

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5498

(SUNSET AREA TRANSFORMATION PLAN HOUSING PROJECT)

A RESOLUTION of the Housing Authority of the County of King declaring its intention to sell bonds in an amount not to exceed \$42,000,000 to provide financing for the Sunset Area Transformation Plan Housing Project within King County, Washington, and determining related matters.

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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 35.82.070(18) provides that a housing authority may, among other things and if certain conditions are met, “make . . . loans for the acquisition, construction, reconstruction, rehabilitation, improvement, leasing or refinancing of land, buildings, or developments for housing for persons of low income”; 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, it is anticipated that one or more Washington limited partnerships or limited liability limited partnerships of which the Authority and/or the Housing Authority of the City of Renton will be general partner and/or one or more Washington limited liability companies of which the Authority and/or the Housing Authority of the City of Renton will be the sole member will be formed (collectively, the “Borrower”) to finance: (a) the construction of a 112-unit apartment complex to be known as the Edmonds Apartments and to be located at 1132 Edmonds Avenue in Renton, Washington, (b) the construction of a 56-unit apartment complex to be known as the Suncrest Homes and to be located at 2708 NE 10th Street in Renton, Washington, (c) the

construction of a 41-unit apartment complex to be known as the Sunset Terrace Apartments and to be located at 2601 Sunset Lane NE in Renton, Washington, and (d) the rehabilitation of a 53-unit apartment complex known as the Golden Pines Apartments, located at 2901 NE 10th Street in Renton, Washington, all as part of the Sunset Area Transformation Plan Housing Project, and all to provide housing for low-income persons (the “Project”), the estimated cost of which is not expected to exceed \$76,500,000; and

WHEREAS, the Authority anticipates that the Borrower will request that the Authority issue and sell its revenue bonds for the purpose of assisting the Borrower in financing the Project; and

WHEREAS, the Authority desires to provide such assistance, if certain conditions are met; and

WHEREAS, Treasury Regulations Section 1.103-8(a)(5) requires that, in order for expenditures for an exempt facility that are made before the issue date of bonds issued to provide financing for that facility to qualify for tax-exempt financing, the issuer must declare an official intent under Treasury Regulations Section 1.150-2 to reimburse any such expenditures from the proceeds of those bonds, and one of the purposes of this resolution is to satisfy the requirements of such regulations; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING, That:

Section 1. To assist in the financing of the Project, with the public benefits resulting therefrom, the Authority declares its intention, subject to the conditions and terms set forth herein, to issue and sell its revenue bonds or other obligations (the “Bonds”) in a principal amount of not to exceed \$42,000,000, and to reimburse itself or the Borrower, as applicable, from proceeds of the

Bonds for expenditures for the Project made by itself or the Borrower before the issue date of the Bonds.

Section 2. The proceeds of the Bonds will be used to assist in financing the Project, and may also be used to pay all or part of the costs incident to the authorization, sale, issuance and delivery of the Bonds.

Section 3. The Bonds will be payable solely from the revenues derived as a result of the Project financed by the Bonds, including, without limitation, amounts received under the terms of any financing document or by reason of any additional security furnished by or on behalf of the Borrower in connection with the financing of the Project, as specified by resolution of the Board of Commissioners of the Authority. The Bonds may be issued in one or more series, and shall bear such rate or rates of interest, payable at such times, shall mature at such time or times, in such amount or amounts, shall have such security, and shall contain such other terms, conditions and covenants as shall later be provided by resolution of the Board of Commissioners of the Authority.

Section 4. The Bonds shall be issued subject to the conditions that (a) the Authority, the Borrower and the purchaser of the Bonds shall have first agreed to mutually acceptable terms for the Bonds and the sale and delivery thereof and mutually acceptable terms and conditions of the loan or other agreement for the Project, and (b) all governmental approvals and certifications and findings required by laws applicable to the Bonds first shall have been obtained. The Executive Director of the Authority or his or her designee is authorized to seek an allocation of volume cap for the Bonds from the Washington State Department of Commerce.

Section 5. For purposes of applicable Treasury Regulations, the Authority and the Borrower are authorized to commence financing of the Project and advance such funds as may be necessary therefor, subject to reimbursement for all expenditures to the extent provided herein out of proceeds,

if any, of the issue of Bonds authorized herein. However, the adoption of this resolution does not constitute a guarantee that the Bonds will be issued or that the Project will be financed as described herein, or an endorsement of the Project by the Authority. The Board of Commissioners of the Authority shall have the absolute right to rescind this resolution at any time if it determines in its sole judgment that the risks associated with the issuance of the Bonds are unacceptable.

Section 6. It is intended that this resolution shall constitute a declaration of official intent to reimburse expenditures for the Project made before the issue date of the Bonds from proceeds of the Bonds, for the purposes of Treasury Regulations Sections 1.103-8(a)(5) and 1.150-2.

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at an open public meeting this 20th day of January, 2015.

HOUSING AUTHORITY OF THE COUNTY OF KING



Chair, Board of Commissioners

ATTEST:



Secretary-Treasurer and Executive Director

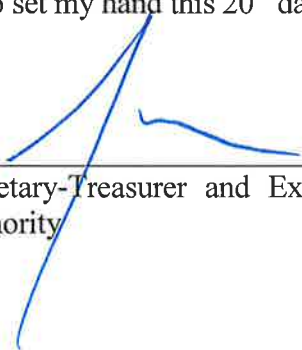
CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary-Treasurer 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 Resolution No. 5498 (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 January 20, 2015, 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 20th day of January, 2015.



Secretary-Treasurer and Executive Director of the
Authority