

October 4, 1994  
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INTRODUCED BY LOUISE MILLER

94 - 660

PROPOSED NO.

11584

ORDINANCE NO.

1  
2 AN ORDINANCE approving the issuance of in-  
3 dustrial revenue bonds by the King  
4 County Economic Enterprise Corporation  
5 for \$4,715,000, and approving Resolution  
6 No. 94-3 of the King County Economic Enter-  
7 prise Corporation authorizing the sale of  
8 bonds to provide funds to finance certain  
9 industrial development facilities for Mackie  
10 Holdings Limited Liability Corporation in  
11 the City of Woodinville, King County,  
12 Washington, and related matters; and ap-  
13 proving execution and delivery by the King  
14 County Economic Enterprise Corporation of  
15 a Bond Purchase Contract.

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PREAMBLE:

King County Economic Enterprise Corporation (the "Issuer") is authorized and empowered by the provisions of Chapter 30, Laws of 1981 of the State of Washington (Chapter 39.84 RCW) (the "Act"), to issue nonrecourse revenue bonds for the purpose of facilitating economic development and employment opportunities and financing all or part of the cost of acquiring, expanding and equipping industrial development facilities in the City of Woodinville, King County, Washington.

In order to facilitate economic development and employment opportunities in King County, Mackie Holdings Limited Liability Corporation, (the "Company"), intends to construct certain industrial development facilities (the "Project") in King County.

Upon the request of the Company and after due consideration of the construction and financing of the Project as promoting the purposes of the Act and the public purposes of the Issuer, the Issuer by Resolution No. 94-3 proposes to issue and sell its revenue bonds in the principal amount of \$4,715,000 pursuant to the provisions of the Act for the purpose of assisting in financing the costs of the Project.

The City of Woodinville, which exercises planning jurisdiction over the area in which the Project is located, by resolution, has approved the financing of the Project by the Issuer.

King County is the municipality under whose auspices the Issuer was created pursuant to the provisions of the Act.

Section 39.84.060 of the Act requires the Issuer to obtain the approval of King County prior to issuing its bonds, and Section 39.84.100(6) of the Act requires King County to approve by ordinance any agreement by the Issuer to issue bonds and further requires that King County specifically approve the resolutions of the Issuer providing for the issuance of the bonds no more than sixty days before the date of the sale of the bonds.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. APPROVAL OF BONDS. The county approves the issuance and sale by the Issuer of its nonrecourse industrial revenue bonds or other

1 obligations (the "Bonds") pursuant to the provisions of the Act and further  
2 specifically approves Resolution No. 94-3 of the Issuer providing for the  
3 issuance of its Bonds in the principal amount of \$4,715,000 to assist in  
4 financing the cost of the Project, together with the costs incident to the  
5 authorization, sale, issuance and delivery of the Bonds.

6 SECTION 2. APPROVAL OF BOND PURCHASE CONTRACT. The county approves the  
7 execution and delivery by the Issuer of the Bond Purchase Contract by and  
8 among the Issuer, the Company, as the user of the Project, and U. S. Bank, as  
9 the purchaser of the Bonds. The Issuer may make or approve such additions,  
10 modifications and deletions in such Bond Purchase Contract and the Exhibits  
11 thereto, and such other certificates and documents required thereby as are  
12 deemed by the Issuer not to be inconsistent with the purpose of this ordinance  
13 and in substantial conformity with the documents hereby approved and as may be  
14 reasonable and necessary to facilitate the issuance and sale of the Bonds and  
15 the loan of the proceeds thereof to the Company and the accomplishment of any  
16 matters related thereto.

17 INTRODUCED AND READ for the first time this 17<sup>th</sup> day of  
18 October, 1994

19 PASSED by a vote of 10 to 0 this 5<sup>th</sup> day of December, 1994.

20 KING COUNTY COUNCIL  
21 KING COUNTY, WASHINGTON

22 Kent Pullen  
23 Chair

24 ATTEST:

25 Gerald A. Peterson  
26 Clerk of the Council

27 APPROVED this 15<sup>th</sup> day of December, 1994

28 Tommy Locke  
29 King County Executive

30 Attachment A:  
31 Resolution No. 94-3

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11584

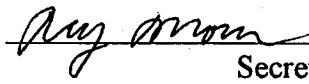
CERTIFICATE

I, the undersigned, Secretary of the Board of Directors (the "Board") of the King County Economic Enterprise Corporation (the "Enterprise Corporation"), DO HEREBY CERTIFY:

1. That the attached Resolution No. 94-3 (the "Resolution") is a true and correct copy of a resolution of the Enterprise Corporation as adopted at a special meeting of the Board held on October 5, 1994.

2. That said 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 legal quorum was present throughout the meeting and a legally sufficient number of members of the Board 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 and affixed the official seal of the King County Economic Enterprise Corporation this 5th day of October, 1994.

  
Secretary

[SEAL]

## RESOLUTION NO. 94-3

11584

A RESOLUTION of the Board of Directors of the King County Economic Enterprise Corporation authorizing the issuance and placement of its Variable Rate Demand Revenue Bonds, 1994 (Mackie Holdings, L.L.C., Inc. Project) in the principal amount of not to exceed \$4,715,000; approving the documentation in connection with the issuance of said bonds; appointing a trustee; and providing for other matters relating thereto.

WHEREAS, on September 26, 1994, the Board of Directors of the King County Economic Enterprise Corporation (the "Enterprise Corporation") approved Resolution No. 94-2, taking official action toward issuance and sale of its nonrecourse revenue bonds in the principal amount of not to exceed \$4,715,000 for the purpose of financing certain industrial development facilities described therein (the "Project") by Mackie Holdings, L.L.C., Inc. (the "Company"); and

WHEREAS, on this date, the Enterprise Corporation held an open public hearing on the issuance of said nonrecourse revenue bonds pursuant to notice published in the Seattle Times on September 20, 1994;

WHEREAS, forms for the following documents ("Loan Documents") relating to the proposed issue of bonds and the loan of bond proceeds have been prepared and submitted to this Board in substantially the form attached hereto and are hereby directed to be filed with the Secretary of the Board:

(a) A Loan Agreement (the "Loan Agreement"), to be dated as of November 1, 1994, proposed to be made and entered into between the Enterprise Corporation and the Company;

(b) An Indenture of Trust (the "Indenture") to be dated as of November 1, 1994, proposed to be made and entered into between the Enterprise Corporation and First Trust Washington of Seattle, Washington as trustee (the "Trustee"), authorizing the issuance of and setting forth the terms and conditions of the said nonrecourse revenue bonds, assigning the

Enterprise Corporation's interest in the Loan Agreement, and setting forth the proposed recitals, covenants and agreements of the parties with respect thereto;

(c) A Placement Agent Agreement (the "Placement Agent Agreement") to be dated as of the date of closing, proposed to be made and entered into between and among U.S. Bank of Washington, National Association (the "Placement Agent"), the Company and the Enterprise Corporation;

(d) An Indemnification and Compensation Agreement to be dated as of November 1, 1994, proposed to be made and entered into between the Enterprise Corporation and the Company (the "Indemnification and Compensation Agreement");

(e) An Placement Memorandum to be circulated by the Placement Agent to prospective purchasers of the Bonds; and

WHEREAS, pursuant to the foregoing Loan Documents, the Enterprise Corporation hereby determines that the issuance of its Variable Rate Demand Revenue Bonds, 1994 (Mackie Holdings, L.L.C., Inc. Project) in the aggregate principal amount of not to exceed \$4,715,000, (the "Bonds"), is in the public interest and consistent with the Act; and

WHEREAS, the Board has been advised that the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by U.S. Bank of Washington, National Association, Seattle, Washington;

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 hereby finds as follows:

(a) Financing the Project as described more fully in Resolution No. 94-2, the issuance and sale of the Bonds, the execution and delivery of the Loan Agreement, the Indenture, the Placement Agent Agreement and the Indemnification and Compensation Agreement, and the performance of all covenants and agreements of the Enterprise Corporation contained in the Loan Agreement, the Indenture, the Placement Agent Agreement and the Indemnification and

Compensation Agreement and all other acts and things required under the Constitution and laws of the State of Washington to make the Loan Agreement, the Indenture, the Placement Agent Agreement, the Indemnification and Compensation Agreement and the Bonds valid and binding, limited obligations of the Enterprise Corporation enforceable against the Enterprise Corporation in accordance with their terms, respectively, are authorized by the Act;

(b) The issuance and sale of the Bonds and the loan of the Bond proceeds by the Enterprise Corporation to the Company to finance the Project are in conformity with and satisfy the guidelines of the Enterprise Corporation with respect to the issuance of nonrecourse revenue bonds under the Act;

(c) The Enterprise Corporation hereby elects to have the provisions of Section 144(a)(4)(A) of the Internal Revenue Code of 1986 apply with respect to the Bonds, in order that the Bonds be issued as a qualified exempt small issue in excess of \$1,000,000; and

(d) In reliance upon delivery of an approving legal opinion from Bond Counsel, Preston Gates & Ellis, the Board hereby finds and determines that the interest on the Bonds will be exempt from income taxation by the federal government, subject to certain customary exceptions.

Section 2. Authorization and Approval. The Enterprise Corporation is hereby authorized to lend the proceeds of the Bonds to the Company to finance the Project and to pledge and assign the loan repayments and revenues therefrom and its interest in the Loan Agreement to the Trustee hereinafter appointed, all as provided in the Loan Agreement and the Indenture. The forms of the Loan Agreement, the Indenture, the Placement Agent Agreement, the Bonds and the Indemnification and Compensation Agreement are approved subject to such modifications as are deemed appropriate and approved by the President of the Board of Directors and counsel for the Enterprise Corporation, which approval shall be conclusively evidenced by execution and delivery of the Loan Agreement, the Indenture, the Placement Agent Agreement, the Indemnification and Compensation Agreement, and the Bonds by the President or Vice President and Secretary of the

Board as therein required. The Loan Agreement is hereby directed to be executed in the name and on behalf of the Enterprise Corporation by the President or Vice President and Secretary of the Board, but only to be delivered upon execution thereof by the Company. The Indenture is directed to be executed in the name and on behalf of the Enterprise Corporation by the President or Vice President and Secretary of the Board, 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 or Vice President, but only to be delivered upon execution thereof by the Company.

Section 3. Authorization of Bonds. To finance the Project, the Enterprise Corporation does hereby authorize the issuance, sale and delivery of the Bonds, in the aggregate principal amount of not to exceed \$4,715,000, in the form set forth in the Indenture, pursuant to the terms set forth therein.

Section 4. Placement of Bonds. The proposal of the Placement Agent to place the Bonds pursuant to the Placement Agent Agreement at a price of par plus accrued interest, if any, is hereby accepted. The Placement Agent Agreement shall be executed in the name and on behalf of the Enterprise Corporation by the President or Vice President of the Board, but shall be delivered only upon execution thereof by the Company and the Placement Agent.

Section 5. Execution and Delivery of Bonds. The President or Vice President and Secretary of the Board of Directors of the Enterprise Corporation are authorized and directed to execute by facsimile or manual signatures for and on behalf of the Enterprise Corporation the Bonds as provided in the Indenture and to deliver such Bonds to the Trustee hereinafter named for authentication and thereafter to deliver the Bonds to the purchasers upon the simultaneous payment of the purchase price as specified in the Placement Agent Agreement.

Section 6. Appointment of Trustee. First Trust Washington of Seattle, Washington is hereby designated as Trustee for the Bonds and further as the paying agent 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 the Vice President of the Board is authorized to execute a formal request to authenticate for and on behalf of the Enterprise Corporation.

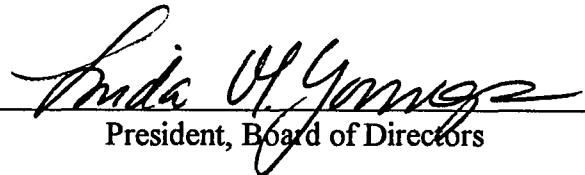
Section 7. Further Documents and Certificates. The President, Vice President, Secretary and such other officers of the Enterprise Corporation as may be appropriate, are authorized and directed to execute any and all documents and do any and all things determined necessary to effect the accomplishment of the issuance, placement 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.

Section 8. Limitations on Liability. Nothing contained in this resolution nor in the Bonds, the Loan Agreement, the Indenture, the Placement Agent Agreement, nor any other instrument, shall be construed with respect to the Enterprise Corporation or King County (the "County") as incurring a pecuniary liability or charge upon the general credit of the Enterprise Corporation or the County or against the taxing power of the County, nor shall the breach of any agreement contained in this resolution, the Bonds, the Loan Agreement, the Indenture, the Placement Agent Agreement, or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Enterprise Corporation or the County or any charge upon the general credit of the County or the taxing power of the County.

ADOPTED by the Board of Directors of the King County Economic Enterprise Corporation this 5th day of October, 1994.

KING COUNTY ECONOMIC ENTERPRISE  
CORPORATION

By

  
President, Board of Directors

ATTEST:

  
Secretary, Board of Directors