

RESOLUTION - 3466

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND, WASHINGTON APPROVING THE PROPOSAL OF THE KING COUNTY ECONOMIC ENTERPRISE CORPORATION TO FINANCE CERTAIN INDUSTRIAL DEVELOPMENT FACILITIES TO BE LOCATED IN THE CITY OF KIRKLAND.

WHEREAS, the King County Economic Enterprise Corporation has proposed pursuant to its Resolution No. 88-1, a copy of which is attached hereto as Exhibit A, to issue nonrecourse industrial development revenue bonds to finance the cost of acquiring, expanding, and equipping certain industrial development facilities (the Project") for Acro Tech, Inc., located in the City of Kirkland, Washington (the "City"); and

WHEREAS, Chapter 300 of the Laws of 1981 of the State of Washington (Chapter 39.84 RCW) requires that such a proposal to issue nonrecourse industrial development revenue bonds be approved by the City inasmuch as the City exercises planning jurisdiction over the area in which the Project is located; and

WHEREAS, the City Council of the City finds that all City planning requirements for the Project have been or reasonably may be expected to be satisfied and that the financing of the Project should be approved under RCW 39.84.060; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KIRKLAND, WASHINGTON, that the financing of the Project as proposed by the King County Economic Enterprise Corporation in its Resolution No. 88-1 is hereby approved.

ADOPTED by the City Council and APPROVED by the Mayor of the City of Kirkland, Washington, at a regular open public meeting thereof, this 19th day of July, 1988.

CITY OF KIRKLAND, WASHINGTON

*Lois Cooper*  
Mayor

ATTEST:

*Janice J Perry*  
City Clerk

FORM APPROVED:

*Raymond*  
City Attorney

I, JANICE PERRY, City Clerk of the City of Kirkland, Washington, certify that the attached copy of Resolution No. R-3466 is a true and correct copy of the original resolution adopted at a regular open public meeting of the City Council on the 19th day of July, 1988, as that resolution appears on the Minute Book of the City.

DATED this 19th day of July, 1988.

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JANICE PERRY, City Clerk

PL211/DC:cw

## EXHIBIT A

## RESOLUTION NO. 88-1

A RESOLUTION of the King County Economic Enterprise Corporation declaring its intention to sell bonds to provide funds to finance an industrial development facility for Acro Tech, Inc., within King County, Washington, and determining related matters.

WHEREAS, the King County Economic Enterprise Corporation (the "Issuer") is authorized and empowered by the provisions of Chapter 300, Laws of 1981 of the State of Washington (Chapter 39.84 RCW) (the "Act"), to issue nonrecourse revenue bonds for the purposes of facilitating economic development and employment opportunities and financing all or part of the cost of acquiring and constructing industrial development facilities within King County, Washington; and

WHEREAS, in order to facilitate economic development and employment opportunities within King County (the "County"), Acro Tech, Inc. (the "Company"), intends to acquire, expand and equip an industrial development facility (the "Project") in the City of Kirkland, King County, Washington, a description and estimated cost of which are contained in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the Company has requested the Issuer to issue and sell its revenue bonds pursuant to the provisions of the Act for the purpose of assisting in financing the costs of the Project; and

WHEREAS, the Issuer desires to assist the Company by issuing and selling nonrecourse revenue bonds and lending the bond proceeds to the Company to assist in paying a portion of the costs of the Project, thereby promoting economic development and employment opportunities within the County and the State of Washington; and

WHEREAS, it is considered essential that the Project be completed at the earliest practicable date, but the Company wishes to acquire, expand and equip the Project only after receiving satisfactory assurances from the Issuer that, subject to the conditions stated herein, the proceeds from the sale of revenue bonds of the Issuer will be lent to the Company to assist in financing the Project; and

WHEREAS, the Issuer considers that the acquisition, expansion and equipping of the Project, and the financing of the same, will promote the purposes of the Act and the public purposes of the Issuer; and

WHEREAS, Treasury Regulations Section 1.103-8(a)(5), adopted under Section 103 of the Internal Revenue Code of 1986, as amended, requires that, in order for interest on qualified small issue bonds to be exempt from federal income taxation, the issuer of those bonds must adopt a bond resolution with respect to those bonds or take some other similar official action toward the issuance of those bonds prior to the acquisition of the

Project being financed with the proceeds of those bonds, and one of the purposes of this resolution is to satisfy the requirements of that regulation; NOW, THEREFORE,

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

Section 1. The acquisition and expansion of the Project within the County and the State of Washington will result in significant benefits to the County and the State, will contribute to the alleviation of unemployment in the County and the State, will have a favorable impact upon the economy of the County and the State and will promote the welfare of the citizens of the County and the State.

Section 2. To assist in the acquisition, expansion and equipping of the Project, with the public benefits resulting therefrom, the Issuer, subject to the conditions stated in Section 5, will issue and sell its nonrecourse revenue bonds or other obligations (the "Bonds") pursuant to the provisions of the Act in a principal amount of not to exceed \$2,750,000 to assist in financing the cost of the Project described in Exhibit A together with the costs incident to the authorization, sale, issuance and delivery of the Bonds.

Section 3. The proceeds of the Bonds will be used to assist in financing the acquisition, expansion and equipping of the Project.

Section 4. The Bonds will be payable solely from both 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 the Company in connection with the financing of the Project, and, if necessary, from money and other property received from other private sources. The Bonds shall bear such rate or rates of interest, shall be 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 later shall be provided by the Board of Directors of the Issuer.

Section 5. The Bonds shall be issued subject to the conditions that (a) the Issuer, the Company 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, (b) all governmental approvals and certifications and findings required by the Act and other laws applicable to the Bonds first shall have been obtained, including but not limited to the approval of the City of Kirkland as planning jurisdiction as required by the Act, and (c) the Company shall have agreed pursuant to the Issuer's form of Indemnification and Compensation Agreement to reimburse the Issuer for all fees and costs incurred by the Issuer in connection with or by reason of the

financing of the Project and to pay such other reasonable expenses of the Issuer or the County in enabling this financing to be accomplished.

Section 6. The Company may commence acquisition of the Project and advance such funds as may be necessary therefor, subject to reimbursement for all expenditures to the extent provided herein and only out of proceeds, if any, of the issue of Bonds herein authorized. However, the passage of this resolution does not constitute a guarantee by the Issuer that the Bonds will be issued or that the Project will be financed as described herein.

Section 7. It is intended that this resolution shall constitute "some other similar official action" toward the issuance of the Bonds within the meaning of Section 1.103-8(a)(5) of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended.

Section 8. This Resolution shall take effect immediately upon its passage. However, this Resolution shall cease to be effective 12 months after the date of its adoption unless, prior thereto, the Issuer adopts a further resolution extending the effective date of this Resolution, which Issuer will do only after receiving a request for such action from the Company, accompanied by an explanation of the reason why the Project has not proceeded prior to the date of that letter.

PASSED AND ADOPTED this 11th day of May, 1988, by the following vote.

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAINING: \_\_\_\_\_

\_\_\_\_\_  
President

ATTEST:

By \_\_\_\_\_

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I, \_\_\_\_\_, Secretary of the King County Economic Enterprise Corporation, certify that the attached copy of Resolution No. \_\_\_\_ is a true and correct copy of the original resolution adopted at a regular open public meeting of the Board of the Corporation on the 5th day of May, 1988, as that resolution appears on the Minute Book of the Corporation.

DATED this \_\_\_\_\_ day of May, 1988.

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## EXHIBIT A

The acquisition and expansion of an approximately 70,000 SF aerospace and aircraft component manufacturing facility in Kirkland, King County, Washington; acquisition and installation of certain additional manufacturing equipment; and, subject to applicable limitations imposed by the Internal Revenue Code of 1986, as amended, financing costs of issuance of the Bonds. The estimated cost of the Project is \$2,750,000.

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