

December 5, 1984

INTRODUCED BY: **PAUL BARDEN**

PROPOSED NO. 84-735

ORDINANCE NO. 7067

AN ORDINANCE approving Resolution No. 84-10 and Resolution No. 84-17 of the Board of Directors of the King County Economic Enterprise Corporation adopted on September 7, 1984 and December 3, 1984 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 RCW 39.84.100(6), any agreement to issue revenue bonds by the Enterprise Corporation must be approved by the King County Council.

The Board of Directors of the Enterprise Corporation at a meeting on September 7, 1984 adopted Resolution No. 84-10 stating the intent of the Enterprise Corporation to issue approximately \$2,700,000 of industrial development revenue bonds for the benefit of Arensberg Investments, a partnership, and at a meeting on November 16, 1984 held a public hearing pursuant to 26 U.S.C. §103(k)(2)(B) and on December 3, 1984 adopted Resolution No. 84-17 authorizing the issuance, sale and delivery of \$2,500,000 of nonrecourse industrial development revenue bonds for the benefit of Arensberg Investments, a partnership.

BE IT ORDAINED BY THE KING COUNTY COUNCIL:

SECTION 1. Resolution No. 84-10 and Resolution No. 84-17 of the Board of Directors of the King County Economic Enterprise Corporation, and attached hereto as Exhibit A and Exhibit B, respectively, and incorporated herein by reference, are each hereby approved.

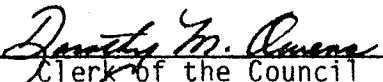
INTRODUCED AND READ for the first time this 10th day of December, 1984.

PASSED this 17th day of December, 1984.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Chairman

ATTEST:


Clerk of the Council

APPROVED this 18th day of December, 1984.

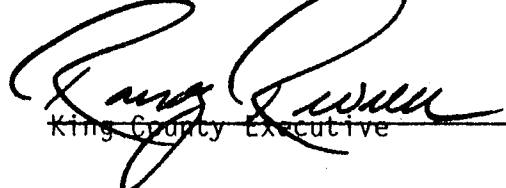

King County Executive

EXHIBIT A

RESOLUTION NO. 84-10

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 \$2,700,000 to provide funds to finance the acquisition, construction and installation of warehousing facilities for automobile parts and supplies for Arensberg Investments, a partnership.

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, Arensberg Investments, a Washington general partnership (the "Partnership"), intends to undertake a project consisting of the acquisition, construction and installation of warehousing facilities for automobile parts and supplies, 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

financing the Project and (ii) to enter into contracts and agreements with the Partnership whereunder the Partnership 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 and installation of the Project and its operation as an industrial development facility; (b) the issuance of up to \$2,700,000 principal amount of the Bonds of the Enterprise Corporation to finance the costs of the Project, and (c) the execution and delivery of such contracts and agreements with the Partnership as are necessary to provide for the payment by the Partnership 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 the Partnership 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 the Partnership;

(b) The Partnership shall enter into such contracts and agreements 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 date hereof (or such later date as shall be mutually satisfactory to the Enterprise Corporation and the Partnership) the Enterprise Corporation and the Partnership 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 7th day of September 1984

BOARD OF DIRECTORS
KING COUNTY ECONOMIC ENTERPRISE
CORPORATION

Paul S. Izumi
President

ATTEST:

Robert V. Cal
Secretary

(ENTERPRISE CORPORATION SEAL)

EXHIBIT 1 TO RESOLUTION NO. 84-10

Project Description

The Project consists of the acquisition of land and the construction and installation of a 112,000 square foot warehouse facility and related equipment for the warehousing of automotive parts to be located in Renton, Washington.

RESOLUTION NO. 84-17

A Resolution of the Board of Directors of the King County Economic Enterprise Corporation, authorizing the making of a loan to Arensberg Investments for the purpose of financing the acquisition, construction, equipping and installation of industrial development facilities; authorizing the issuance of a non-recourse Revenue Bond, Series 1984 (Arensberg Investments Project) of the Corporation in the principal amount of \$2,500,000 to fund said loan; approving the form of Loan Agreement, Bond, Assignment, Bond Purchase Contract and Indenture of Trust; and authorizing the execution of all of the foregoing and such other documents as may be necessary for the issuance and sale of the Bond and the closing of the loan; and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution.

WHEREAS, the King County Economic Enterprise Corporation (the "Corporation"), is authorized by Ch. 39.84 RCW (the "Act"), to issue nonrecourse revenue bonds for the purpose of providing funds to make secured loans to finance or refinance the acquisition, construction, improvement or equipping of an "industrial development facility" as defined in the Act; and

WHEREAS, any bonds issued to provide funds for the making of such loan or loans must be payable solely from the revenues received by the Corporation from the repayment of such loans and from the proceeds of the security provided for repayment of such loans, and such bonds shall never be construed to constitute an indebtedness of the State or of King County (the "County") or any other political subdivision, municipal corporation or quasi

municipal corporation within the meaning of any constitutional or statutory provisions whatsoever; and

WHEREAS, the Corporation adopted Resolution No. 84-10 on September 7, 1984 giving preliminary approval of a loan to Arensberg Investments (the "Partnership") to assist in the financing of the acquisition, construction, equipping and installation of land and a warehouse facility for the storage and distribution of automotive parts and supplies (the "Project Facilities") by the Partnership; and

WHEREAS, the Partnership has requested that the Corporation now issue and sell its Revenue Bond, Series 1984 (Arensberg Investments Project) in the aggregate principal amount of \$2,500,000 (the "Bond"), for the purpose of making a loan to the Partnership to finance and refinance all or a portion of the costs of the Project Facilities; and

WHEREAS, the Corporation and the Partnership have agreed to enter into a Loan Agreement (the "Loan Agreement") dated as of December 1, 1984, pursuant to which the Corporation will lend to the Partnership the proceeds of the Bond under the terms and conditions stated therein; and

WHEREAS, the Corporation, contemporaneously with the delivery of the Loan Agreement, will sell the Bond to Daily Tax Free Income Fund, Inc. (the "Purchaser"), and the Purchaser will purchase the Bond; and

WHEREAS, the Corporation, contemporaneously with the issuance, execution and delivery of the Bond, will assign and pledge

substantially all of its rights in the Loan Agreement and the Assignment of Lease and other security to California First Bank (the "Trustee") pursuant to an Indenture of Trust dated as of December 1, 1984 between the Corporation and the Trustee (the "Indenture"); and

WHEREAS, Seattle-First National Bank will execute a standby letter of credit dated as of the date of closing on the Bond in favor of the Trustee as further security for payment of the Bond; and

WHEREAS, Bank of America National Trust and Savings Association will also issue a standby Letter of Credit in support of the Letter of Credit from Seattle-First National Bank in favor of the Trustee.

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

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents presented to the Secretary of the Corporation: The Bond Purchase Contract between the Corporation, the Partnership, the Purchaser and Seattle-First National Bank, (the "Bond Purchase Contract"), the Indenture and the Loan Agreement.

Section 2. Findings. The Corporation finds and determines that it will be in furtherance of the purposes of the Act and the Corporation for the Corporation: (i) to lend the Partnership \$2,500,000 for the purpose of financing the Project Facilities;

(ii) to issue and sell its \$2,500,000 Revenue Bond, Series 1984 (Arensberg Investments Project) under the terms and conditions set forth in this resolution, the Bond Purchase Contract, the Loan Agreement and the Indenture and to use the proceeds of such sale to fund the loan to the Partnership; (iii) to enter into the Loan Agreement to evidence the Partnership's obligation to repay said loan as provided therein; and (iv) to assign and pledge the Corporation's interest in the Loan Agreement (other than with respect to costs and indemnification which will not be assigned and pledged) to the Trustee pursuant to the Indenture to secure payment of the Bond. In reliance upon delivery by Bond Counsel of its approving legal opinion, the Corporation hereby finds that the interest on the Bond will be exempt from federal income taxation.

Section 3. Authorization of Bond. The Corporation hereby authorizes the issuance and sale of its nonrecourse revenue bond to be designated "The King County Economic Enterprise Corporation Revenue Bond, Series 1984 (Arensberg Investments Project) in the principal amount of \$2,500,000 pursuant to and in accordance with the provisions of the Act, the Code, the Indenture, the Bond Purchase Contract and the Loan Agreement.

Section 4. Approval of Documents. The Indenture, Bond Loan Agreement, Bond Purchase Contract, and Assignment are hereby approved in substantially the form presented on this date to the Corporation. The Corporation hereby authorizes the President and Secretary of the Corporation to execute such documents and any other necessary documents or certificates on its behalf and do all

things necessary on its behalf to proceed with the issuance, sale and delivery of the Bond as authorized herein. The President and Secretary are authorized to approve such changes in these documents or other documents as may be required as are recommended by counsel to the Corporation that are consistent with and which do not substantially change such documents as presented on this day to the Corporation.

Section 5. Sale of the Bonds. The Corporation hereby approves the sale of the Bond to Daily Tax-Free Income Fund, Inc. pursuant to the terms and conditions of the Bond Purchase Contract submitted to the Corporation on this day. The Corporation hereby delegates to the President the authority to execute the Bond Purchase Contract on its behalf.

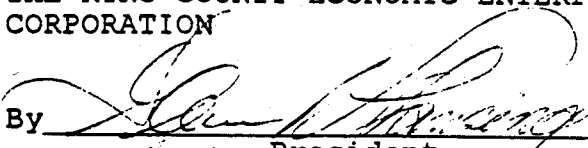
Section 6. Appointment of Trustee. California First Bank, a financial institution having the powers of a trust Company, with its main corporate head office in San Diego, California (the "Trustee"), is hereby authorized to act as trustee with respect to the Bond pursuant to the terms and provisions of the Indenture.

Section 7. Effective Date. This resolution shall become effective immediately after its adoption and signature by the President and attestation by the Secretary of the Corporation.

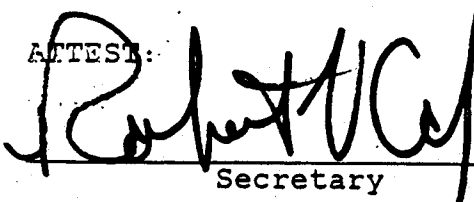
ADOPTED at a special meeting duly noticed and called this
3rd day of December, 1984.

THE KING COUNTY ECONOMIC ENTERPRISE
CORPORATION

By


Acting President

ATTEST:


Secretary

APPROVED AS TO FORM:

General Counsel