



**Minutes of the Special Meeting
of the Board of Commissioners of the
Housing Authority of the City of Everett**

October 20, 2014

Meeting Called to Order

The Special meeting of the Board of Commissioners of the Housing Authority of the City of Everett was called to order by Vice-Chair Michele Rastovich, at 12:05 p.m. on Monday, October 20, 2014, at the Authority's main office, 3107 Colby Avenue, Everett, Washington.

Commissioners Present at Roll Call:

Vice Chair Michele Rastovich
Commissioner Todd Taylor
Commissioner Maddy Metzger-Utt (via teleconference)
Commissioner John Mierke (via teleconference)

Commissioners Absent:

Chair Lyle Ryan
Commissioner George Perez, Jr.

Also in attendance:

Staff:

Ashley Lommers-Johnson, Executive Director
Rick Dorris, Assistant Executive Director/Director of Development and Acquisitions
Teena Ellison, Director of Resident Services
Steve Yago, Director of Housing Management
Mike Brown, Development and Acquisitions Coordinator
Katie Ulvestad, Executive and Development Assistant

Guests:

Jeff Nave, Attorney (via teleconference)

Items for Individual Consideration

Resolution No. 1376 Authorizing the Executive Director to Enter into a Loan Agreement with Banner Bank for the Purchase of Meadows I Senior Apartments, Meadows II Senior Apartments, and Lake Woods II Senior Apartments from Senior Services of Snohomish County

Executive Director Ashley Lommers-Johnson provided background information on Resolution No. 1376, which was related to the acquisition of three Senior Services of Snohomish County properties; Broadway Meadows ("Meadows I", Meadows II, and Lake Woods II. Mr. Lommers-Johnson explained that the Board had previously authorized the Purchase and Sale Agreement for these three properties. It was explained that this resolution authorized a loan from Banner Bank in order to finance the acquisition of these properties. Mr. Lommers-Johnson stated that in addition to the resolution, there was an accompanying certification, entitled Corporate Resolution to Borrow and Grant Security. Banner Bank, the lender, requested that this resolution appear in this form.

Mr. Lommers-Johnson then introduced Jeff Nave, an attorney from Foster Pepper, to explain Resolution No. 1376 in greater depth. Mr. Nave explained that this resolution authorized a three-year loan through Banner Bank, and that Banner Bank provided several of the form documents in relation to this resolution. Mr. Nave explained that Foster Pepper had examined these documents for accuracy and coordinated with Banner Bank on the forms as written. Mr. Nave indicated that the Corporate Resolution to Borrow and Grant Security was a little odd for a housing authority to execute, given that the document was essentially less of a Board Resolution and more of a certificate by the Board Chair that the Housing Authority had approved the resolutions set forth in the Corporate Resolution. Mr. Nave detailed that it was clear that Banner Bank would not move away from its form document, and it was also clear that the Everett Housing Authority's Board of Commissioners would likely be unable to attend the closing and pass the resolution, as such, sections that Banner Bank is requiring were adopted into Section 4 of Resolution No. 1376.

Mr. Nave explained that the original resolution proposed by Banner Bank would have authorized the Executive Director to sign documents and borrow additional funds whenever the Housing Authority wished. It was easily determined by Foster Pepper that it was over broad and subsequently, Resolution No. 1376 incorporated the Banner Bank resolutions, but also limited it to be more in tune with what a public housing authority might approve.

The Executive Director then stated that the resolution is to authorize the Housing Authority to borrow up to, but not exceeding, \$6.5 million dollars in order to acquire the aforementioned Senior Services of Snohomish County properties.

Commissioner Metzger-Utt moved that the resolution be adopted. Commissioners Taylor and Mierke seconded the motion, which passed unanimously.

Adjournment

There being no further business, Vice Chair Rastovich adjourned the meeting at 12:13 p.m.

ATTEST:



Secretary


Vice Chair, Board of Commissioners