

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5482

A RESOLUTION of the Housing Authority of the County of King authorizing the Authority to provide a loan to Plum Court Housing Associates LLC in an amount not to exceed \$825,000 for the purpose of financing the rehabilitation of the Plum Court Apartments in Kirkland, Washington (the "Project") and funding a reserve for the Project; authorizing the Authority to acquire an option to purchase the Project; directing appropriate officers of the Authority to negotiate, execute and deliver such documents as are useful for or necessary to the purposes of this resolution, and determining related matters.

ADOPTED September 15, 2014

*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 (the “County”); 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, Plum Court Housing Associates LLC, a Washington limited liability company (the “Seller”) owns certain real property located at 451 4<sup>th</sup> Avenue S. in Kirkland, Washington, comprised of an improved lot with a 66-unit apartment complex including seven residential buildings and a community building (the “Project”), which Project provides affordable rental housing for persons of low income in the County; and

WHEREAS, Downtown Action to Save Housing, a Washington nonprofit corporation (“DASH”) is managing member of the Seller and has applied to the Authority for financial

assistance in the principal amount of up to \$825,000 for the purpose of rehabilitating the Project;  
and

WHEREAS, the Authority desires to purchase an option to purchase the Project;

WHEREAS, the Authority has determined that the loan authorized herein and the Authority's acquisition of an option to purchase the Project is important for the feasibility of the Project and the preservation and affordability of housing for low-income persons residing within the County; and

WHEREAS, RCW 35.82.040 provides that a housing authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper;

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 to Seller. The Board approves the use of Authority funds to make a loan to the Seller in a principal amount not to exceed \$825,000 for the purpose of providing funds with which to finance repairs and improvements to the Project (including the replacement of equipment, fixtures and furnishings) and to fund a replacement reserve for the Project (the "Loan"), all as described in the Memorandum of Understanding to be executed by the Seller, DASH and the Authority (the "MOU") in substantially the form on file with the Executive Director of the Authority. The terms of the Loan shall be documented in a Rehabilitation Loan Agreement to be executed by and Authority and the Seller, a Promissory Note to be executed by the Seller in favor of the Authority, a Deed of Trust, Assignment Rents and Leases, Security Agreement and Fixture Filing to be executed by the Seller in favor of the Authority, and a Regulatory Agreement to be executed by the Seller and the Authority, all substantially in the forms on file with the Executive Director (collectively, the "Loan

Documents”). The terms of the Loan shall be as set forth in the MOU and the Loan Documents. The Executive Director of the Authority is authorized to further negotiate and enter into the MOU and the Loan Documents. The Board authorizes and directs the Executive Director of the Authority to do everything necessary for the negotiation, execution and delivery, on behalf of the Authority, of such documents as may be useful or necessary to the purpose of this Section 1, as determined by the Executive Director.

Section 2. Authorization Acquisition of Option. The Board approves the acquisition by the Authority of an option (the “Option”) to purchase the Project pursuant to an Option Agreement to be executed by the Seller and the Authority (the “Option Agreement”) in substantially the form on file with the Executive Director. The terms of the Option shall be as set forth in the MOU and the Option Agreement. The Executive Director of the Authority is authorized to further negotiate and enter into the Option Agreement. The Board authorizes and directs the Executive Director of the Authority to do everything necessary for the negotiation, execution and delivery, on behalf of the Authority, of such documents as may be useful or necessary to the purpose of this Section 2, as determined by the Executive Director.

Section 3. Expenditures. The Authority is authorized to expend such funds as are necessary to pay for costs relating to the actions authorized by this resolution, including, without limitation, the costs of a physical needs assessment for the Project and a portion of the legal fees associated with the preparation of the Option Agreement, as described in the MOU.

Section 4. Execution and Delivery of Additional Documents. The Executive Director is hereby directed, and granted the discretionary authority, to execute and deliver any and all notices and other certificates, documents, agreements and instruments that are necessary or

appropriate in his discretion to give effect to this resolution and to consummate the transactions contemplated herein.

Section 5. 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 the making of the Loan to the Seller, the acquisition of the Option and the purchase of the Project pursuant to the Option, or in order to give effect to this resolution and the transactions contemplated herein.

Section 6. 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.

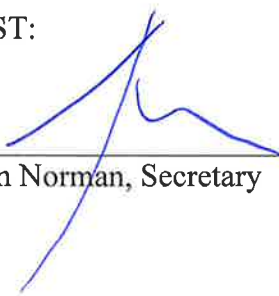
Section 7. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 8. 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 15<sup>th</sup> day of September, 2014.

HOUSING AUTHORITY OF THE COUNTY OF KING

By:   
Chair

ATTEST:  
  
Stephen 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. 5482 (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 September 15, 2014, and duly recorded in the minute books of the Authority;

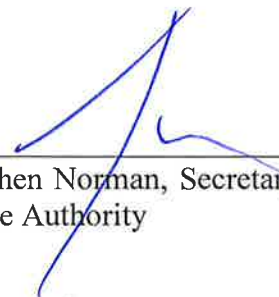
2. That written notice specifying the time and place of the special meeting and noting the business to be transacted was given to all members of the Board of Commissioners by mail, fax, electronic mail or personal delivery at least 24 hours prior to the special meeting, a true and complete copy of which 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 administrative office at 700 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 15<sup>th</sup> day of September, 2014.

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

CERTIFICATE

## APPENDIX I





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

**September 15, 2014, 8:30 a.m.**

Woodridge Park Apartments  
Woodridge New Futures Community Building  
12424 28<sup>th</sup> Avenue S, Burien, WA 98168

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

- I. Call to Order**
- II. Roll Call**
- III. Welcome**
- IV. Public Comment**
- V. Approval of Minutes - Board Meeting Minutes from August 18, 2014** 1
- VI. Approval of Agenda**
- VII. Consent Agenda**
  - A. Voucher Certification Report for July 2014 (General and Bond Properties) 2
  - B. Resolution No. 5481: Authorizing (i) the transfer of the Somerset Gardens Project to the Authority through the Acquisition of the Leasehold Interest of Limited 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 3