

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

**RESOLUTION NO. 5474A**

*(Limited Partnership Exit Resolution – Windsor Heights)*

A RESOLUTION of the Housing Authority of the County of King (the “Authority”) authorizing (i) the transfer of Windsor Heights project (the “Project”) to the Authority through the acquisition of the leasehold interest of KCHA-Seatac Limited Partnership, a Washington limited partnership (the “Partnership”) in the Project by the Authority and/or the acquisition of the interests of the limited partner of the Partnership by the Authority; (ii) the submission to the Washington State Housing Finance Commission of a request for consent to transfer the Project; (iii) the assignment and assumption by the Authority of the obligations of the Partnership with respect to the Project and bonds issued to finance the Project; and (iv) the approval, execution and delivery of all documents necessary to effectuate the foregoing; and determining related matters.

**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 35.82.070(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 general partner of KCHA-Seatac Limited Partnership, a Washington limited partnership (the “Partnership”), and Columbia Housing/PNC Institutional Fund I Limited Partnership, a Massachusetts limited partnership (“Investment Limited Partner”), and Columbia Housing SLP Corporation, an Oregon corporation (“Special Limited Partner,” together with Investment Limited Partner, collectively, the “Limited Partner”) is the limited partner; and

**WHEREAS**, the Authority is the fee owner of the real property located at 17229 32<sup>nd</sup> Avenue S., SeaTac, King County, Washington (the “Property”), and pursuant to the terms of a Financing Lease between the Authority and the Partnership dated as of August 1, 1998 (the “Lease”), the Partnership has a leasehold interest in that certain 326-unit multi-family apartment complex located on the Property now commonly known as Windsor Heights and previously known as the Continental Court Apartments and the Sunset Village Apartments (the “Project”), which was financed in part with low income housing tax credits (“LIHTC”) and proceeds of the Authority’s Revenue Bonds, 1998 (SeaTac Housing Preservation Project) (the “Bonds”):

**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 15-year compliance period pursuant to the Code (“Compliance Period”); and

**WHEREAS**, the Compliance Period for the Project has or will soon expire; and

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

**WHEREAS**, the Authority has determined that the Limited Partner has or will soon have received all of the tax and other economic benefits originally anticipated by such Limited Partner, and the Limited Partner is expected to be willing to transfer its interest in the Partnership (the “Limited Partnership Interests”) to the Authority; and it is in the best interest of the Authority to acquire such Limited Partnership Interests and/or to acquire the Partnership’s leasehold interest in the Project; 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 acquire the leasehold interest of the Partnership in the Project and/or to acquire the Limited Partnership Interests, for consideration of the assumption of the debt encumbering the Project, including the Bonds (the “Debt”); 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 obtain consents necessary to effect 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 Washington State Housing Finance Commission (“Commission”) must approve the transfer of the Project from the Partnership to the Authority; NOW, THEREFORE,

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

Section 1. Approval of Transfer of Leasehold Interest and/or Limited Partnership Interests. The Authority, in its own capacity and as general partner of the Partnership, is

authorized, empowered and directed to take such steps that are reasonably necessary to effectuate the transfer of the leasehold interest in the Project from the Partnership to the Authority or, in the alternative, to acquire the Limited Partnership Interests with respect to the Partnership, and to negotiate, execute, and deliver such documents as may be reasonably required to effectuate such transfer.

Section 2. Authorization of Assignment and Assumption. The Authority, in its own capacity and as general partner of the Partnership, is authorized, empowered and directed to take such steps as may be necessary or desirable for (1) the Authority to assume all of the Partnership's obligations with respect to the Debt, including, without limitation, the Partnership's obligations under any financing lease, hazardous substances agreement, continuing disclosure agreement, and any other document executed in connection with the applicable series of Bonds (the "Bond Documents"); and (2) the Partnership to assign to the Authority all of its rights and obligations under the Bond Documents. The Authority, in its own capacity and as general partner of the Partnership, is authorized, empowered and directed to take such steps as may be necessary or desirable to obtain consent of the lenders of the Debt, the trustee for the Bonds, King County, Washington, as a provider of credit enhancement for the Bonds, or other necessary parties, and to negotiate, execute and deliver such documents as may be required of such parties in connection with the foregoing, including, without limitation, any loan assumption documents.

Section 3. Lease and Bond Document Amendments. The Authority, in its own capacity and as general partner of the Partnership, is authorized, empowered and directed to make any amendments to the financing lease or the other Bond Documents as may be necessary or desirable in connection with the transaction contemplated by this resolution.

Section 4. Commission Approval. The Authority, in its own capacity and as general partner of the Partnership, is authorized, empowered and directed to take such steps as may be necessary to obtain the Commission's approval of the transfer of the Project from the Partnership to the Authority, and to negotiate, execute and deliver such documents as may be required by the Commission in connection with the foregoing, including, without limitation, submitting a request to the Commission for the Commission's consent to transfer the Project from the Partnership to the Authority, and paying any transfer fee required by the Commission.

Section 5. Documents to be Executed by Executive Director. Any and all documents contemplated by this resolution which are authorized to be executed by or on behalf of the Authority, in its own capacity or as general partner of a Partnership, are authorized to be executed by the Executive Director of the Authority.

Section 6. Governmental Filings; Other Agreements. The Executive Director is further authorized to execute, deliver and, if applicable, file (or cause to be executed, delivered and, if applicable, filed) on behalf of the Authority, in its own capacity and as general partner of the Partnership, any government forms, affidavits, certificates, letters, documents, agreements and instruments that he determines to be necessary or advisable to give effect to this resolution and to consummate the transaction contemplated herein.

Section 7. 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 8. Expenditures. The Authority, in its own capacity and as general partner of the Partnership, is authorized, empowered and directed to make any reasonable expenditures,

including, but not limited to, attorney's fees and costs necessary or required in conjunction with actions authorized by this resolution.

Section 9. 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 10. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

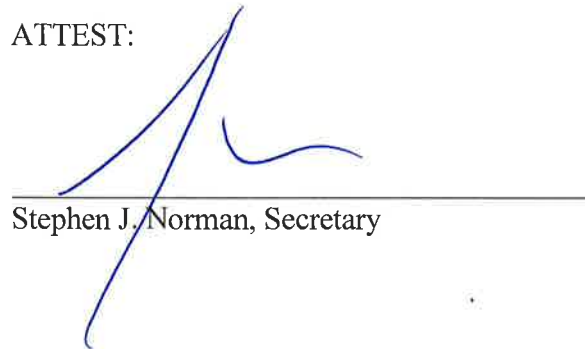
ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at an open public meeting this 21<sup>st</sup> day of July, 2014.

HOUSING AUTHORITY OF THE COUNTY OF KING



By: Douglas J. Barnes, Chair  
Board of Commissioners

ATTEST:



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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. 5474 (the "Resolution") is a full, 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 21, 2014, and duly recorded in the minute books of the Authority;

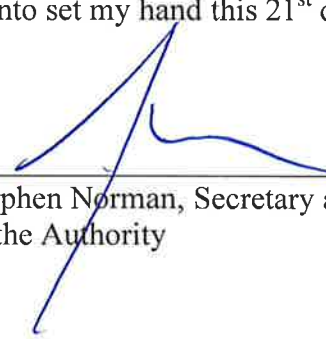
2. That written notice specifying the time and place of the special meeting and noting the business to be transacted was given to all members of the Board of Commissioners by mail, fax, electronic mail or personal delivery at least 24 hours prior to the special meeting, a true and complete copy of which 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 W., Tukwila, Washington 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 21<sup>st</sup> day of July, 2014.

  
\_\_\_\_\_  
Stephen Norman, Secretary and Executive Director  
of the Authority

CERTIFICATE

**APPENDIX 1**

**COPY OF SPECIAL MEETING NOTICE**





## **SPECIAL MEETING OF THE BOARD OF COMMISSIONERS**

**July 21, 2014, 8:30 am**

Joe Thomas Community Room - Wiley Center

9800 8<sup>th</sup> Avenue SW

Seattle, WA 98106

### **A G E N D A**

- I. Call to Order**
- II. Roll Call**
- III. Public Comment**
- IV. Approval of Minutes** - Board Meeting Minutes from June 16, 2014 **1**
- V. Approval of Agenda**
- VI. Consent Agenda**
  - A. Voucher Certification Report for May 2014 (General and Bond Properties) **2**
  - B. Resolution No. 5474: Authorizing the Transfer of Windsor Heights Project to the Authority Through the Acquisition of the Leasehold Interest of KCHA-Seatac Limited Partnership And/Or the Acquisition of the Interests of the Limited Partner of the Partnership by the Authority, the Assignment and Assumption by the Authority of the Obligations of the Partnership with Respect to the Project and Bonds Issued to Finance the Project, and Determining Related Matters **3**
  - C. Resolution No. 5475: Joint Interlocal Agreement for Research Services with Tacoma, Portland and Seattle Housing Authorities **4**
- VII. Resolutions for Discussion and Possible Action**
  - A. Resolution No. 5476: Authorizing the Disposition of Greenbridge West Bulk Parcel 3 by Negotiated Sale to BDR Homes, LLC **5**

- B. Resolution No. 5477: Authorizing the Executive Director of the Housing Authority of the County of King to Approve, Execute and Deliver all Documents relating to the Vantage Point Rental Housing Project, including but not limited to Limited Liability Company Documents, Line of Credit Documents, Housing Authority Loan Documents and HUD Documents **6**

**VIII. Briefings & Reports**

- A. New Bank Accounts **7**
- B. Second Quarter Write-Offs **8**
- C. Quarterly Procurement Report **9**
- D. Risk Management and Insurance Presentation **10**
- E. Executive Director's Report

**IX. Executive Session**

- A. To review the performance of a public employee per RCW 42.30110(g)

**X. Commissioner Comments**

**XI. Recess for Moving King County Forward (MKCRF) Board Meeting**

**XII. Reconvene at Conclusion of Moving King County Forward Board Meeting**

**XIII. Tour of West Bulk Parcel 3 (9737 10<sup>th</sup> Avenue SW, Seattle, WA 98106) and BDR building site (xx SW 97<sup>th</sup> St, Seattle, WA 98106)**

**XIV. Adjournment**

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Board Coordinator, Jessica Olives, in writing at 600 Andover Park West, Seattle, WA 98188 or by calling 206-574-1194 prior to the meeting date.

Next Regular Board Meeting Date:  
Monday, August 18, 2014

Amended July 17, 2014