

ORDINANCE No. 118108

COUNCIL BILL No. 111197

Law Depart

The City of Seattle--Legislative

AN ORDINANCE relating to City capital facilities; authorizing and providing for the issuance of limited tax general obligation bonds and limited tax general obligation bond anticipation notes, which bonds and notes may be issued in one or more series, tax-exempt and taxable, all series of bonds and notes to provide for all or part of the cost of acquiring land and an existing building and equipping that building, part of which is to be used as a police support facility for the City and other parts of which are to be used for other City purposes, and to pay costs of issuance of the bonds and notes; providing for certain terms and covenants of the bonds and notes; providing for the sale of the bonds and notes; authorizing the assumption of an existing note; and making certain appropriations.

INDEXED

REPORT OF COMMITTEE

Honorable President:

Your Committee on _____

to which was referred the within Council Bill No. _____ report that we have considered the same and respectfully recommend that

COMPTROLLER FILE No. _____

Introduced: <u>APR - 8 1995</u>	By: <u>CHOE</u>
Referred: <u>APR - 8 1995</u>	To: <u>Finance & Budget Committee</u>
Referred:	To:
Referred:	To:
Reported: <u>APR 20 1995</u>	Second Reading: <u>APR 28 1995</u>
Third Reading: <u>APR 29 1995</u>	Signed: <u>APR 29 1995</u>
Presented to Mayor: <u>APR 30 1995</u>	Approved: <u>5-3-96</u>
Returned to City Clerk: <u>5-3-96</u>	Published: <u>Full</u>
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

Finance Committee, 4-17-96
Passed 2-0,
Full Council vote

Committee Chair

Law Department

The City of Seattle--Legislative Department

INDEXED

REPORT OF COMMITTEE

Date Reported
and Adopted

Honorable President:

You Committee on _____

to which was referred the within Council Bill No. _____
report that we have considered the same and respectfully recommended that the same:

Finance Committee; 4-17-96

Passed 2-0.

Full Council vote 7-1 Notland

Committee Chair

RECEIVED
IN THE DEPARTMENT OF THE CITY CLERK
FOR THE CITY OF SEATTLE
APR 18 1996

ORDINANCE 118108

AN ORDINANCE relating to City capital facilities; authorizing and providing for the issuance of limited tax general obligation bonds and limited tax general obligation bond anticipation notes, which bonds and notes may be issued in one or more series, tax-exempt and taxable, all series of bonds and notes to provide for all or part of the cost of acquiring land and an existing building and equipping that building, part of which is to be used as a police support facility for the City and other parts of which are to be used for other City purposes, and to pay costs of issuance of the bonds and notes; providing for certain terms and covenants of the bonds and notes; providing for the sale of the bonds and notes; authorizing the assumption of an existing note; and making certain appropriations.

WHEREAS, The City of Seattle, Washington (the "City") has determined it to be in the best interest of the City that the City borrow money by the issuance of limited tax general obligation bonds (and prior to their issuance, by the issuance of limited tax general obligation bond anticipation notes) for the purpose of providing funds with which to provide for all or part of the cost of acquiring land and one or more existing buildings and equipping those buildings, part of which is to be used as a police support facility for the City and other parts of which are to be used for other City purposes, and to pay costs of issuance of the bonds and notes; and

WHEREAS, RCW 39.36.020 authorizes the City to incur indebtedness without assent of the voters of the City so long as such indebtedness does not result in a total nonvoted indebtedness of the City in excess of one and one-half percent of the value of taxable property within the City as computed in accordance with RCW 39.36.030; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Definitions. As used in this ordinance, the following words shall have the meanings hereinafter set forth:

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1 "Acquisition Fund" means the Police Support Facility
2 subfund created in the Public Safety Facilities and Equipment
3 Fund by Section 20 of this ordinance.

4 "Bond Fund" means the City's Bond Interest and
5 Redemption Fund, previously created and established and to be
6 used for the payment of the principal of and interest on the
7 Obligations.

8 "Bond Sale Resolution" means a resolution of the City
9 Council adopted pursuant to this ordinance and confirming the
10 sale and final terms of the Bonds.

11 "Bonds" means the limited tax general obligation bonds
12 issued pursuant to this ordinance.

13 "City" means The City of Seattle, Washington, a
14 municipal corporation duly organized and existing under the laws
15 of the State of Washington.

16 "City Council" means the City Council of the City, as
17 duly and regularly constituted from time to time.

18 "Code" means the Internal Revenue Code of 1986, as
19 amended, or any successor thereto, and all applicable regulations
20 thereunder.

21 "Director of Finance" means the Director of the
22 Department of Finance of the City, and any successor to
23 substantially the same duties.

1 "Notes" means any series of limited tax general
2 obligation bond anticipation notes issued pursuant to this
3 ordinance.

4 "Note Fund" means the City's General Bond Interest and
5 Redemption Fund, previously created and established and to be
6 used for the payment of the principal of and interest on the
7 Obligations.

8 "Obligations" means, collectively, the Bonds and the
9 Notes.

10 "Register" means the books or records maintained by the
11 Registrar for the purposes of registration of the notes.

12 "Registrar" means the entity serving as registrar and
13 paying agent for the Obligations, pursuant to Chapter 5.10 of the
14 Municipal Code (Ordinance 111724) as now existing or as hereafter
15 amended.

16 "Tax-Exempt Bonds" and "Tax-Exempt Notes" means,
17 respectively, the Bonds and the Notes the interest on which is
18 not included in gross income for federal income tax purposes.

19 "Tax-Exempt Obligations" means, collectively, the Tax-
20 Exempt Bonds and the Tax Exempt Notes.

21 Section 2. Debt Capacity. The assessed valuation of the
22 taxable property of the City as ascertained by the last preceding
23 assessment for City purposes for the collection of taxes in the
24 calendar year 1996 is Forty-Two Billion Three Hundred Twelve

1 Million Seven Hundred Sixty-Four Thousand Two Hundred Thirty-Nine
2 Dollars (\$42,312,764,239). The City has outstanding general
3 indebtedness evidenced by limited tax general obligation bonds,
4 installment purchase contracts and lease purchase agreements as
5 of March 1, 1996, in the principal amount of Four Hundred Forty-
6 Four Million Eight Hundred Thirty-Six Thousand Seven Hundred and
7 One Dollars (\$444,836,701) incurred within the limit of up to one
8 and one-half percent (1½%) of the value of the taxable property
9 within the City permitted for general municipal purposes without
10 a vote of the qualified voters therein, and has outstanding
11 unlimited tax general obligation bonds in the principal amount of
12 Sixty-Two Million Twelve Thousand One Hundred Thirty Five Dollars
13 (\$62,012,135) incurred within the limit of up to two and one-half
14 percent (2½%) of the value of the taxable property within the
15 City for capital purposes only, unlimited tax general obligation
16 bonds in the principal amount of Forty-Six Million Seven Hundred
17 One Thousand Thirty-Five Dollars (\$46,701,035) incurred within
18 the additional limit of up to two and one-half percent (2½%) of
19 the value of the taxable property within the City for utility
20 purposes, and unlimited tax general obligation bonds in the
21 principal amount of Nine Million Nine Hundred Sixty-One Thousand
22 Eight Hundred Thirty Dollars (\$9,961,830) incurred within the
23 additional limit of up to two and one-half percent (2½%) of the
24 value of the taxable property within the City for parks and open

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1 space purposes, issued pursuant to a vote of the qualified voters
2 of the City. The principal amount of indebtedness for which
3 obligations are authorized herein to be issued is not to exceed
4 Twenty Million Dollars (\$20,000,000).

5 Section 3. Authorization and Description of Bonds. The
6 City is authorized to borrow money on the credit of the City and
7 issue negotiable limited tax general obligation bonds evidencing
8 that indebtedness in the maximum principal amount of not to
9 exceed Twenty Million Dollars (\$20,000,000) for general City
10 purposes to provide the funds to pay all or part of the cost of
11 acquiring land and existing buildings and equipping those
12 buildings, part of which is to be used as a police support
13 facility for the City and other parts of which are to be used for
14 other City purposes as may be approved by the City Council, to
15 pay the costs of issuance and sale of the bonds (the "costs of
16 issuance") and for other lawful City purposes as determined by
17 ordinance. The general indebtedness to be incurred shall be
18 within the limit of up to one and one-half per cent (1½%) of the
19 value of the taxable property within the City permitted for
20 general municipal purposes without a vote of the qualified voters
21 therein. The Bonds may be issued in one or more series; may be
22 combined with other general obligation bonds authorized
23 separately; shall be designated as Limited Tax General Obligation
24 Bonds, 1996, Series A (Tax-Exempt) or Limited Tax General

1 Obligation Bonds, 1996, Series B (Taxable) (collectively, the
2 "Bonds") or shall be designated as otherwise determined by the
3 Director of Finance consistent with the provisions of this
4 ordinance; shall be dated as specified in the Bond Sale
5 Resolution; shall be in the denomination of five thousand dollars
6 (\$5,000) or any integral multiple thereof within a single
7 maturity or such other denomination within a maturity as provided
8 by the Bond Sale Resolution; shall be numbered separately, in the
9 manner and with any additional designation as the Registrar
10 (collectively, the fiscal agencies of the State of Washington in
11 Seattle, Washington or New York, New York) deems necessary for
12 the purpose of identification; shall bear interest at such rate
13 or rates (computed on the basis of a 360-day year of twelve 30-
14 day months) as shall be specified and approved by the Bond Sale
15 Resolution, except that the true interest cost shall not exceed
16 fifteen percent (15%) per annum with respect to the Tax-Exempt
17 Bonds and twenty percent (20%) per annum with respect to taxable
18 Bonds, payable semiannually (once interest payments commence
19 under the terms of the Bond Sale Resolution) on such dates as are
20 specified by the Bond Sale Resolution. The Bonds shall mature on
21 the dates and in years and amounts to be specified in the Bond
22 Sale Resolution, except that the final maturity of the Bonds
23 shall not be later than December 31, 2027 and all or some of the
24 Bonds may be term bonds with mandatory redemption amounts and

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1 dates, all to be as provided by the Bond Sale Resolution. The
2 Bonds also may be structured as commercial paper as set forth in
3 the Bond Sale Resolution. The Mayor and the Director of Finance
4 are separately authorized to execute and deliver, on behalf of
5 the City, any contracts consistent with the provisions of this
6 ordinance for which the City's approval is necessary or to which
7 the City is a party and that are related or incidental to the
8 initial issuance and sale of the Bonds.

9 The life of the buildings to be financed with the proceeds
10 of the Bonds exceeds the final maturity of the Bonds.

11 Section 4. Bond Sale Resolution. The City Council may
12 adopt the Bond Sale Resolution and in that resolution may provide
13 for the matters described in this ordinance and such other
14 matters that the City Council deems necessary and appropriate to
15 carry out the purposes of this ordinance.

16 The Bond Sale Resolution may provide for bond insurance, and
17 conditions or covenants relating thereto, including additional
18 terms, conditions and covenants relating to the Bonds that are
19 required by the bond insurer and are consistent with the
20 provisions of this ordinance, including but not limited to
21 restrictions on investments and requirements of notice to and
22 consent of the bond insurer.

23 The Bond Sale Resolution may designate and determine the
24 amount of Tax-Exempt Bonds and taxable Bonds and may approve and
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1 authorize the initial establishment and any redetermination of
2 the interest rate or rates on the Bonds (subject to the
3 limitation in Section 3 hereof) and any tender, purchase,
4 remarketing or redemption of the Bonds. The City Council also
5 may determine and specify by the Bond Sale Resolution the amount,
6 if any, from the proceeds of or accrued interest on the Bonds to
7 be deposited into specified funds, subfunds, accounts and
8 subaccounts. In the absence of such a determination and
9 specification in the Bond Sale Resolution, the Director of
10 Finance may make such determination and specification.

11 Section 5. Registration and Transfer of Bonds. The Bonds
12 shall be issued only in registered form as to both principal and
13 interest and shall be recorded on books or records maintained by
14 the Registrar (the "Bond Register"). The Bond Register shall
15 contain the name and mailing address of the owner of each Bond
16 and the principal amount and number of each of the Bonds held by
17 each owner.

18 Bonds surrendered to the Registrar may be exchanged for
19 Bonds in any authorized denomination of an equal aggregate
20 principal amount and of the same series, interest rate and
21 maturity. Bonds may be transferred only if endorsed in the
22 manner provided thereon and surrendered to the Registrar. Any
23 exchange or transfer shall be without cost to the owner or
24 transferee. The Registrar shall not be obligated to exchange or

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1 transfer any Bond during the 15 days preceding any principal
2 payment or redemption date.

3 Unless provided otherwise in the Bond Sale Resolution, the
4 Bonds initially shall be registered in the name of CEDE & CO., as
5 the nominee of the Depository Trust Company ("DTC"). The Bonds
6 so registered shall be held in fully immobilized form by DTC as
7 depository. For so long as any Bonds are held in fully
8 immobilized form, DTC or its successor depository shall be deemed
9 to be the registered owner for all purposes hereunder and all
10 references to registered owners, bondowners, bondholders or the
11 like shall mean DTC or its nominees and shall not mean the owners
12 of any beneficial interests in the Bonds. Registered ownership
13 of such Bonds, or any portions thereof, may not thereafter be
14 transferred except: (i) to any successor of DTC or its nominee,
15 if that successor shall be qualified under any applicable laws to
16 provide the services proposed to be provided by it; (ii) to any
17 substitute depository appointed by the City or such substitute
18 depository's successor; or (iii) to any person as provided if the
19 Bonds are no longer held in immobilized form.

20 Upon the resignation of DTC or its successor (or any
21 substitute depository or its successor) from its functions as
22 depository, or a determination by the City that it no longer
23 wishes to continue the system of book entry transfers through DTC
24 or its successor (or any substitute depository or its successor),

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1 the City may appoint a substitute depository. Any such
2 substitute depository shall be qualified under any applicable
3 laws to provide the services proposed to be provided by it.

4 If (i) DTC or its successor (or substitute depository or its
5 successor) resigns from its functions as depository, and no
6 substitute depository can be obtained, or (ii) the City
7 determines that the Bonds are to be in certificated form, then
8 the ownership of Bonds may be transferred to any person as herein
9 provided, and the Bonds no longer shall be held in fully
10 immobilized form.

11 The City's obligations under this ordinance and under the
12 Bonds are to the registered owner or owners of the Bonds, and the
13 City shall not be liable to the participants or beneficial owners
14 of Bonds registered in the name of any nominee of DTC or a
15 successor depository, for any acts or omissions of DTC or such
16 successor depository.

17 Section 6. Payment of Bonds. Both principal of and
18 interest on the Bonds shall be payable in lawful money of the
19 United States of America. Interest on the Bonds shall be paid by
20 checks or drafts of the Registrar mailed on the interest payment
21 date to registered owners of Bonds at the addresses for such
22 owners as those owners and addresses appear on the Bond Register
23 on the fifteenth (15th) day of the calendar month preceding the
24 interest payment date. Principal of the Bonds shall be payable

1 at maturity or on such date as may be fixed for prior redemption
2 upon presentation and surrender of the Bonds by the registered
3 owners at either of the principal offices of the Registrar, at
4 the option of such registered owners. Notwithstanding the
5 foregoing, as long as the Bonds are registered in the name of DTC
6 or its nominee, payment of principal of and interest on the Bonds
7 shall be made in the manner set forth in the Letter of
8 Representations with DTC in substantially the form on file with
9 the Director of Finance, which Letter of Representations is
10 hereby approved and which may be executed by the Director of
11 Finance.

12 Section 7. Redemption and Open Market Purchase of Bonds.

13 All or some of the Bonds may be subject to redemption prior to
14 their stated maturity at the option of the City at the times and
15 on the terms set forth in the Bond Sale Resolution.

16 The City shall redeem any term bonds, if not redeemed under
17 the optional redemption provisions set forth above or purchased
18 in the open market under the provisions set forth below, by lot
19 (in such manner as the Registrar shall determine) at par plus
20 accrued interest on the dates and in the years and principal
21 amounts as set forth in the Bond Sale Resolution.

22 If the City shall redeem term bonds under the optional
23 redemption provisions set forth in the Bond Sale Resolution or
24 purchase term bonds in the open market as set forth below, the

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1 par amount of the term bonds so redeemed or purchased
2 (irrespective of their redemption or purchase prices) shall be
3 credited at the par amount thereof against such remaining
4 mandatory redemption amounts as determined by the Director of
5 Finance or, if no such determination is made, on a pro-rata
6 basis.

7 Portions of the principal amount of any Bond may be
8 redeemed, in installments of five thousand dollars (\$5,000) or
9 any integral multiple thereof as determined by the Bond Sale
10 Resolution. If less than all of the principal amount of any Bond
11 is redeemed, on surrender of that Bond at either of the principal
12 offices of the Registrar, there shall be issued to the registered
13 owner, without charge therefor, a new Bond (or Bonds, at the
14 option of the registered owner) of the same series, maturity and
15 interest rate in any of the denominations authorized by the Bond
16 Sale Resolution in the aggregate total principal amount remaining
17 unredeemed.

18 The City reserves the right and option to purchase any or
19 all of the Bonds in the open market at any time at any price
20 acceptable to the City plus accrued interest to the date of
21 purchase.

22 All Bonds purchased or redeemed under this Section shall
23 be cancelled.

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1 The City shall cause notice of any intended redemption of
2 Bonds to be given not less than 30 nor more than 60 days prior to
3 the date fixed for redemption by first-class mail, postage
4 prepaid, to the registered owner of any Bond to be redeemed at
5 the address appearing on the Bond Register at the time the
6 Registrar prepares the notice, and the requirements of this
7 sentence shall be deemed to have been fulfilled when notice has
8 been mailed as so provided, whether or not it is actually
9 received by the owner of any Bond. Interest on Bonds called for
10 redemption shall cease to accrue on the date fixed for redemption
11 unless the Bond or Bonds called are not redeemed when presented
12 pursuant to the call. In addition, the redemption notice shall
13 be mailed within the same period, postage prepaid, to Moody's
14 Investors Service, Inc., and Standard & Poor's Corporation at
15 their offices in New York, New York, or their successors, to any
16 bond insurer for the Bonds, to each Nationally Recognized
17 Municipal Securities Information Repository or to the Municipal
18 Securities Rulemaking Board, to any state Information Depository
19 for Washington State, and to such other person and with such
20 additional information as the Director of Finance shall determine
21 or as specified in the Bond Sale Resolution, but none of these
22 additional mailings shall be a condition precedent to the
23 redemption of Bonds.

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1 If any Bond is not redeemed when properly presented at its
2 maturity or call date, the City shall be obligated to pay
3 interest on that Bond at the same rate provided in the Bond from
4 and after its maturity or call date until that Bond, both
5 principal and interest, is paid in full or until sufficient money
6 for its payment in full is on deposit in the Bond Account and the
7 Bond has been called for payment by giving notice of that call to
8 the registered owner of each of those unpaid Bonds.

9 Section 8. Form and Execution of Bonds. The Bonds shall be
10 typed, printed or lithographed on good bond paper in a form
11 consistent with the provisions of this ordinance, the Bond Sale
12 Resolution and State law, shall be signed by the Mayor and
13 Director of Finance, either or both of whose signatures may be
14 manual or in facsimile, and the seal of the City or a facsimile
15 reproduction thereof shall be impressed or printed thereon.

16 Only Bonds bearing a Certificate of Authentication in
17 substantially the following form (with the designation of the
18 Bonds adjusted consistent with Section 3 of this Ordinance),
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1 manually signed by the Registrar, shall be valid or obligatory
2 for any purpose or entitled to the benefits of this ordinance:

3 CERTIFICATE OF AUTHENTICATION

4 This Bond is one of the fully registered The City
5 of Seattle, Washington, Limited Tax General Obligation
6 Bonds, 1996, [Series A (Tax-Exempt)] [Series B
(Taxable)], described in the Bond Ordinance.

7 WASHINGTON STATE FISCAL AGENCY
8 Registrar

9 By _____
10 Authorized Signer

11 The authorized signing of a Certificate of Authentication shall
12 be conclusive evidence that the Bonds so authenticated have been
13 duly executed, authenticated and delivered and are entitled to
14 the benefits of this ordinance.

15 If any officer whose facsimile signature appears on the Bonds
16 ceases to be an officer of the City authorized to sign bonds
17 before the Bonds bearing his or her manual or facsimile signature
18 are authenticated or delivered by the Registrar or issued by the
19 City, those Bonds nevertheless may be authenticated, delivered
20 and issued and, when authenticated, issued and delivered, shall
21 be as binding on the City as though that person had continued to
22 be an officer of the City authorized to sign bonds. Any Bond
23 also may be signed on behalf of the City by any person who, on
24 the actual date of signing of the Bond, is an officer of the City

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1 authorized to sign bonds, although he or she did not hold the
2 required office on the date of issuance of the Bonds.

3 Section 9. Registrar. The Registrar shall keep, or cause to
4 be kept, at its principal corporate trust office, sufficient
5 books for the registration and transfer of the Bonds which shall
6 be open to inspection by the City at all times. The Registrar is
7 authorized, on behalf of the City, to authenticate and deliver
8 Bonds transferred or exchanged in accordance with the provisions
9 of the Bonds and this ordinance, to serve as the City's paying
10 agent for the Bonds and to carry out all of the Registrar's
11 powers and duties under this ordinance and SMC Chapter 5.10
12 (Ordinance 111724) establishing a system of registration for the
13 City's bonds and obligations, as that chapter now exists or may
14 be amended.

15 The Registrar shall be responsible for its representations
16 contained in the Registrar's Certificate of Authentication on the
17 Bonds. The Registrar may become the owner of Bonds with the same
18 rights it would have if it were not the Registrar and, to the
19 extent permitted by law, may act as depository for and permit any
20 of its officers or directors to act as members of, or in any
21 other capacity with respect to, any committee formed to protect
22 the rights of Bond owners.

23 Section 10. Provisions for Sale of Bonds. The Director
24 of Finance is authorized in his or her discretion to offer the
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1 Bonds for sale at competitive bid or at a negotiated sale. If
2 the Director of Finance determines to offer the Bonds for
3 competitive sale, he or she is authorized to fix a date and time
4 of sale of the Bonds, to give notice of the sale, to determine
5 the bid requirements and the criteria for determining the best
6 bidder, and to specify such other matters as he or she may
7 determine necessary to carry out the sale of the Bonds, so long
8 as the manner and terms of the sale thereof are consistent with
9 this ordinance. The Director of Finance may, in his or her
10 discretion, provide for the use of an electronic bidding
11 mechanism in connection with the bidding for the sale of the
12 Bonds.

13 CUSIP numbers will be printed on the Bonds if requested in the
14 bid of the successful bidder, but neither failure to print CUSIP
15 numbers on any Bond nor error with respect thereto shall
16 constitute cause for a failure or refusal by the successful
17 bidder to accept delivery of and pay for the Bonds in accordance
18 with its bid. All expenses in relation to the printing of CUSIP
19 numbers on the Bonds shall be paid by the City, but the fee of
20 the CUSIP Service Bureau for the assignment of those numbers
21 shall be the responsibility of and shall be paid by the
22 successful bidder.

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1 The City will cause the Bonds to be printed or lithographed
2 and signed and will furnish the approving legal opinion of bond
3 counsel regarding the Bonds, without cost to the purchaser.

4 The Bonds will be delivered to the purchasers in New York, New
5 York, within ninety (90) days after the sale date and immediately
6 upon payment to the City of the purchase price plus accrued
7 interest to the date of closing in immediately available federal
8 funds in Seattle, Washington, at the City's expense or at another
9 time or place upon which the Director of Finance and the
10 purchasers may agree at the purchasers' expense.

11 Section 11. Authorization and Description of Notes.

12 (a) Authorization of Borrowing. For the purpose of
13 providing the funds with which to pay part of the cost of the
14 purposes set forth in Section 3 and to pay the costs of issuance
15 and sale of the Notes (the "costs of issuance"), the City is
16 authorized to issue and sell one or more series of limited tax
17 general obligation bond anticipation notes designated Limited Tax
18 General Obligation Bond Anticipation Notes, 1996, Series A (Tax-
19 Exempt) and Limited Tax General Obligation Bond Anticipation
20 Notes, 1996, Series B (Taxable) or designated as otherwise
21 determined by the Director of Finance consistent with the
22 provisions of this ordinance, the aggregate principal amount of
23 which will not exceed Twenty Million Dollars (\$20,000,000).
24 Furthermore, there shall not be outstanding at any time an

1 aggregate principal amount of Obligations in excess of Twenty
2 Million Dollars (\$20,000,000), except that Bonds in excess of
3 that amount may be issued for the purpose of immediately
4 redeeming the Notes. The Finance Director may issue the Notes as
5 part of a combined issue together with other notes separately
6 authorized by the City.

7 The general obligation indebtedness authorized to be incurred
8 herein for the Notes shall be within the limit of up to one and
9 one-half per cent (1½%) of the value of the taxable property
10 within the City permitted for general municipal purposes without
11 a vote of the qualified voters therein. Nothing in this
12 ordinance shall be interpreted to limit the legal ability of the
13 City to incur debt and issue obligations therefor other than
14 pursuant to this ordinance.

15 (b) Description of Notes and Maximum Interest Rates on
16 Notes. The Notes shall be issued only in registered form; shall
17 be in the denomination of Five Thousand Dollars (\$5,000) or any
18 integral multiple thereof; and shall be numbered separately, in
19 the manner and with any additional designation as the Registrar
20 deems necessary for the purpose of identification. Each series
21 of Notes issued pursuant to this ordinance shall bear interest at
22 a rate or rates to be negotiated with the purchaser of the Notes
23 by the Director of Finance of the City pursuant to the terms of
24 this ordinance and may bear a fixed rate or rates or a variable

1 rate or rates of interest which may be based on a bank prime rate
2 or the most recent prime rate of interest published in the Wall
3 Street Journal or any other index the Director of Finance shall
4 select but in any event shall not exceed a true interest cost of
5 Twelve percent (12%) per annum with respect to Tax-Exempt Notes
6 and Fifteen percent (15%) per annum with respect to taxable
7 Notes; shall be dated as of their date of issuance; and shall not
8 be outstanding, together with any other short-term obligations
9 issued to redeem the same, for longer than the time permitted by
10 chapter 39.50 RCW. The Notes shall be issued subject to such
11 terms, conditions and covenants, including but not limited to
12 terms pertaining to redemption, as the Director of Finance may
13 determine, consistent with the purposes of this ordinance. The
14 Notes may evidence a line or lines of credit or may be in the
15 form of commercial paper. Prior to the issuance of the Notes,
16 the dates on which principal and interest are payable thereon may
17 be modified upon agreement between the Director of Finance and
18 the purchaser of the Notes. The City Council finds and
19 determines that the maximum rates of interest established in this
20 ordinance are in the best interest of the City and its tax
21 payers.

22 (c) Authorization of Actions By the Director of Finance.

23 The Director of Finance is authorized to negotiate and approve
24 the terms and authorize the issuance and sale of any series of
25

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1 Notes consistent with the terms of this ordinance without further
2 action of the City Council. The Director of Finance is also
3 authorized and permitted to make the incremental loan draws, if
4 lines of credit are established, so long as the incremental loan
5 draws do not exceed the total amount of the costs to be paid from
6 such draw, and the proceeds of such draw shall be used
7 immediately to pay those costs. The Director of Finance may add
8 to or modify the designation of the Notes if they are issued in
9 more than two series, and may determine the amount of Tax-Exempt
10 Notes and taxable Notes.

11 Section 12. Registration and Transfer of Notes. The Notes
12 shall be issued only in registered form as to both principal and
13 interest and shall be recorded on books or records maintained by
14 the Registrar (the "Register"). The Register shall contain the
15 name and mailing address of the then-current owner of each Note
16 and the principal amount and number of each Note held by each
17 owner.

18 Notes surrendered to the Registrar may be exchanged for Notes
19 in any authorized denomination of an equal aggregate principal
20 amount and of the same series, interest rate and maturity. Notes
21 may be transferred only if endorsed in the manner provided
22 thereon and surrendered to the Registrar. Any exchange or
23 transfer shall be without cost to the owner or transferee. The
24 Registrar shall not be obligated to exchange or transfer any Note

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1 during the 15 days preceding any principal payment or redemption
2 date. The Director of Finance also may provide for the Notes to
3 be registered in the name of CEDE & Co., as the nominee of the
4 Depository Trust Company, consistent with the provisions of
5 Section 5 with respect to the Bonds.

6 Section 13. Payment of Notes. Both principal of and interest
7 on the Notes shall be payable in lawful money of the United
8 States of America solely out of the Note Fund and the City
9 irrevocably pledges to redeem the Notes from the proceeds of a
10 sufficient amount of limited tax general obligation bonds
11 authorized to be issued by this ordinance, from the proceeds of
12 additional short-term obligations issued to redeem previously
13 issued and then outstanding Notes, or from other money of the
14 City legally available and to be used therefor.

15 If any Note is not redeemed when properly presented at its
16 maturity or call date, the City shall be obligated to pay
17 interest on that Note at the same rate provided in the Note from
18 and after its maturity or call date until that Note, both
19 principal and interest, is paid in full or until sufficient money
20 for its payment in full is on deposit in the Note Fund and the
21 Note has been called for payment by giving notice of that call to
22 the registered owner of that unpaid Note.

23 Section 14. Form, Execution and Registration of Notes. The
24 Notes shall be typed, printed or lithographed on good bond paper
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1 in a form consistent with the provisions of this ordinance and
2 state law, shall be signed by the Director of Finance, whose
3 signature may be manual or in facsimile, and the seal of the City
4 or a facsimile reproduction thereof shall be impressed or printed
5 thereon.

6 Only Notes bearing a Certificate of Authentication in
7 substantially the following form (with the designation of the
8 Notes adjusted consistent with Section 11 of this ordinance),
9 manually signed by the Registrar, shall be valid or obligatory
10 for any purpose or entitled to the benefits of this ordinance:

11 CERTIFICATE OF AUTHENTICATION

12 This Note is one of the fully registered Tax City of
13 Seattle, Washington, Limited Tax General Obligation Bond
14 Anticipation Notes, 1996, [Series A (Tax-Exempt)] [Series B
(Taxable)] described in the Note Ordinance.

15 Registrar

16 By _____
17 Authorized Signer

18 The authorized signing of a Certificate of Authentication shall
19 be conclusive evidence that the Notes so authenticated have been
20 duly executed, authenticated and delivered and are entitled to
21 the benefits of this ordinance.

22 If any officer whose manual or facsimile signature appears on
23 the Notes ceases to be an officer of the City authorized to sign
24 notes before the Notes bearing his or her manual or facsimile
25

1 signature are authenticated or delivered by the Registrar or
2 issued by the City, those Notes nevertheless may be
3 authenticated, delivered and issued and, when authenticated,
4 issued and delivered, shall be as binding on the City as though
5 that person had continued to be an officer of the City authorized
6 to sign notes. Any Note also may be signed on behalf of the City
7 by any person who, on the actual date of signing of the Note, is
8 an officer of the City authorized to sign notes, although he or
9 she did not hold the required office on the date of issuance of
10 the Notes.

11 The Registrar shall keep, or cause to be kept, at its
12 principal corporate trust office, sufficient books for the
13 registration and transfer of the Notes which shall be open to
14 inspection by the City at all times. The Registrar is
15 authorized, on behalf of the City, to authenticate and deliver
16 Notes transferred or exchanged in accordance with the provisions
17 of the Notes and this ordinance, to serve as the City's paying
18 agent for the Notes and to carry out all of the Registrar's
19 powers and duties under this ordinance and Chapter 5.10 of the
20 Municipal Code (Ordinance 111724, as amended) establishing a
21 system of registration for the City's bonds and obligations, as
22 that chapter now exists or may be amended.

23 The Registrar shall be responsible for its representations
24 contained in the Registrar's Certificate of Authentication on the
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1 Notes. The Registrar may become the owner of Notes with the same
2 rights it would have if it were not the Registrar and, to the
3 extent permitted by law, may act as depository for and permit any
4 of its officers or directors to act as members of, or in any
5 other capacity with respect to, any committee formed to protect
6 the rights of owners of the Notes.

7 Section 15. Pledge of Taxes. For as long as any of the
8 Obligations are outstanding, the City irrevocably pledges to
9 include in its budget and levy taxes annually within the
10 constitutional and statutory tax limitations provided by law
11 without a vote of the electors of the City on all of the taxable
12 property within the City in an amount sufficient, together with
13 other money legally available and to be used therefor, to pay
14 when due the principal of and interest on the Obligations, and
15 the full faith, credit and resources of the City are pledged
16 irrevocably for the annual levy and collection of those taxes and
17 the prompt payment of that principal and interest.

18 Section 16. Preservation of Tax Exemption for Interest on
19 Obligations. The City covenants that it will take all actions,
20 consistent with the terms of the Obligations, this ordinance, and
21 the Bond Resolution, reasonably within its power and necessary to
22 prevent interest on the Tax-Exempt Obligations from being
23 included in gross income for federal income tax purposes, and the
24 City will neither take any action nor make or permit any use of

1 proceeds of the Tax-Exempt Obligations or other funds of the City
2 treated as proceeds of the Tax-Exempt Obligations at any time
3 during the term of the Tax-Exempt Obligations which will cause
4 interest on the Tax-Exempt Obligations to be included in gross
5 income for federal income tax purposes. The City certifies that
6 it has not been notified of any listing or proposed listing by
7 the Internal Revenue Service to the effect that it is a bond
8 issuer whose arbitrage certifications may not be relied upon.

9 Section 17. Undertaking to Provide Continuing Disclosure.

10 The City shall undertake to provide for the benefit of holders of
11 Obligations certain annual financial information and operating
12 data of the type included in the final official statement for
13 those Obligations, as well as notice of specified material events
14 respecting those Obligations, in the manner and to the extent
15 required by United States Securities and Exchange Commission Rule
16 15c2-12. The particular terms of the City's undertaking shall be
17 set forth in another ordinance or in the Bond Sale Resolution
18 with respect to the Bonds, and in a declaration of the Director
19 of Finance with respect to the Notes.

20 Section 18. Obligations Negotiable. The Obligations shall be
21 negotiable instruments to the extent provided by RCW 62A.8-102
22 and 62A.8-105.

23 Section 19. Advance Refunding or Defeasance of the
24 Obligations. The City may issue advance refunding obligations
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1 pursuant to the laws of the State of Washington or use money
2 available from any other lawful source to pay when due the
3 principal of and interest on the Obligations, or any portion
4 thereof included in a refunding or defeasance plan, and to redeem
5 and retire, refund or defease all such then-outstanding
6 Obligations (hereinafter collectively called the "defeased
7 Obligations") and to pay the costs of the refunding or
8 defeasance. If money and/or direct obligations of the United
9 States of America maturing at a time or times and bearing
10 interest in amounts (together with money, if necessary)
11 sufficient to redeem and retire, refund or defease the defeased
12 Obligations in accordance with their terms are set aside in a
13 special trust fund or escrow account irrevocably pledged to that
14 redemption, retirement or defeasance of defeased Obligations
15 (hereinafter called the "trust account"), then all right and
16 interest of the owners of the defeased Obligations in the
17 covenants of this ordinance and in the funds and accounts
18 obligated to the payment of the defeased Obligations shall cease
19 and become void. The owners of defeased Obligations shall have
20 the right to receive payment of the principal of and interest on
21 the defeased Obligations from the trust account. The defeased
22 Obligations shall be deemed no longer outstanding, and the City
23 may apply any money in any other fund or account established for
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1 the payment or redemption of the defeased Obligations to any
2 lawful purposes as it shall determine.

3 Section 20. Deposit and Use of Proceeds. There has
4 previously been established in the City Treasury a special fund
5 known as the Public Safety Facilities and Equipment Fund. There
6 is hereby created in that fund the Police Support Facility
7 Subfund (the "Acquisition Fund"). The principal proceeds and
8 premium, if any, received from the sale and delivery of the Notes
9 (or the Bonds, to the extent proceeds of the bonds are not used
10 to redeem Notes) shall be paid into the Acquisition Fund and used
11 for the purposes specified in Section 3 of this ordinance. There
12 previously has been created and established in the City Treasury
13 a special fund designated as the Bond Interest and Redemption
14 Fund (the "Bond Fund"). Accrued interest on the Obligations, if
15 any, received from the sale and delivery of the Obligations shall
16 be paid into the Bond Fund prior to the first debt service date
17 with respect to those Obligations. Until needed to pay the costs
18 described herein, the City may invest principal proceeds
19 temporarily in any legal investment, and the investment earnings
20 shall be deposited in such funds and accounts as may be
21 designated by the Director of Finance. Earnings subject to a
22 federal tax or rebate requirement may be withdrawn from any such
23 fund or account and used for those tax or rebate purposes. All
24 taxes collected for and allocated to the payment of the principal

1 of and interest on the Notes shall be deposited in the Bond Fund.
2 Proceeds of the Bonds shall be deposited in such funds and in
3 such amounts as may be set forth in the Bond Sale Resolution.

4 In connection with the acquisition of land and buildings as
5 set forth in Section 3 of this ordinance, the Director of Finance
6 is, authorized in his or her discretion, to provide for the
7 assumption by the City on an existing note from the owner or
8 owners of such land and buildings, together with any deed of
9 trust or mortgage securing that note. However, the interest rate
10 or any such note shall not exceed fifteen percent (15%) per
11 annum. The Director of Finance also is authorized in his or her
12 discretion, to provide for the defeasance of any such note by
13 placing proceeds of the Obligations irrevocably in trust in the
14 City Treasury, or with a trustee appointed by the Director of
15 Finance and pursuant to a refunding or defeasance trust agreement
16 (which the Director of Finance is hereby authorized to execute).
17 Any proceeds so placed irrevocably in escrow shall be invested in
18 money or direct obligations of the United States of America
19 maturing at a time or times and bearing interest in amounts
20 (together with money, if necessary) sufficient to redeem, retire
21 a refund or defease that note in accordance with its terms.

22 The Director of Finance may establish such accounts and
23 subaccounts in the Acquisition Fund or in other funds as he or
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1 she may deem necessary and appropriate to carry out the purposes
2 of the Ordinance.

3 Any amounts remaining in the Acquisition Fund after the
4 accomplishment of the purposes set forth in Section 3, or after a
5 determination by the City Council to use such amounts for other
6 lawful purposes, may be used for such other purposes as the City
7 Council may determine by ordinance.

8 Section 21. Temporary Obligations. Pending the printing,
9 execution and delivery to the purchaser of definitive
10 Obligations, the City may cause to be executed and delivered to
11 the purchaser a temporary Obligation or Obligations in the total
12 principal amount of the relevant Obligations. The temporary
13 Obligations shall bear the same date of issuance, interest rates,
14 principal payment dates and terms and covenants as the definitive
15 Obligations, shall be issued as a fully registered Obligation in
16 the name of the purchaser, and shall be in such form as is
17 acceptable to the purchaser. Such temporary Obligations shall be
18 exchanged for the definitive Obligations as soon as the same are
19 printed, executed and available for delivery.

20 Section 22. Appropriation. Contingent upon receipt of the
21 proceeds of Obligations in sufficient amount, there is
22 appropriated from the Acquisition Fund Twenty Million Dollars
23 (\$20,000,000), or so much thereof as may be necessary, for the
24 purpose of making payments in carrying out the purposes specified

1 in Section 3 of this ordinance, which purposes have been or may
2 be authorized or additionally authorized by separate ordinance,
3 and including reimbursement to the Department of Administrative
4 Services Operating Fund for expenditures related to planning and
5 acquisition.

6 Section 23. Severability. If any one or more of the
7 provisions of this ordinance or of the covenants or agreements
8 provided in this ordinance to be performed on the part of the
9 City shall be declared by any court of competent jurisdiction and
10 of last resort to be contrary to law, then such provision,
11 covenant or covenants, agreement or agreements shall be null and
12 void and shall be separable from the remaining provisions,
13 covenants and agreements in this ordinance and shall in no way
14 affect the validity of the other provisions of this ordinance.

15 Section 24. Ratification of Prior Acts. Any action taken
16 consistent with the authority and prior to the effective date of
17 this ordinance, including notices of sale of Obligations, the
18 execution of contracts, fund transfers, and payment of warrants,
19 is ratified, approved and confirmed.

20 Section 25. Section Headings. The section headings in this
21 ordinance are used for convenience only and shall not constitute
22 a substantive portion of this ordinance.

23 Section 26. Effective Date of Ordinance. This ordinance
24 shall take effect and be in force thirty (30) days from and after
25

1 its approval by the Mayor, but if not approved and returned by
2 the Mayor within ten (10) days after presentation, it shall take
3 effect as provided by Municipal Code Section 1.04.020.

4 Passed by the City Council the 29 day of April,
5 1996, and signed by me in open session in authentication of its
6 passage this 29 day of April, 1996.

7
8 Jan Russo
9 President of the City Council
10 Approved by me this 30 day of May, 1996.

11
12 Norman B. Rice
13 Norman B. Rice, Mayor

14 Filed this 3 day of May, 1996.

15
16 By Janith E. Papp
17 City Clerk

18 (SEAL)

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ORDINANCE

1
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3 AN ORDINANCE relating to City capital facilities;
4 authorizing and providing for the issuance of limited
5 tax general obligation bonds and limited tax general
6 obligation bond anticipation notes, which bonds and
7 notes may be issued in one or more series, tax-exempt
8 and taxable, all series of bonds and notes to provide
9 for all or part of the cost of acquiring land and an
10 existing building and equipping that building, part of
11 which is to be used as a police support facility for
12 the City and other parts of which are to be used for
13 other City purposes, and to pay costs of issuance of
14 the bonds and notes; providing for certain terms and
15 covenants of the bonds and notes; providing for the
16 sale of the bonds and notes; authorizing the assumption
17 of an existing note; and making certain appropriations.

11 WHEREAS, The City of Seattle, Washington (the "City") has
12 determined it to be in the best interest of the City that
13 the City borrow money by the issuance of limited tax general
14 obligation bonds (and prior to their issuance, by the
15 issuance of limited tax general obligation bond anticipation
16 notes) for the purpose of providing funds with which to
17 provide for all or part of the cost of acquiring land and an
18 existing building and equipping that building, part of which
19 to be used as a police support facility for the City and
20 other parts of which to be used for other City purposes, and
21 to pay costs of issuance of the bonds and notes; and

17 WHEREAS, RCW 39.36.020 authorizes the City to incur indebtedness
18 without assent of the voters of the City so long as such
19 indebtedness does not result in a total nonvoted
20 indebtedness of the City in excess of one and one-half
21 percent of the value of taxable property within the City as
22 computed in accordance with RCW 39.36.030; NOW, THEREFORE,

21 BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

22 Section 1. Definitions. As used in this ordinance, the
23 following words shall have the meanings hereinafter set forth:
24
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ORDINANCE _____

AN ORDINANCE relating to City capital facilities; authorizing and providing for the issuance of limited tax general obligation bonds and limited tax general obligation bond anticipation notes, which bonds and notes may be issued in one or more series, tax-exempt and taxable, all series of bonds and notes to provide for all or part of the cost of acquiring land and an existing building and equipping that building, part of which is to be used as a police support facility for the City and other parts of which are to be used for other City purposes, and to pay costs of issuance of the bonds and notes; providing for certain terms and covenants of the bonds and notes; providing for the sale of the bonds and notes; authorizing the assumption of an existing note; and making certain appropriations.

WHEREAS, The City of Seattle, Washington (the "City") has determined it to be in the best interest of the City that the City borrow money by the issuance of limited tax general obligation bonds (and prior to their issuance, by the issuance of limited tax general obligation bond anticipation notes) for the purpose of providing funds with which to provide for all or part of the cost of acquiring land and an existing building and equipping that building, part of which is to be used as a police support facility for the City and other parts of which are to be used for other City purposes, and to pay costs of issuance of the bonds and notes; and

WHEREAS, RCW 39.36.020 authorizes the City to incur indebtedness without assent of the voters of the City so long as such indebtedness does not result in a total nonvoted indebtedness of the City in excess of one and one-half percent of the value of taxable property within the City as computed in accordance with RCW 39.36.030; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Definitions. As used in this ordinance, the following words shall have the meanings hereinafter set forth:

NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE IT IS DUE TO THE QUALITY OF THE DOCUMENT.

1 "Acquisition Fund" means the Police Support Facility
2 subfund created in the Public Safety Facilities and Equipment
3 Fund by Section 20 of this ordinance.

4 "Bond Fund" means the City's Bond Interest and
5 Redemption Fund, previously created and established and to be
6 used for the payment of the principal of and interest on the
7 Obligations.

8 "Bond Sale Resolution" means a resolution of the City
9 Council adopted pursuant to this ordinance and confirming the
10 sale and final terms of the Bonds.

11 "Bonds" means the limited tax general obligation bonds
12 issued pursuant to this ordinance.

13 "City" means The City of Seattle, Washington, a
14 municipal corporation duly organized and existing under the laws
15 of the State of Washington.

16 "City Council" means the City Council of the City, as
17 duly and regularly constituted from time to time.

18 "Code" means the Internal Revenue Code of 1986, as
19 amended, or any successor thereto, and all applicable regulations
20 thereunder.

21 "Director of Finance" means the Director of the
22 Department of Finance of the City, and any successor to
23 substantially the same duties.

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1 "Notes" means any series of limited tax general
2 obligation bond anticipation notes issued pursuant to this
3 ordinance.

4 "Note Fund" means the City's General Bond Interest and
5 Redemption Fund, previously created and established and to be
6 used for the payment of the principal of and interest on the
7 Obligations.

8 "Obligations" means, collectively, the Bonds and the
9 Notes.

10 "Register" means the books or records maintained by the
11 Registrar for the purposes of registration of the notes.

12 "Registrar" means the entity serving as registrar and
13 paying agent for the Obligations, pursuant to Chapter 5.10 of the
14 Municipal Code (Ordinance 111724) as now existing or as hereafter
15 amended.

16 "Tax-Exempt Bonds" and "Tax-Exempt Notes" means,
17 respectively, the Bonds and the Notes the interest on which is
18 not included in gross income for federal income tax purposes.

19 "Tax-Exempt Obligations" means, collectively, the Tax-
20 Exempt Bonds and the Tax Exempt Notes.

21 Section 2. Debt Capacity. The assessed valuation of the
22 taxable property of the City as ascertained by the last preceding
23 assessment for City purposes for the collection of taxes in the
24 calendar year 1996 is Forty-Two Billion Three Hundred Twelve
25

1 Million Seven Hundred Sixty-Four Thousand Two Hundred Thirty-Nine
2 Dollars (\$42,312,764,239). The City has outstanding general
3 indebtedness evidenced by limited tax general obligation bonds,
4 installment purchase contracts and lease purchase agreements as
5 of March 1, 1996, in the principal amount of Four Hundred Forty-
6 Four Million Eight Hundred Thirty-Six Thousand Seven Hundred and
7 One Dollars (\$444,836,701) incurred within the limit of up to one
8 and one-half percent (1½%) of the value of the taxable property
9 within the City permitted for general municipal purposes without
10 a vote of the qualified voters therein, and has outstanding
11 unlimited tax general obligation bonds in the principal amount of
12 Sixty-Two Million Twelve Thousand One Hundred Thirty Five Dollars
13 (\$62,012,135) incurred within the limit of up to two and one-half
14 percent (2½%) of the value of the taxable property within the
15 City for capital purposes only, unlimited tax general obligation
16 bonds in the principal amount of Forty-Six Million Seven Hundred
17 One Thousand Thirty-Five Dollars (\$46,701,035) incurred within
18 the additional limit of up to two and one-half percent (2½%) of
19 the value of the taxable property within the City for utility
20 purposes, and unlimited tax general obligation bonds in the
21 principal amount of Nine Million Nine Hundred Sixty-One Thousand
22 Eight Hundred Thirty Dollars (\$9,961,830) incurred within the
23 additional limit of up to two and one-half percent (2½%) of the
24 value of the taxable property within the City for parks and open
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1 space purposes, issued pursuant to a vote of the qualified voters
2 of the City. The principal amount of indebtedness for which
3 obligations are authorized herein to be issued is not to exceed
4 Twenty Million Dollars (\$20,000,000).

5 Section 3. Authorization and Description of Bonds. The
6 City is authorized to borrow money on the credit of the City and
7 issue negotiable limited tax general obligation bonds evidencing
8 that indebtedness in the maximum principal amount of not to
9 exceed Twenty Million Dollars (\$20,000,000) for general City
10 purposes to provide the funds to pay all or part of the cost of
11 acquiring land and an existing building and equipping that
12 building, part of which is to be used as a police support
13 facility for the City and other parts of which are to be used for
14 other City purposes as may be approved by the City Council, to
15 pay the costs of issuance and sale of the bonds (the "costs of
16 issuance") and for other lawful City purposes as determined by
17 ordinance. The general indebtedness to be incurred shall be
18 within the limit of up to one and one-half per cent (1½%) of the
19 value of the taxable property within the City permitted for
20 general municipal purposes without a vote of the qualified voters
21 therein. The Bonds may be issued in one or more series; may be
22 combined with other general obligation bonds authorized
23 separately; shall be designated as Limited Tax General Obligation
24 Bonds, 1996, Series A (Tax-Exempt) or Limited Tax General
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1 Obligation Bonds, 1996, Series B (Taxable) (collectively, the
2 "Bonds") or shall be designated as otherwise determined by the
3 Director of Finance consistent with the provisions of this
4 ordinance; shall be dated as specified in the Bond Sale
5 Resolution; shall be in the denomination of five thousand dollars
6 (\$5,000) or any integral multiple thereof within a single
7 maturity or such other denomination within a maturity as provided
8 by the Bond Sale Resolution; shall be numbered separately, in the
9 manner and with any additional designation as the Registrar
10 (collectively, the fiscal agencies of the State of Washington in
11 Seattle, Washington or New York, New York) deems necessary for
12 the purpose of identification; shall bear interest at such rate
13 or rates (computed on the basis of a 360-day year of twelve 30-
14 day months) as shall be specified and approved by the Bond Sale
15 Resolution, except that the true interest cost shall not exceed
16 fifteen percent (15%) per annum with respect to the Tax-Exempt
17 Bonds and twenty percent (20%) per annum with respect to taxable
18 Bonds, payable semiannually (once interest payments commence
19 under the terms of the Bond Sale Resolution) on such dates as are
20 specified by the Bond Sale Resolution. The Bonds shall mature on
21 the dates and in years and amounts to be specified in the Bond
22 Sale Resolution, except that the final maturity of the Bonds
23 shall not be later than December 31, 2027 and all or some of the
24 Bonds may be term bonds with mandatory redemption amounts and
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1 dates, all to be as provided by the Bond Sale Resolution. The
2 Bonds also may be structured as commercial paper as set forth in
3 the Bond Sale Resolution. The Mayor and the Director of Finance
4 are separately authorized to execute and deliver, on behalf of
5 the City, any contracts consistent with the provisions of this
6 ordinance for which the City's approval is necessary or to which
7 the City is a party and that are related or incidental to the
8 initial issuance and sale of the Bonds.

9 The life of the building to be financed with the proceeds of
10 the Bonds exceeds the final maturity of the Bonds.

11 Section 4. Bond Sale Resolution. The City Council may
12 adopt the Bond Sale Resolution and in that resolution may provide
13 for the matters described in this ordinance and such other
14 matters that the City Council deems necessary and appropriate to
15 carry out the purposes of this ordinance.

16 The Bond Sale Resolution may provide for bond insurance, and
17 conditions or covenants relating thereto, including additional
18 terms, conditions and covenants relating to the Bonds that are
19 required by the bond insurer and are consistent with the
20 provisions of this ordinance, including but not limited to
21 restrictions on investments and requirements of notice to and
22 consent of the bond insurer.

23 The Bond Sale Resolution may designate and determine the
24 amount of Tax-Exempt Bonds and taxable Bonds and may approve and
25

1 authorize the initial establishment and any redetermination of
2 the interest rate or rates on the Bonds (subject to the
3 limitation in Section 3 hereof) and any tender, purchase,
4 remarketing or redemption of the Bonds. The City Council also
5 may determine and specify by the Bond Sale Resolution the amount,
6 if any, from the proceeds of or accrued interest on the Bonds to
7 be deposited into specified funds, subfunds, accounts and
8 subaccounts. In the absence of such a determination and
9 specification in the Bond Sale Resolution, the Director of
10 Finance may make such determination and specification.

11 Section 5. Registration and Transfer of Bonds. The Bonds
12 shall be issued only in registered form as to both principal and
13 interest and shall be recorded on books or records maintained by
14 the Registrar (the "Bond Register"). The Bond Register shall
15 contain the name and mailing address of the owner of each Bond
16 and the principal amount and number of each of the Bonds held by
17 each owner.

18 Bonds surrendered to the Registrar may be exchanged for
19 Bonds in any authorized denomination of an equal aggregate
20 principal amount and of the same series, interest rate and
21 maturity. Bonds may be transferred only if endorsed in the
22 manner provided thereon and surrendered to the Registrar. Any
23 exchange or transfer shall be without cost to the owner or
24 transferee. The Registrar shall not be obligated to exchange or

1 transfer any Bond during the 15 days preceding any principal
2 payment or redemption date.

3 Unless provided otherwise in the Bond Sale Resolution, the
4 Bonds initially shall be registered in the name of CEDE & CO., as
5 the nominee of the Depository Trust Company ("DTC"). The Bonds
6 so registered shall be held in fully immobilized form by DTC as
7 depository. For so long as any Bonds are held in fully
8 immobilized form, DTC or its successor depository shall be deemed
9 to be the registered owner for all purposes hereunder and all
10 references to registered owners, bondowners, bondholders or the
11 like shall mean DTC or its nominees and shall not mean the owners
12 of any beneficial interests in the Bonds. Registered ownership
13 of such Bonds, or any portions thereof, may not thereafter be
14 transferred except: (i) to any successor of DTC or its nominee,
15 if that successor shall be qualified under any applicable laws to
16 provide the services proposed to be provided by it; (ii) to any
17 substitute depository appointed by the City or such substitute
18 depository's successor; or (iii) to any person as provided if the
19 Bonds are no longer held in immobilized form.

20 Upon the resignation of DTC or its successor (or any
21 substitute depository or its successor) from its functions as
22 depository, or a determination by the City that it no longer
23 wishes to continue the system of book entry transfers through DTC
24 or its successor (or any substitute depository or its successor),
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1 the City may appoint a substitute depository. Any such
2 substitute depository shall be qualified under any applicable
3 laws to provide the services proposed to be provided by it.

4 If (i) DTC or its successor (or substitute depository or its
5 successor) resigns from its functions as depository, and no
6 substitute depository can be obtained, or (ii) the City
7 determines that the Bonds are to be in certificated form, then
8 the ownership of Bonds may be transferred to any person as herein
9 provided, and the Bonds no longer shall be held in fully
10 immobilized form.

11 The City's obligations under this ordinance and under the
12 Bonds are to the registered owner or owners of the Bonds, and the
13 City shall not be liable to the participants or beneficial owners
14 of Bonds registered in the name of any nominee of DTC or a
15 successor depository, for any acts or omissions of DTC or such
16 successor depository.

17 Section 6. Payment of Bonds. Both principal of and
18 interest on the Bonds shall be payable in lawful money of the
19 United States of America. Interest on the Bonds shall be paid by
20 checks or drafts of the Registrar mailed on the interest payment
21 date to registered owners of Bonds at the addresses for such
22 owners as those owners and addresses appear on the Bond Register
23 on the fifteenth (15th) day of the calendar month preceding the
24 interest payment date. Principal of the Bonds shall be payable
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1 at maturity or on such date as may be fixed for prior redemption
2 upon presentation and surrender of the Bonds by the registered
3 owners at either of the principal offices of the Registrar, at
4 the option of such registered owners. Notwithstanding the
5 foregoing, as long as the Bonds are registered in the name of DTC
6 or its nominee, payment of principal of and interest on the Bonds
7 shall be made in the manner set forth in the Letter of
8 Representations with DTC in substantially the form on file with
9 the Director of Finance, which Letter of Representations is
10 hereby approved and which may be executed by the Director of
11 Finance.

12 Section 7. Redemption and Open Market Purchase of Bonds.

13 All or some of the Bonds may be subject to redemption prior to
14 their stated maturity at the option of the City at the times and
15 on the terms set forth in the Bond Sale Resolution.

16 The City shall redeem any term bonds, if not redeemed under
17 the optional redemption provisions set forth above or purchased
18 in the open market under the provisions set forth below, by lot
19 (in such manner as the Registrar shall determine) at par plus
20 accrued interest on the dates and in the years and principal
21 amounts as set forth in the Bond Sale Resolution.

22 If the City shall redeem term bonds under the optional
23 redemption provisions set forth in the Bond Sale Resolution or
24 purchase term bonds in the open market as set forth below, the
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1 par amount of the term bonds so redeemed or purchased
2 (irrespective of their redemption or purchase prices) shall be
3 credited at the par amount thereof against such remaining
4 mandatory redemption amounts as determined by the Director of
5 Finance or, if no such determination is made, on a pro-rata
6 basis.

7 Portions of the principal amount of any Bond may be
8 redeemed, in installments of five thousand dollars (\$5,000) or
9 any integral multiple thereof as determined by the Bond Sale
10 Resolution. If less than all of the principal amount of any Bond
11 is redeemed, on surrender of that Bond at either of the principal
12 offices of the Registrar, there shall be issued to the registered
13 owner, without charge therefor, a new Bond (or Bonds, at the
14 option of the registered owner) of the same series, maturity and
15 interest rate in any of the denominations authorized by the Bond
16 Sale Resolution in the aggregate total principal amount remaining
17 unredeemed.

18 The City reserves the right and option to purchase any or
19 all of the Bonds in the open market at any time at any price
20 acceptable to the City plus accrued interest to the date of
21 purchase.

22 All Bonds purchased or redeemed under this Section 7 shall
23 be cancelled.
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1 The City shall cause notice of any intended redemption of
2 Bonds to be given not less than 20 nor more than 60 days prior to
3 the date fixed for redemption by first-class mail, postage
4 prepaid, to the registered owner of any Bond to be redeemed at
5 the address appearing on the Bond Register at the time the
6 Registrar prepares the notice, and the requirements of this
7 sentence shall be deemed to have been fulfilled when notice has
8 been mailed as so provided, whether or not it is actually
9 received by the owner of any Bond. Interest on Bonds called for
10 redemption shall cease to accrue on the date fixed for redemption
11 unless the Bond or Bonds called are not redeemed when presented
12 pursuant to the call. In addition, the redemption notice shall
13 be mailed within the same period, postage prepaid, to Moody's
14 Investors Service, Inc., and Standard & Poor's Corporation at
15 their offices in New York, New York, or their successors, to any
16 bond insurer for the Bonds, to each Nationally Recognized
17 Municipal Securities Information Repository or to the Municipal
18 Securities Rulemaking Board, to any state Information Depository
19 for Washington State, and to such other person and with such
20 additional information as the Director of Finance shall determine
21 or as specified in the Bond Sale Resolution, but none of these
22 additional mailings shall be a condition precedent to the
23 redemption of Bonds.
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1 If any Bond is not redeemed when properly presented at its
2 maturity or call date, the City shall be obligated to pay
3 interest on that Bond at the same rate provided in the Bond from
4 and after its maturity or call date until that Bond, both
5 principal and interest, is paid in full or until sufficient money
6 for its payment in full is on deposit in the Bond Account and the
7 Bond has been called for payment by giving notice of that call to
8 the registered owner of each of those unpaid Bonds.

9 Section 8. Form and Execution of Bonds. The Bonds shall be
10 typed, printed or lithographed on good bond paper in a form
11 consistent with the provisions of this ordinance, the Bond Sale
12 Resolution and State law, shall be signed by the Mayor and
13 Director of Finance, either or both of whose signatures may be
14 manual or in facsimile, and the seal of the City or a facsimile
15 reproduction thereof shall be impressed or printed thereon.

16 Only Bonds bearing a Certificate of Authentication in
17 substantially the following form (with the designation of the
18 Bonds adjusted consistent with Section 3 of this Ordinance),
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1 manually signed by the Registrar, shall be valid or obligatory
2 for any purpose or entitled to the benefits of this ordinance:

3 CERTIFICATE OF AUTHENTICATION

4 This Bond is one of the fully registered The City
5 of Seattle, Washington, Limited Tax General Obligation
6 Bonds, 1996, [Series A (Tax-Exempt)] [Series B
(Taxable)], described in the Bond Ordinance.

7 WASHINGTON STATE FISCAL AGENCY
8 Registrar

9 By _____
10 Authorized Signer

11 The authorized signing of a Certificate of Authentication shall
12 be conclusive evidence that the Bonds so authenticated have been
13 duly executed, authenticated and delivered and are entitled to
14 the benefits of this ordinance.

15 If any officer whose facsimile signature appears on the Bonds
16 ceases to be an officer of the City authorized to sign bonds
17 before the Bonds bearing his or her manual or facsimile signature
18 are authenticated or delivered by the Registrar or issued by the
19 City, those Bonds nevertheless may be authenticated, delivered
20 and issued and, when authenticated, issued and delivered, shall
21 be as binding on the City as though that person had continued to
22 be an officer of the City authorized to sign bonds. Any Bond
23 also may be signed on behalf of the City by any person who, on
24 the actual date of signing of the Bond, is an officer of the City

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1 authorized to sign bonds, although he or she did not hold the
2 required office on the date of issuance of the Bonds.

3 Section 9. Registrar. The Registrar shall keep, or cause to
4 be kept, at its principal corporate trust office, sufficient
5 books for the registration and transfer of the Bonds which shall
6 be open to inspection by the City at all times. The Registrar is
7 authorized, on behalf of the City, to authenticate and deliver
8 Bonds transferred or exchanged in accordance with the provisions
9 of the Bonds and this ordinance, to serve as the City's paying
10 agent for the Bonds and to carry out all of the Registrar's
11 powers and duties under this ordinance and SMC Chapter 5.10
12 (Ordinance 111724) establishing a system of registration for the
13 City's bonds and obligations, as that chapter now exists or may
14 be amended.

15 The Registrar shall be responsible for its representations
16 contained in the Registrar's Certificate of Authentication on the
17 Bonds. The Registrar may become the owner of Bonds with the same
18 rights it would have if it were not the Registrar and, to the
19 extent permitted by law, may act as depository for and permit any
20 of its officers or directors to act as members of, or in any
21 other capacity with respect to, any committee formed to protect
22 the rights of Bond owners.

23 Section 10. Provisions for Sale of Bonds. The Director
24 of Finance is authorized in his or her discretion to offer the

1 Bonds for sale at competitive bid or at a negotiated sale. If
2 the Director of Finance determines to offer the Bonds for
3 competitive sale, he or she is authorized to fix a date and time
4 of sale of the Bonds, to give notice of the sale, to determine
5 the bid requirements and the criteria for determining the best
6 bidder, and to specify such other matters as he or she may
7 determine necessary to carry out the sale of the Bonds, so long
8 as the manner and terms of the sale thereof are consistent with
9 this ordinance. The Director of Finance may, in his or her
10 discretion, provide for the use of an electronic bidding
11 mechanism in connection with the bidding for the sale of the
12 Bonds.

13 CUSIP numbers will be printed on the Bonds if requested in the
14 bid of the successful bidder, but neither failure to print CUSIP
15 numbers on any Bond nor error with respect thereto shall
16 constitute cause for a failure or refusal by the successful
17 bidder to accept delivery of and pay for the Bonds in accordance
18 with its bid. All expenses in relation to the printing of CUSIP
19 numbers on the Bonds shall be paid by the City, but the fee of
20 the CUSIP Service Bureau for the assignment of those numbers
21 shall be the responsibility of and shall be paid by the
22 successful bidder.

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1 The City will cause the Bonds to be printed or lithographed
2 and signed and will furnish the approving legal opinion of bond
3 counsel regarding the Bonds, without cost to the purchaser.

4 The Bonds will be delivered to the purchasers in New York, New
5 York, within ninety (90) days after the sale date and immediately
6 upon payment to the City of the purchase price plus accrued
7 interest to the date of closing in immediately available federal
8 funds in Seattle, Washington, at the City's expense or at another
9 time or place upon which the Director of Finance and the
10 purchasers may agree at the purchasers' expense.

11 Section 11. Authorization and Description of Notes.

12 (a) Authorization of Borrowing. For the purpose of
13 providing the funds with which to pay part of the cost of the
14 purposes set forth in Section 3 and to pay the costs of issuance
15 and sale of the Notes (the "costs of issuance"), the City is
16 authorized to issue and sell one or more series of limited tax
17 general obligation bond anticipation notes designated Limited Tax
18 General Obligation Bond Anticipation Notes, 1996, Series A (Tax-
19 Exempt) and Limited Tax General Obligation Bond Anticipation
20 Notes, 1996, Series B (Taxable) or designated as otherwise
21 determined by the Director of Finance consistent with the
22 provisions of this ordinance, the aggregate principal amount of
23 which will not exceed Twenty Million Dollars (\$20,000,000).
24 Furthermore, there shall not be outstanding at any time an

1 aggregate principal amount of Obligations in excess of Twenty
2 Million Dollars (\$20,000,000), except that Bonds in excess of
3 that amount may be issued for the purpose of immediately
4 redeeming the Notes. The Finance Director may issue the Notes as
5 part of a combined issue together with other notes separately
6 authorized by the City.

7 The general obligation indebtedness authorized to be incurred
8 herein for the Notes shall be within the limit of up to one and
9 one-half per cent (1½%) of the value of the taxable property
10 within the City permitted for general municipal purposes without
11 a vote of the qualified voters therein. Nothing in this
12 ordinance shall be interpreted to limit the legal ability of the
13 City to incur debt and issue obligations therefor other than
14 pursuant to this ordinance.

15 (b) Description of Notes and Maximum Interest Rates on
16 Notes. The Notes shall be issued only in registered form; shall
17 be in the denomination of Five Thousand Dollars (\$5,000) or any
18 integral multiple thereof; and shall be numbered separately, in
19 the manner and with any additional designation as the Registrar
20 deems necessary for the purpose of identification. Each series
21 of Notes issued pursuant to this ordinance shall bear interest at
22 a rate or rates to be negotiated with the purchaser of the Notes
23 by the Director of Finance of the City pursuant to the terms of
24 this ordinance and may bear a fixed rate or rates or a variable
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1 rate or rates of interest which may be based on a bank prime rate
2 or the most recent prime rate of interest published in the Wall
3 Street Journal or any other index the Director of Finance shall
4 select but in any event shall not exceed a true interest cost of
5 Twelve percent (12%) per annum with respect to Tax-Exempt Notes
6 and Fifteen percent (15%) per annum with respect to taxable
7 Notes; shall be dated as of their date of issuance; and shall not
8 be outstanding, together with any other short-term obligations
9 issued to redeem the same, for longer than the time permitted by
10 chapter 39.50 RCW. The Notes shall be issued subject to such
11 terms, conditions and covenants, including but not limited to
12 terms pertaining to redemption, as the Director of Finance may
13 determine, consistent with the purposes of this ordinance. The
14 Notes may evidence a line or lines of credit or may be in the
15 form of commercial paper. Prior to the issuance of the Notes,
16 the dates on which principal and interest are payable thereon may
17 be modified upon agreement between the Director of Finance and
18 the purchaser of the Notes. The City Council finds and
19 determines that the maximum rates of interest established in this
20 ordinance are in the best interest of the City and its tax
21 payers.

22 (c) Authorization of Actions By the Director of Finance.

23 The Director of Finance is authorized to negotiate and approve
24 the terms and authorize the issuance and sale of any series of
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1 Notes consistent with the terms of this ordinance without further
2 action of the City Council. The Director of Finance is also
3 authorized and permitted to make the incremental loan draws, if
4 lines of credit are established, so long as the incremental loan
5 draws do not exceed the total amount of the costs to be paid from
6 such draw, and the proceeds of such draw shall be used
7 immediately to pay those costs. The Director of Finance may add
8 to or modify the designation of the Notes if they are issued in
9 more than two series, and may determine the amount of Tax-Exempt
10 Notes and taxable Notes.

11 Section 12. Registration and Transfer of Notes. The Notes
12 shall be issued only in registered form as to both principal and
13 interest and shall be recorded on books or records maintained by
14 the Registrar (the "Register"). The Register shall contain the
15 name and mailing address of the then-current owner of each Note
16 and the principal amount and number of each Note held by each
17 owner.

18 Notes surrendered to the Registrar may be exchanged for Notes
19 in any authorized denomination of an equal aggregate principal
20 amount and of the same series, interest rate and maturity. Notes
21 may be transferred only if endorsed in the manner provided
22 thereon and surrendered to the Registrar. Any exchange or
23 transfer shall be without cost to the owner or transferee. The
24 Registrar shall not be obligated to exchange or transfer any Note

1 during the 15 days preceding any principal payment or redemption
2 date. The Director of Finance also may provide for the Notes to
3 be registered in the name of CEDE & Co., as the nominee of the
4 Depository Trust Company, consistent with the provisions of
5 Section 5 with respect to the Bonds.

6 Section 13. Payment of Notes. Both principal of and interest
7 on the Notes shall be payable in lawful money of the United
8 States of America solely out of the Note Fund and the City
9 irrevocably pledges to redeem the Notes from the proceeds of a
10 sufficient amount of limited tax general obligation bonds
11 authorized to be issued by this ordinance, from the proceeds of
12 additional short-term obligations issued to redeem previously
13 issued and then outstanding Notes, or from other money of the
14 City legally available and to be used therefor.

15 If any Note is not redeemed when properly presented at its
16 maturity or call date, the City shall be obligated to pay
17 interest on that Note at the same rate provided in the Note from
18 and after its maturity or call date until that Note, both
19 principal and interest, is paid in full or until sufficient money
20 for its payment in full is on deposit in the Note Fund and the
21 Note has been called for payment by giving notice of that call to
22 the registered owner of that unpaid Note.

23 Section 14. Form, Execution and Registration of Notes. The
24 Notes shall be typed, printed or lithographed on good bond paper
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1 in a form consistent with the provisions of this ordinance and
2 state law, shall be signed by the Director of Finance, whose
3 signature may be manual or in facsimile, and the seal of the City
4 or a facsimile reproduction thereof shall be impressed or printed
5 thereon.

6 Only Notes bearing a Certificate of Authentication in
7 substantially the following form (with the designation of the
8 Notes adjusted consistent with Section 11 of this ordinance),
9 manually signed by the Registrar, shall be valid or obligatory
10 for any purpose or entitled to the benefits of this ordinance:

11 CERTIFICATE OF AUTHENTICATION

12 This Note is one of the fully registered The City of
13 Seattle, Washington, Limited Tax General Obligation Bond
14 Anticipation Notes, 1996, [Series A (Tax-Exempt)] [Series B
(Taxable)] described in the Note Ordinance.

15 Registrar

16 By _____
17 Authorized Signer

18 The authorized signing of a Certificate of Authentication shall
19 be conclusive evidence that the Notes so authenticated have been
20 duly executed, authenticated and delivered and are entitled to
21 the benefits of this ordinance.

22 If any officer whose manual or facsimile signature appears on
23 the Notes ceases to be an officer of the City authorized to sign
24 notes before the Notes bearing his or her manual or facsimile
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1 signature are authenticated or delivered by the Registrar or
2 issued by the City, those Notes nevertheless may be
3 authenticated, delivered and issued and, when authenticated,
4 issued and delivered, shall be as binding on the City as though
5 that person had continued to be an officer of the City authorized
6 to sign notes. Any Note also may be signed on behalf of the City
7 by any person who, on the actual date of signing of the Note, is
8 an officer of the City authorized to sign notes, although he or
9 she did not hold the required office on the date of issuance of
10 the Notes.

11 The Registrar shall keep, or cause to be kept, at its
12 principal corporate trust office, sufficient books for the
13 registration and transfer of the Notes which shall be open to
14 inspection by the City at all times. The Registrar is
15 authorized, on behalf of the City, to authenticate and deliver
16 Notes transferred or exchanged in accordance with the provisions
17 of the Notes and this ordinance, to serve as the City's paying
18 agent for the Notes and to carry out all of the Registrar's
19 powers and duties under this ordinance and Chapter 5.10 of the
20 Municipal Code (Ordinance 111724, as amended) establishing a
21 system of registration for the City's bonds and obligations, as
22 that chapter now exists or may be amended.

23 The Registrar shall be responsible for its representations
24 contained in the Registrar's Certificate of Authentication on the
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1 Notes. The Registrar may become the owner of Notes with the same
2 rights it would have if it were not the Registrar and, to the
3 extent permitted by law, may act as depository for and permit any
4 of its officers or directors to act as members of, or in any
5 other capacity with respect to, any committee formed to protect
6 the rights of owners of the Notes.

7 Section 15. Pledge of Taxes. For as long as any of the
8 Obligations are outstanding, the City irrevocably pledges to
9 include in its budget and levy taxes annually within the
10 constitutional and statutory tax limitations provided by law
11 without a vote of the electors of the City on all of the taxable
12 property within the City in an amount sufficient, together with
13 other money legally available and to be used therefor, to pay
14 when due the principal of and interest on the Obligations, and
15 the full faith, credit and resources of the City are pledged
16 irrevocably for the annual levy and collection of those taxes and
17 the prompt payment of that principal and interest.

18 Section 16. Preservation of Tax Exemption for Interest on
19 Obligations. The City covenants that it will take all actions,
20 consistent with the terms of the Obligations, this ordinance, and
21 the Bond Resolution, reasonably within its power and necessary to
22 prevent interest on the Tax-Exempt Obligations from being
23 included in gross income for federal income tax purposes, and the
24 City will neither take any action nor make or permit any use of
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1 proceeds of the Tax-Exempt Obligations or other funds of the City
2 treated as proceeds of the Tax-Exempt Obligations at any time
3 during the term of the Tax-Exempt Obligations which will cause
4 inclusion of the Tax-Exempt Obligations to be included in gross
5 income for federal income tax purposes. The City certifies that
6 it has been notified of any listing or proposed listing by
7 the Internal Revenue Service to the effect that it is a bond
8 issuer whose arbitrage certifications may not be relied upon.

9 Section 17. Undertaking to Provide Continuing Disclosure.

10 The City shall undertake to provide for the benefit of holders of
11 Obligations certain annual financial information and operating
12 data of the type included in the final official statement for
13 those Obligations, as well as notice of specified material events
14 respecting those Obligations, in the manner and to the extent
15 required by United States Securities and Exchange Commission Rule
16 15c2-12. The particular terms of the City's undertaking shall be
17 set forth in another ordinance or in the Bond Sale Resolution
18 with respect to the Bonds, and in a declaration of the Director
19 of Finance with respect to the Notes.

20 Section 18. Obligations Negotiable. The Obligations shall be
21 negotiable instruments to the extent provided by RCW 62A.8-102
22 and 62A.8-105.

23 Section 19. Advance Refunding or Defeasance of the
24 Obligations. The City may issue advance refunding obligations
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1 pursuant to the laws of the State of Washington or use money
2 available from any other lawful source to pay when due the
3 principal of and interest on the Obligations, or any portion
4 thereof included in a refunding or defeasance plan, and to redeem
5 and retire, refund or defease all such then-outstanding
6 Obligations (hereinafter collectively called the "defeased
7 Obligations") and to pay the costs of the refunding or
8 defeasance. If money and/or direct obligations of the United
9 States of America maturing at a time or times and bearing
10 interest in amounts (together with money, if necessary)
11 sufficient to redeem and retire, refund or defease the defeased
12 Obligations in accordance with their terms are set aside in a
13 special trust fund or escrow account irrevocably pledged to that
14 redemption, retirement or defeasance of defeased Obligations
15 (hereinafter called the "trust account"), then all right and
16 interest of the owners of the defeased Obligations in the
17 covenants of this ordinance and in the funds and accounts
18 obligated to the payment of the defeased Obligations shall cease
19 and become void. The owners of defeased Obligations shall have
20 the right to receive payment of the principal of and interest on
21 the defeased Obligations from the trust account. The defeased
22 Obligations shall be deemed no longer outstanding, and the City
23 may apply any money in any other fund or account established for
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the payment or redemption of the defeased Obligations to any lawful purposes as it shall determine.

Section 20. Deposit and Use of Proceeds. There has previously been established in the City Treasury a special fund known as the Public Safety Facilities and Equipment Fund. There is hereby created in that fund the Police Support Facility Subfund (the "Acquisition Fund"). The principal proceeds and premium, if any, received from the sale and delivery of the Notes (or the Bonds, to the extent proceeds of the bonds are not used to redeem Notes) shall be paid into the Acquisition Fund and used for the purposes specified in Section 3 of this ordinance. There previously has been created and established in the City Treasury a special fund designated as the Bond Interest and Redemption Fund (the "Bond Fund"). Accrued interest on the Obligations, if any, received from the sale and delivery of the Obligations shall be paid into the Bond Fund prior to the first debt service date with respect to those Obligations. Until needed to pay the costs described herein, the City may invest principal proceeds temporarily in any legal investment, and the investment earnings shall be deposited in such funds and accounts as may be designated by the Director of Finance. Earnings subject to a federal tax or rebate requirement may be withdrawn from any such fund or account and used for those tax or rebate purposes. All taxes collected for and allocated to the payment of the principal

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1 of and interest on the Notes shall be deposited in the Bond Fund.
2 Proceeds of the Bonds shall be deposited in such funds and in
3 such amounts as may be set forth in the Bond Sale Resolution.

4 In connection with the acquisition of land and a building as
5 set forth in Section 3 of this ordinance, the Director of Finance
6 is authorized, in his or her discretion, to provide for the
7 assumption by the City of an existing note from the owner or
8 owners of such land and building, together with any deed of trust
9 or mortgage securing that note. However, the outstanding
10 principal amount assumed shall not exceed Twelve Million One
11 Hundred Thousand Dollars (\$12,100,000), and the interest rate on
12 any such note shall not exceed fifteen percent (15%) per annum.
13 The Director of Finance also is authorized in his or her
14 discretion, to provide for the defeasance of any such note by
15 placing proceeds of the Obligations irrevocably in trust in the
16 City Treasury, or with a trustee appointed by the Director of
17 Finance and pursuant to a refunding or defeasance trust agreement
18 (which the Director of Finance is hereby authorized to execute).
19 Any proceeds so placed irrevocably in escrow shall be invested in
20 money or direct obligations of the United States of America
21 maturing at a time or times and bearing interest in amounts
22 (together with money, if necessary) sufficient to redeem, retire
23 and refund or defease that note in accordance with its terms.
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1 The Director of Finance may establish such accounts and
2 subaccounts in the Acquisition Fund or in other funds as he or
3 she may deem necessary and appropriate to carry out the purposes
4 of the Ordinance.

5 Any amounts remaining in the Acquisition Fund after the
6 accomplishment of the purposes set forth in Section 3, or after a
7 determination by the City Council to use such amounts for other
8 lawful purposes, may be used for such other purposes as the City
9 Council may determine by ordinance.

10 Section 21. Temporary Obligations. Pending the printing,
11 execution and delivery to the purchaser of definitive
12 Obligations, the City may cause to be executed and delivered to
13 the purchaser a temporary Obligation or Obligations in the total
14 principal amount of the relevant Obligations. The temporary
15 Obligations shall bear the same date of issuance, interest rates,
16 principal payment dates and terms and covenants as the definitive
17 Obligations, shall be issued as a fully registered Obligation in
18 the name of the purchaser, and shall be in such form as is
19 acceptable to the purchaser. Such temporary Obligations shall be
20 exchanged for the definitive Obligations as soon as the same are
21 printed, executed and available for delivery.

22 Section 22. Appropriation. Contingent upon receipt of the
23 proceeds of Obligations in sufficient amount, there is
24 appropriated from the Acquisition Fund Twenty Million Dollars
25
26

1 '0), or so much thereof as may be necessary, for the
2 purpose of making payments in carrying out the purposes specified
3 in Section 3 of this ordinance (including making debt service
4 payments on a note assumed pursuant to Section 20 of this
5 ordinance), which purposes have been or may be authorized or
6 additionally authorized by separate ordinance, and including
7 reimbursement to the Department of Administrative Services
8 Operating Fund for expenditures related to planning and
9 acquisition.

10 Section 23. Severability. If any one or more of the
11 provisions of this ordinance or of the covenants or agreements
12 provided in this ordinance to be performed on the part of the
13 City shall be declared by any court of competent jurisdiction and
14 of last resort to be contrary to law, then such provision,
15 covenant or covenants, agreement or agreements shall be null and
16 void and shall be separable from the remaining provisions,
17 covenants and agreements in this ordinance and shall in no way
18 affect the validity of the other provisions of this ordinance.

19 Section 24. Ratification of Prior Acts. Any act taken
20 consistent with the authority and prior to the effective date of
21 this ordinance, including notices of sale of Obligations, the
22 execution of contracts, fund transfers, and payment of warrants,
23 is ratified, approved and confirmed.

NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE
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City of Seattle

Department
of Finance

Dwight D. Dively
Director of Finance

Norman B. Rice
Mayor

RECEIVED OMP
APR 03 1996

April 2, 1995

The Honorable Jan Drago
President, Seattle City Council
600 Fourth Avenue, 11th Floor
Seattle, WA 98104

Via: Mayor's Office
Attention: Tom Tierney
From: Dwight Dively *DD*
Subject: Proposed Ordinance Authorizing Sale of G.O. Bonds

The attached ordinance authorizes the sale of up to \$20.0 million of limited tax general obligation bonds to provide for part of the costs of acquiring and equipping land and existing buildings, part of which is to be used as a police support facility for the City and other parts of which are to be used for other City purposes.

I currently anticipated that if the Council approves the ordinance, the Finance Department will conduct a bond sale as early as June 1996. Based on preliminary discussions, we will probably combine this financing with the permanent debt for Key Tower.

Please feel free to contact me or Brian McCartan (684-8347) if you need any additional information.

Thank you for your consideration of this ordinance.

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096-085

City of Seattle

Executive Department—Office of Management and Planning

Thomas Tierney, Director
Norman B. Rice, Mayor

April 3, 1996

The Honorable Mark Sidran
City Attorney
City of Seattle



*Title OK as modified
JLC 4/3/96*

Dear Mr. Sidran:

The Mayor is proposing to the City Council that the enclosed legislation be adopted.

REQUESTING DEPARTMENT: Finance

SUBJECT: AN ORDINANCE relating to City capital facilities; authorizing and providing for the issuance of limited tax general obligation bonds and limited tax general obligation bond anticipation notes, which bonds and notes may be issued in one or more series, tax-exempt and taxable, all series of bonds and notes to provide for all or part of the cost of acquiring land and an existing building and equipping that building, part of which ^{of which are} to be used as a police support facility for the City and other parts to be used for other City purposes, and to pay costs of issuance of the bonds and notes; providing for certain terms and covenants of the bonds and notes; providing for the sale of the bonds and notes; ^{making certain appropriations.} authorizing the assumption of an existing note, and

Pursuant to the City Council's S.O.P. 100-014, the Executive Department is forwarding this request for legislation to your office for review and drafting.

After reviewing this request and any necessary redrafting of the enclosed legislation, return the legislation to OM^D. Any specific questions regarding the legislation can be directed to Monica Power at 684-8065.

Sincerely,

Norman B. Rice
Mayor

by *Monica Power*

Tom Tierney, Director

legis:power65

Enclosure

COPY RECEIVED
APR -3 AM 9:45
CITY ATTORNEY

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TIME AND DATE STAMP

SPONSORSHIP

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:

Marsha Chase

FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO: _____

PRESIDENT'S SIGNATURE

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STATE OF WASHINGTON - KING COUNTY

67836
City of Seattle, City Clerk

-ss.

No. ORD IN FULL

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:ORD 118108

was published on

05/10/96

The amount of the fee charged for the foregoing publication is the sum of \$ _____, which amount has been paid in full.

Subscribed and sworn to before me on

05/10/96

Notary Public for the State of Washington,
residing in Seattle

Affidavit of Publication

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