ACC”) between the Authority and the United States Department of Housing and Urban Development (“HUD”); and

WHEREAS, the Authority is the General Partner (the “General Partner”) of Egis Housing Limited Partnership, a Washington limited partnership (the “Partnership”), Apollo Housing Manager II, Inc., a Delaware corporation (the “Special Limited Partner”) is the special limited partner, and National Affordable Housing Fund 32-Apollo Tax Credit Fund-55, L.L.C., a Delaware limited liability company (the “Investor Limited Partner”), is the investor limited partner, and together with the Special Limited Partner, the “Limited Partner”); and

WHEREAS, the Authority is the fee owner of the real property and the improvements thereon (the “Property”) as more fully described below:

<u>Property Name</u>	<u>Address</u>
Brittany Park	18265 1 st Avenue South Normandy Park, WA 98148
Casa Madrona	3948 Martin Way Olympia, WA 98501
Gustaves Manor	107 West Main Street Auburn, WA 98001

Mardi Gras	24009 104 th Avenue SE Kent, WA 98103
Munro Manor	630 South 152 nd Street Burien, WA 98148
Paramount House	1750 NE 145 th Street Shoreline, WA 98155
Plaza 17	1001 17 th Street SE Auburn, WA 98002
Riverton Terrace (Senior Bldg)	14410 41 st Avenue South Tukwila, WA 98168

WHEREAS, the Property is comprised of eight apartment buildings (the “Buildings”) containing, in the aggregate, 439-units of low-income housing and all assets related thereto along with the Buildings the “Project”); and

WHEREAS, the Property was leased to the Partnership pursuant to the terms of a Lease Agreement dated May 25, 2007 (the “Lease”) for the purpose of rehabilitating the improvements; and

WHEREAS, the acquisition and rehabilitation of the Project was financed in part with low income housing tax credits (“LIHTC”) and with the proceeds of a combination of bonds issued by the Authority and loaned to the Partnership (the “Bonds”); 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 Partnership has been receiving LIHTC during the compliance period pursuant to the Code (“Compliance Period”); and

WHEREAS, the Compliance Period for the Project will expire December 31, 2022; and

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

WHEREAS, the Authority desires to acquire the interests of the Limited Partner in the Partnership (the "Limited Partner Interests"); and

WHEREAS, the Authority, in its own capacity and as General Partner of the Partnership, desires to take such steps as are reasonably necessary to terminate the Leases; and

WHEREAS, the Authority, in its own capacity and as General Partner of the Partnership, desires to terminate and dissolve the Partnership and to distribute and transfer the Project to the Authority; and

WHEREAS, the Authority, in its own capacity and as General Partner of the Partnership desires to obtain the approval of the Washington State Housing Finance Commission ("Commission") to the transfer of the Project from the Partnership to the Authority; and

WHEREAS, the Authority, in its own capacity and as General Partner of the Partnership desires to obtain the approval of the United States Department of Housing and Urban Development ("HUD") to the transfer of the Project from the Partnership to the Authority; and

WHEREAS, the Authority, in its own capacity and as General Partner of the Partnership, desires to take such steps as are reasonably necessary to assume the obligations of the Partnership with respect to the ownership and operation of the Project; and

WHEREAS, the Authority, in its own capacity and as General Partner of the Partnership, desires to take such steps, 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 General Partner of the Partnership, is authorized, empowered and directed to take such steps and execute such documents as may be necessary or desirable to acquire the Limited Partner Interests and to negotiate, execute, and deliver such documents as may be reasonably required by the Limited Partner to effectuate such transfer, including, without limitation, any loan assumption documents, Partnership interest transfer agreements, amendments to the partnership agreement, indemnities, and guaranties;

RESOLVED, that the Authority, in its own capacity and as General Partner of the Partnership, 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 General Partner of the Partnership, is authorized, empowered and directed to take such steps and execute such documents as may be necessary to terminate and dissolve the Partnership and distribute and transfer the Project to the Authority;

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

RESOLVED, that the Authority, in its own capacity and as General Partner of the Partnership, 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 the Authority, in its own capacity and as General Partner of the Partnership, is authorized, empowered and directed to take such steps and execute such documents as may be necessary or desirable to obtain the consent of HUD 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 General Partner of the Partnership, 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 General Partner of the Partnership, 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 General Partner of the Partnership, 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 FOLLOWS ON NEXT PAGE]

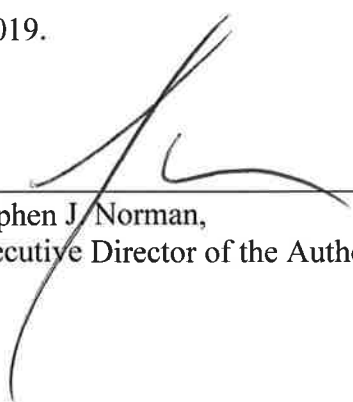
CERTIFICATE

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. 5619 (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.



Stephen J. Norman,
Executive Director of the Authority