

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5448

A RESOLUTION of the Housing Authority of the County of King authorizing the Authority to provide a revolving loan to the Manufactured Housing Community Preservationists in an amount not to exceed \$300,000 at any one time outstanding for the purpose of financing the acquisition and installation of mobile or manufactured homes to be located at the Wonderland mobile home park, directing appropriate officers of the Authority to execute such documents as are useful or necessary to the purposes of this resolution, and determining related matters.

ADOPTED October 21, 2013

*This document was prepared by:*

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WHEREAS, the Housing Authority of the County of King (the “Authority”) seeks to encourage the provision of long-term housing for low-income persons residing within King County, Washington; 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(1) provides that a housing authority may, among other things, “make and execute contracts and other instruments . . .”; and

WHEREAS, RCW 35.82.070(18) provides that a housing authority may, among other things and if certain conditions are met, “make . . . loans for the . . . acquisition, construction . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing for persons of low income”; and

WHEREAS, the Authority owns fee title to a mobile home park consisting of 109 mobile/manufactured home lots commonly known as Wonderland Estates (the “Park”) which has been leased to South King County Affordable Community Group, a Washington nonprofit

corporation ("SKCACG") for a term of 99 years pursuant to a Lease dated November 18, 2011, between the Authority and SKCACG; and

WHEREAS, the Park currently has approximately 40 vacant spaces for mobile/manufactured homes; and

WHEREAS, in order to increase occupancy rates at the Park, the Manufactured Housing Community Preservationists ("MHCP") has agreed to acquire and install mobile or manufactured homes at the Park, and to sell those homes to low-income persons for use as their primary residences, with financial assistance from the Authority; and

WHEREAS, the Authority deems it necessary and desirable and in the best interests of the Authority provide a revolving loan to MHCP in an amount not to exceed \$300,000 at any one time outstanding, to finance the acquisition and installation of manufactured or mobile homes at the Park for sale to persons of low-income,

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

Section 1. Authorization of Loan and the Negotiation and Execution of Documents. The Board approves the provision of a revolving loan to MHCP in a principal amount not to exceed \$300,000 at any one time outstanding, for the purpose of financing the acquisition and installation of mobile or manufactured homes at the Park, which homes are to be sold to low-income persons for use as their primary residences. The Executive Director of the Authority is authorized to negotiate the terms of the loan with MHCP, subject to the following terms: the loan shall mature on the date that is one year from the date of issue, with two one-year optional extensions; it shall be a revolving loan, in an amount not to exceed \$300,000 at any one time outstanding; amounts drawn on the loan may, at the election of the Authority, bear interest;

advances shall be subject to the approval of the Authority; and the loan shall be payable from the net proceeds of sales of the mobile or manufactured homes (for this purpose, "net proceeds" means the sale proceeds less MHCP's administrative fee (currently anticipated to be \$1,200 per home installed) and all third party, out-of-pocket expenses incurred by MHCP in the process of acquiring, installing and selling the homes) and such other expenses as may be agreed to by the Authority. At maturity of the loan, any outstanding amount on the loan shall be forgiven, and any unsold homes shall be conveyed to the Authority. The Executive Director of the Authority is further authorized to negotiate the terms of, and execute and deliver, an agreement with MHCP regarding the line of credit, incorporating the terms of the loan and other terms, including but not limited to indemnification of the Authority and other affected parties for costs resulting from MHCP activities at the Park and the mobile or manufactured homes installed thereon, and the approval of homes to be installed by the Authority. The Board authorizes and directs the Executive Director of the Authority to do everything necessary for the execution and delivery, on behalf of the Authority, of such documents as may be useful or necessary to the purposes of this Section 1, as determined by the Executive Director.

Section 2. Authorization of Future Acts. The Board further authorizes and directs the Executive Director, and all other proper officers, agents, attorneys and employees of the Authority to carry out, or cause to be carried out, all obligations of the Authority under the documents authorized by this resolution, and to perform or cause to be performed such other acts as they shall consider necessary or advisable in connection with making a loan to MHCP by the Authority and the application of such proceeds to accomplish the acquisition and installation of manufactured and mobile homes at the Park, or in order to give effect to this resolution and the transactions contemplated herein.

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 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.

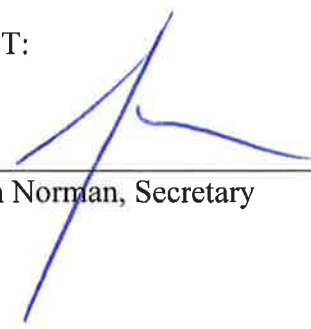
Section 5. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at an open public meeting this 21<sup>st</sup> dy of October 2013.

HOUSING AUTHORITY OF THE COUNTY OF KING

By:   
Douglas J. Barnes, Chair

ATTEST:

  
\_\_\_\_\_  
Stephen Norman, Secretary

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 attached Resolution No. 5448 (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners (the "Board") of the Authority, as adopted at a meeting of the Authority held on October 21, 2013, 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 21<sup>st</sup> day of October 2013.

  
\_\_\_\_\_  
Executive Director of the Authority

CERTIFICATE