

ORDINANCE NO. 7439

AN ORDINANCE approving Resolution No. 85-8 and Resolution No. 85-12 of the Board of Directors of the King County Economic Enterprise Corporation adopted on August 8, 1985 and November 21, 1985 respectively.

PREAMBLE:

In accordance with the provisions of Ordinance No. 6628 passed on January 3, 1984, whereby the King County Council created the King County Economic Enterprise Corporation (the "Enterprise Corporation"), and in accordance with RCW 39.84.100(6), any agreement to issue bonds by the Enterprise Corporation must be approved by the King County Council and no issue of revenue bonds may be sold or delivered without a resolution of the King County Council approving the resolution of the Enterprise Corporation providing for the issuance of the revenue bonds.

On August 8, 1985, the Board of Directors of the Enterprise Corporation adopted Resolution No. 85-8 stating the intent of the Enterprise Corporation to issue not to exceed one million fifty thousand dollars of industrial development revenue bonds for the benefit of Northshore Building Company and on November 21, 1985 held a public hearing pursuant to 26 U.S.C. 103(k) (2) (B) and in conformity with Temp. Regs. §5f.103-2 and adopted Resolution No. 85-12 authorizing the issuance, sale and delivery of one million fifty thousand dollars of nonrecourse industrial development bonds for the benefit of Northshore Building Company.

BE IT ORDAINED BY THE KING COUNTY COUNCIL:

SECTION 1. Resolution No. 85-8 and Resolution No. 85-12 of the Board of Directors of the King County Economic Enterprise Corporation, and attached hereto as Exhibits A and B, respectively, and incorporated herein by reference, are each hereby approved.

INTRODUCED AND READ for the first time this 9th day of December 1985.

PASSED this 16th day of December 1985.

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

Barry Grant  
Chairman

ATTEST:

Janet M. Owens  
Clerk of the Council

APPROVED this 20th day of December, 1985.

Randy Wilson  
King County Executive

RESOLUTION NO. 85- 8

A RESOLUTION of the Board of Directors of the King County Economic Enterprise Corporation taking official action with respect to the issuance of its nonrecourse revenue bonds in the amount of \$1,050,000 to provide funds to finance the acquisition, construction, equipping and installation of warehousing and manufacturing facilities by Northshore Building Co.

WHEREAS, pursuant to Chapter 300, Laws of Washington 1981, codified as Chapter 39.84 RCW, as amended (the "Act"), Ordinance No. 6628 (the "Ordinance") of King County, Washington (the "County") and the Charter of the King County Economic Enterprise Corporation (the "Enterprise Corporation"), the Enterprise Corporation is authorized to issue its nonrecourse revenue bonds to finance industrial development facilities (as defined in the Act) under the conditions and limitations set forth in the Act; and

WHEREAS, Northshore Building Co., a Washington general partnership ("Northshore"), intends to undertake a project consisting of the acquisition, construction, equipping and installation of a building to be used for warehousing and for light manufacturing more fully described in Exhibit 1 hereto (the "Project") within the boundaries of the County, which Project constitutes an industrial development facility under the Act; and

WHEREAS, the Board of Directors of the Enterprise Corporation deems it advisable for the Enterprise Corporation (i) to issue its nonrecourse revenue bonds (the "Bonds") for the purpose of financ-

ing the Project and (ii) to enter into contracts and agreements with Northshore whereunder Northshore will provide money sufficient to pay the principal of, premium, if any, and interest on such Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the King County Economic Enterprise Corporation, as follows:

Section 1. It is hereby determined that (a) the acquisition, construction, equipping and installation of the Project and its operation as an industrial development facility; (b) the issuance of up to \$1,050,000 principal amount of the Bonds of the Enterprise Corporation to finance the costs of the Project, such costs presently estimated to be approximately \$1,050,000; and (c) the execution and delivery of such contracts and agreements with Northshore as are necessary to provide for the payment by Northshore of amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds, together with certain costs of the Enterprise Corporation, will all be in furtherance of the Act, the Ordinance and the Charter of the Enterprise Corporation.

Section 2. The Enterprise Corporation presently intends to authorize the issuance and sale of the Bonds pursuant to the provisions of the Act when and if requested to do so by Northshore and hereby expresses its present approval of such issuance and sale. This resolution is not intended to legally bind the Enterprise Corporation to authorize, issue or sell the Bonds.

Section 3. The authorization, issuance and sale of the Bonds by the Enterprise Corporation contained herein are subject to the following conditions:

(a) The Bonds shall be payable solely from money received from and security provided by Northshore;

(b) Northshore shall enter into such contracts or agreement with the Enterprise Corporation as shall be necessary to secure payment of the principal of, premium, if any, and interest on the Bonds as and when the same shall become due and payable;

(c) On or before two (2) years from the date hereof (or such later date as shall be mutually satisfactory to the Enterprise Corporation and Northshore) the Enterprise Corporation and Northshore shall have agreed to mutually acceptable terms and conditions of the contracts and agreements referred to in Paragraph (b) of this section;

(d) The Project is determined to be consistent with policies and objectives of the County, including but not limited to those policies and objectives set forth in the Ordinance;

(e) The Project and issuance of the bonds shall have received all required approvals; and

(f) The Enterprise Corporation shall have received a preliminary opinion of the Enterprise Corporation's Bond Counsel that the Bonds may be issued as tax-exempt obligations pursuant to the provisions of the federal Internal Revenue Code of 1954, as amended, and applicable regulations thereunder.

Section 4. The proper officials of the Enterprise Corporation are hereby authorized to take such further action as is necessary to carry out the intent and purposes hereof and to issue the Bonds upon the terms and conditions and for the purposes stated herein and in compliance with applicable provisions of law.

Section 5. It is intended that, as to the Project to be financed from the proceeds of the Bonds, this resolution shall constitute an official action of the Enterprise Corporation, including, without limitation, the "other similar official action" referred to in Paragraph 1.103-8(a)(5)(ii) and (iii) of the federal Income Tax Regulations.

ADOPTED by the Board of Directors of the King County Economic Enterprise Corporation this 8th day of August, 1985.

BOARD OF DIRECTORS  
KING COUNTY ECONOMIC  
ENTERPRISE CORPORATION

By   
President

ATTEST:

By   
Secretary

[ENTERPRISE CORPORATION SEAL]

EXHIBIT 1  
TO  
RESOLUTION NO. 85- 8

The Project consists of the acquisition and construction by Northshore Building Co. of a 40,500-square-foot building to be used for warehousing and light manufacturing. The building will include an increment of office space to support the other functions. The Project will require the acquisition and installation of new and existing utilities and other things necessary in connection with the foregoing general description. The Project is located at N.E. 190th and 145th N.E., Woodinville, in King County, Washington.

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RESOLUTION NO. 85-12

A RESOLUTION of the Board of Directors of the King County Economic Enterprise Corporation, authorizing the issuance and sale of its Revenue Bonds, Series 1985 (Northshore Building Company Project) in the principal amount of \$1,050,000; approving the documentation in connection with the issuance and sale of said bonds; appointing a trustee; and providing for other matters relating thereto.

WHEREAS, the Board of Directors (the "Board") of the King County Economic Enterprise Corporation (the "Enterprise Corporation") is authorized pursuant to RCW ch. 39.84, as amended (the "Act"), to issue and sell its nonrecourse revenue bonds for the purpose, among others, of financing the cost of constructing and installing qualified industrial development facilities; and

WHEREAS, the Enterprise Corporation is further authorized by the Act to make secured loans for the purpose of providing permanent financing of all or a part of the costs of any industrial development facility; and

WHEREAS, the Board adopted a resolution on August 8, 1985, taking official action with respect to the issuance of its non-recourse revenue bonds to provide funds to finance certain warehousing facilities in unincorporated King County, a qualifying industrial development facility under the Act (the "Project") by Northshore Building Company, a Washington general partnership; and

WHEREAS, the Board of Directors of the Issuer held an open public hearing on the issuance of said nonrecourse revenue bonds

and the Project on November 21, 1985, pursuant to notice published in the Seattle Times on November 7, 1985; and

WHEREAS, it appears to be in the best interests of the Enterprise Corporation and the Partnership to proceed with the financing of a portion of the costs of the Project through the issuance of a single issue of nonrecourse revenue bonds of the Enterprise Corporation; and

WHEREAS, the Daily Tax Free Income Fund, Inc. (the "Purchaser") has offered to purchase said bonds to be designated Revenue Bonds, Series 1985 (Northshore Building Company Project), in the principal amount of \$1,050,000 (the "Bonds"); and

WHEREAS, forms for the following documents relating to the Bonds and the loan of Bond proceeds have been prepared and submitted to the Board and are hereby directed to be filed with the Secretary of the Enterprise Corporation:

(a) A Loan Agreement (the "Loan Agreement"), to be dated as of November 1, 1985, proposed to be made and entered into between the Enterprise Corporation and the Partnership;

(b) A Trust Indenture (the "Indenture"), to be dated as of November 1, 1985, proposed to be made and entered into by the Enterprise Corporation and United States National Bank of Oregon, as Trustee (the "Trustee"), authorizing the issuance of and setting forth the terms and conditions of the Bonds, assigning the Enterprise Corporation's interest in the Loan Agreement and right to receive the Letter of Credit and the Standby Letter of Credit (as such terms are hereinafter defined), and setting forth the



proposed recitals, covenants and agreements of the parties with respect thereto;

(c) An Irrevocable Letter of Credit, to be issued by Seattle-First National Bank on the date of issuance of the Bonds (the "Letter of Credit Bank") to secure the payment of certain premium, if any, principal of and interest on the Bonds up to a maximum stated amount;

(d) An Irrevocable Standby Letter of Credit (the "Standby Letter of Credit"), to be issued by Bank of America National Trust and Savings Association (the "Standby Letter of Credit Bank") to secure the Letter of Credit;

(e) A Deed of Trust and Security Agreement (the "Deed of Trust") to be dated as of November 1, 1985 from the Partnership for the ratable benefit of the Enterprise Corporation and the Letter of Credit Bank;

(f) An Assignment of Leases and Cash Collateral (the "Assignment of Leases") dated as of November 1, 1985 from the Partnership for the ratable benefit of the Issuer and Letter of Credit Bank;

(g) A Bond Purchase Contract dated as of this date (the "Bond Purchase Contract") among the Enterprise Corporation, the Purchaser, and the Partnership providing for the sale and purchase of the Bonds;

(h) An Indemnification and Compensation Agreement (the "Indemnification and Compensation Agreement") dated as of November 1, 1985 between the Enterprise Corporation and the

Partnership, with respect to the payment of the fees of and the indemnification of the Public Corporation; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE KING COUNTY ECONOMIC ENTERPRISE CORPORATION, as follows:

Section 1: Findings of the Enterprise Corporation. The Board of Directors hereby finds as follows:

(a) The Project comprises properties which shall be an industrial development facility contemplated by and qualified under the Act;

(b) The financing of the Project, the issuance and sale of the Bonds, the execution and delivery of the Loan Agreement, the Indenture and the Bond Purchase Contract, and the performance of all covenants and agreements of the Public Corporation contained in the Loan Agreement, the Indenture and the Bond Purchase Contract and of all other acts and things required under the Constitution and laws of the State of Washington to make the Loan Agreement, the Indenture, the Bond Purchase Contract, and the Bonds valid and binding, limited obligations of the Enterprise Corporation in accordance with their terms, respectively, are authorized by the Act;

(c) The issuance and sale of the Bonds and the loan of the Bond proceeds by the Enterprise Corporation to the Partnership to pay a portion of the cost of the Project are in conformity with and satisfy the guidelines of the Enterprise Corporation with respect to industrial development facilities and bonds under the Act; and

(d) In reliance upon the receipt of a final approving legal opinion from Bond Counsel, Preston, Thorgrimson, Ellis & Holman, the Enterprise Corporation hereby finds and determines that the interest on the Bonds will be exempt from federal income taxation.

Section 2: Authorization and Approval of Documents. The Enterprise Corporation is hereby authorized to lend the proceeds of the Bonds to the Partnership to pay a portion of the costs of the Project and to pledge and assign the loan repayments and revenues therefrom and its interest in the Loan Agreement and the Deed of Trust, to the Trustee hereinafter appointed, all as provided in the Loan Agreement, the Indenture and the Bond Purchase Contract. The forms of the Loan Agreement, the Letter of Credit, the Standby Letter of Credit, the Deed of Trust, the Assignment of Leases, the Indenture and the Indemnification and Compensation Agreement are approved, subject to such modifications as are deemed appropriate and approved by the President of the Enterprise Corporation and bond counsel for the Enterprise Corporation, which approval shall be conclusively evidenced by execution and delivery of the Loan Agreement, the Indenture, the Bond Purchase Contract and the Indemnification and Compensation Agreement, by the President.

The Loan Agreement is hereby directed to be executed in the name and on behalf of the Enterprise Corporation by its President, but only to be delivered upon execution thereof by

the Partnership. The Indenture is directed to be executed in the name and on behalf of the Enterprise Corporation by the President, and delivered to the Trustee. The Indemnification and Compensation Agreement is directed to be executed in the name and on behalf of the Enterprise Corporation by the President, but only to be delivered upon execution thereof by the Partnership.

Section 3. Authorization of Bonds. In order to defray a portion of the cost of the Project, the Enterprise Corporation does hereby authorize the issuance, sale and delivery of the Bonds to be designated as the King County Economic Enterprise Corporation Revenue Bonds, Series 1985 (Northshore Building Company Project), to be issued in the aggregate principal amount of \$1,050,000 in the form set forth in the Indenture, pursuant to the terms stated therein, to be issued as fully registered bonds bearing interest from their date initially at the rate of 60% of the Prime Rate of Seattle-First National Bank, subject to the terms and conditions of the Indenture, payable on the dates provided for in the Indenture, and maturing on November 15, 2005 and subject to sinking fund, optional, special and extraordinary optional redemptions at such times and under such circumstances as are set forth in the Indenture and upon the other terms and provisions set forth in the Indenture which this Board hereby determines are necessary or desirable to protect the Issuer or increase the marketability of the Bonds.

Section 4. Sale of Bonds. The proposal of the Purchaser to purchase the Bonds pursuant to the Bond Purchase Contract is hereby accepted. The Bond Purchase Contract shall be executed in the name and on behalf of the Enterprise Corporation by the

President of the Board, but shall be delivered by the President only upon execution thereof by the Purchaser, and the Partnership.

Section 5. Execution and Delivery of Bonds. The President and Secretary of the Enterprise Corporation are authorized and directed to execute by manual or facsimile signatures and to deliver such Bonds to the Trustee hereinafter named for authentication and thereafter to deliver the Bonds to the Purchaser upon the simultaneous payment of the purchase price as specified in the Bond Purchase Contract.

Section 6. Appointment of Trustee. United States National Bank of Oregon is hereby designated as the Trustee (the "Trustee") for the Bonds. The Enterprise Corporation does request and authorize the Trustee on behalf of the Enterprise Corporation to authenticate the Bonds, and the President or Secretary is authorized to execute a formal request to authenticate for and on behalf of the Enterprise Corporation.

Section 7. Appointment of Remarketing Agent. Seattle-First National Bank is hereby approved as the Remarketing Agent for the Bonds in accordance with Section 10.09 of the Indenture to act in accordance with the terms of the Indenture.

Section 8. Further Documents and Certificates. The President and Secretary of the Enterprise Corporation are authorized and directed to execute any and all documents and do any and all things determined necessary in order to effect the accomplishment of the issuance, sale and delivery of the Bonds and to deliver the

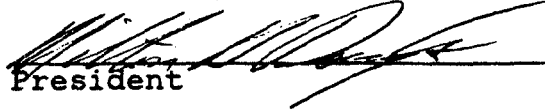
necessary documents to the proper parties as requested to carry out the intended purposes of this Resolution.

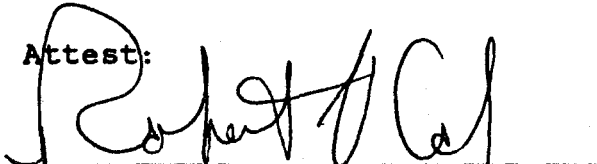
Robert V. Cowan, Secretary of the Enterprise Corporation is hereby appointed as the Authorized Representative of the Enterprise Corporation to execute documents on behalf of the Enterprise Corporation pursuant to the Indenture. Each other officer of the Enterprise Corporation is hereby appointed as an Alternate Authorized Representative.

Section 9. Limitations on Liability. Nothing contained in this Resolution nor in the Bonds, the Loan Agreement, the Indenture, the Indemnification and Compensation Agreement, the Bond Purchase Contract, nor any other instrument, shall be construed with respect to the Enterprise Corporation as incurring a pecuniary liability or charge upon the general credit of the Enterprise Corporation or against the taxing power of King County, nor shall the breach of any agreement contained in this Resolution, the Bonds, the Loan Agreement, the Indenture, the Bond Purchase Contract, or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Public Corporation, King County or any charge upon the general credit of the State of Washington or the taxing power of King County, or otherwise contribute any part of the costs of the Project or paying the Bonds, nor any power to operate the Project as a business.

ADOPTED by the Board of Directors of the King County Economic Enterprise Corporation this 21st day of November, 1985.

KING COUNTY ECONOMIC ENTERPRISE CORPORATION

  
President

Attest:  
  
Secretary