

RESOLUTION NO. 2893

A RESOLUTION of the Port Commission of the Port of Seattle, approving Resolution No. 29 of the Board of Directors of the Industrial Development Corporation of the Port of Seattle adopted on July 26, 1983.

WHEREAS, the Board of Directors of the Industrial Development Corporation of the Port of Seattle (the "Development Corporation") at a special meeting on July 26, 1983, adopted Resolution No. 29 stating the intent of the Development Corporation to issue approximately \$30,795,000 of industrial revenue bonds for the benefit of Pier Sixty-Six Corporation.

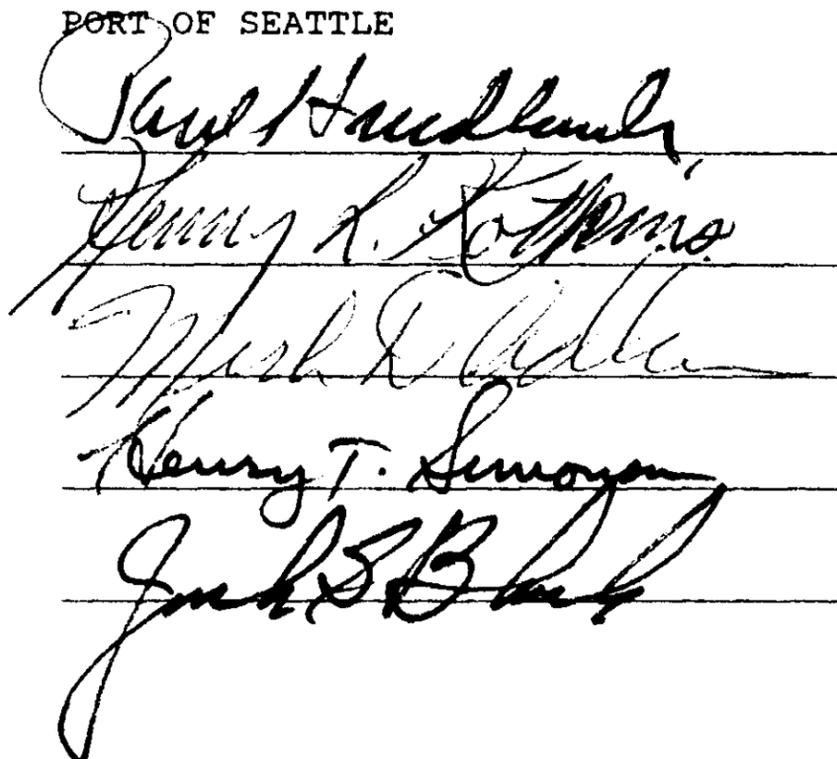
NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Seattle, as follows:

Section 1. Resolution No. 29 of the Board of Directors of the Industrial Development Corporation of the Port of Seattle, a copy of which is attached hereto, identified as Exhibit A, and incorporated in full by this reference is hereby approved.

Section 2. This resolution shall take effect immediately from and after its adoption.

Adopted by the Port Commission of the Port of Seattle this 26th day of July, 1983.

PORT OF SEATTLE

  
The block contains five handwritten signatures, each written over a horizontal line. From top to bottom, the signatures are: 1. A cursive signature that appears to be 'Paul H. ...'. 2. A cursive signature that appears to be 'Henry K. ...'. 3. A cursive signature that appears to be 'Mark ...'. 4. A cursive signature that appears to be 'Henry T. ...'. 5. A cursive signature that appears to be 'John B. ...'.

CMW537 83/07/25

RESOLUTION NO. 29

A RESOLUTION of the Board of Directors of the Industrial Development Corporation of the Port of Seattle taking official action with respect to the issuance of its nonrecourse revenue bonds in the amount of \$30,795,000 to provide funds to finance the reconstruction, expansion and improvement of the marine transportation facilities and dock and wharf known as Pier 66 by the Pier Sixty-Six Corporation.

WHEREAS, pursuant to Chapter 300, Laws of Washington 1981, codified as Chapter 39.84 RCW (the "Act"), Resolution No. 2845 (the "Resolution") of the Port of Seattle (the "Port") and the Charter of the Industrial Development Corporation of the Port of Seattle (the "Development Corporation"), the Development 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, the Pier Sixty-Six Corporation, a Washington corporation (the "Company"), intends to undertake a project (the "Project") consisting of the reconstruction, expansion and improvement of the marine transportation facilities and related facilities, dock and wharf, known as Pier 66 in the Port of Seattle, all as more fully described in Exhibit A hereto within the boundaries of the Port, which Project constitutes an industrial development facility under the Act; and

WHEREAS, the Company has submitted an application and delivered an executed Indemnification and Compensation Agreement to the Development Corporation and the Port; and

WHEREAS, it has come to the attention of the Board of Directors and the Company that the office of the Attorney General has prepared an informal memorandum which questions the authority of Port Commissioners to act as directors of the Development Corporation and the Board of Directors has been advised by its Bond Counsel that notwithstanding such memorandum, such Board may

validly proceed to conduct its corporate business, including, without limitation, the adoption of this resolution; and

WHEREAS, it is contemplated that all or a part of the rights and obligations of Company with respect to the Project will be assigned to and assumed by a limited partnership to be formed with the Company as general partner (which successor partnership shall be deemed to be included in all references hereinafter to Company); and

WHEREAS, the Board of Directors of the Development Corporation deems it advisable for the Development 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 Company whereunder the Company 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 INDUSTRIAL DEVELOPMENT CORPORATION OF THE PORT OF SEATTLE as follows:

Section 1. It is hereby determined that (a) the acquisition, construction, installation and equipping of the Project and its operation as an industrial development facility; (b) the issuance of the Bonds of the Development Corporation to finance all or a portion of the costs of the Project which qualify under the Act for tax-exempt financing, such costs presently estimated to be approximately \$30,795,000; and (c) the execution and delivery of such contracts and agreements with the Company as are necessary to provide for the payment by the Company of amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds, together with certain costs of the Development Corporation, will all be in furtherance of the Act, the Resolution and the Charter of the Development Corporation.

Section 2. The Development 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 Company and hereby expresses its present approval of such issuance and sale. This resolution is not intended to legally bind the Development Corporation to authorize, issue or sell the Bonds.

Section 3. The authorization, issuance and sale of the Bonds by the Development 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 Company;

(b) The Company shall enter into such contracts and agreements with the Development 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 Development Corporation and the Company) the Development Corporation and the Company 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 Port of Seattle;

(e) The Company shall have obtained the approval of the Project from the State of Washington Department of Commerce and Economic Development and the City of Seattle; and

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

Section 4. The proper officials of the Development 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 Development 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 on behalf of the Company or any successor or assignee of the rights thereof as may be approved by the Development Corporation.

ADOPTED by the Board of Directors of the Industrial Development Corporation of the Port of Seattle this 26th day of July, 1983.

  
\_\_\_\_\_  
President

ATTEST:

  
\_\_\_\_\_  
Secretary

(S E A L)

## EXHIBIT A TO RESOLUTION NO. 29

### Project Description

The Project consists of the reconstruction, improvement and expansion of the dock, wharf and marine transportation facilities of Pier 66 in the Port of Seattle (also known as the Bell Street Terminal Complex) to provide a modern, world-class, passenger ship terminal for Seattle on a financially self-sufficient basis.

### Project Site and Facilities

The Project has been undertaken pursuant to a Lease and Development Agreement, dated as of March 13, 1979, and amended as of April 14, 1981, and June 22, 1982 (the "Lease and Development Agreement"), between Pier Sixty-Six Corporation (hereinafter referred to as the "Company") and the Port of Seattle under which the Port of Seattle leased to the Company a 5.6-acre parcel of land and harbor areas situated west of Alaskan Way. The leasehold, which is for a term of thirty years with provision for renewal for an additional twenty years, also includes portions of two existing structures on Pier 66, a two-story warehouse-type structure known as the Transit Shed and a four-story cement structure presently housing the offices of the Port of Seattle (the "Port Building"). In addition to the leased parcel, the Project site includes a smaller parcel (the "Uplands site") located directly opposite Pier 66 which was purchased by the Company from the Port pursuant to the Lease and Development Agreement.

Terminal Facilities. The heart of the Project, which will be created by the reconstruction, improvement and expansion of existing transportation facilities, is the marine passenger terminal (the "Terminal"), which will include facilities for the

handling and servicing of ships and the handling and storage of baggage as well as space for facilities for the comfort and convenience of passengers (the "Terminal Facilities"). A multi-story parking garage has already been constructed on the Uplands site to serve Pier 66.

The preponderance of the Terminal Facilities will be located in or adjacent to the Transit Shed, which faces the water on three sides of the Pier. The portion of the Transit Shed that is under lease to the Company (106,500 square feet) includes the entire second floor of that structure and most of the first floor except for existing fish processing facilities which are operating there under separate leases with the Port of Seattle. Subject to some possible rearrangement and consolidation, the fish processing facilities are expected to remain after renovation, outside the Project.

The Transit Shed portion of the Project will include the Terminal Hall, receiving and storage areas for baggage as well as baggage-handling conveyors, a domestic ticketing area and facilities for ship servicing. It will also provide space for a U.S. Customs area and an area for service establishments to be operated on a concession basis by third-party sublessees. The cost of improving, equipping and furnishing such establishments and the costs of improving common corridors not primarily designed to facilitate movement within the Terminal by passengers will be borne by the Company or its sublessees, in each case through other financing, and shall not be included in costs of the Project to be financed from tax-exempt bonds.

Plans with respect to the Port Building contemplate the use of (i) a portion of the ground floor as a receiving and ticketing area for international passengers, including space for local offices for shipping lines using the Terminal and for other uses functionally related and subordinate to the marine transportation

functions of Pier 66 and the Port of Seattle, and (ii) a portion of the second floor as space for a passenger rest area, with seating and adjoining cafes to serve passengers using the Terminal Hall.\* As in the case of service space in the Transit Shed portion of the Project, none of the cafe improvements, equipment of furnishings will be financed from revenue bonds.

#### Wharf and Dock Improvements

In addition to the Terminal Facilities, the Project will include improvements to the wharf, dock, aprons and vessel berthing facilities of the Pier as well as improvements in the approaches to the vessel berthing facilities and to the Terminal Facilities, including "drop off" areas for both the international and domestic terminal areas and the previously mentioned skybridge connecting the Terminal Facilities and the Parking Facilities.

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 portion of the plans involving use of certain second-floor space presently occupied by the Port of Seattle has been shown as a functional design approach which gives added importance to the passenger terminal. If this specific approach (in lieu of some alternative) were to be followed in the final design, mutually acceptable arrangements would first have to be completed with the Port of Seattle for substitution of alternative space, either on the first floor presently leased to the Company or in the new office space to be built across Alaskan Way on the Uplands Site.