

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 3329

AN ORDINANCE of the City of Bellevue, Washington, relating to contracting indebtedness; providing for the issuance, specifying the maturities, interest rates, terms and covenants of \$14,385,000 par value of "Limited Tax General Obligation Bonds, 1983," of the City for strictly City purposes to provide funds with which to purchase, improve and develop the Bellevue Junior High School property for use as a City park, or for such other municipal purposes as the City Council may hereafter determine; establishing a property acquisition and development fund; and providing for the sale of such bonds to Seattle-Northwest Securities Corporation, Seattle, Washington.

WHEREAS, the City Council of the City of Bellevue, Washington (the "City"), finds and declares that it is in the best interest of the City and the City is in need of purchasing, improving and developing for use as a City park that certain real property located in the Bellevue Central Business District and commonly known as the Bellevue Junior High property, which property comprises approximately 17-1/2 acres and is more particularly described in the Option and Purchase and Sale Agreement entered into between the City and Bellevue School District No. 405 on September 23, 1983, on file in the office of the City Clerk and securing funds for such other municipal purposes as the City Council may hereafter determine, the estimated cost of which is \$14,385,000, and the City does not have available sufficient funds to pay the cost thereof; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DO ORDAIN as follows:

Section 1. The assessed valuation of the taxable property of the City as ascertained by the last preceding assessment for City purposes for the calendar year 1983 is \$4,481,988,867, and the City has outstanding general indebtedness evidenced by limited tax general obligation bonds of \$8,445,000 incurred within the limit of up to 3/4 of 1% of the value of the taxable property within the City permitted for general municipal purposes without a vote of the qualified voters therein, unlimited tax general obligation bonds in the principal amount of

\$8,985,000 incurred within the limit of up to 2-1/2% of the value of the taxable property within the City for capital purposes only, unlimited tax general obligation bonds in the principal amount of \$4,095,000 incurred within the additional limit of up to 2-1/2% of the value of the taxable property within the City for parks and open space purposes pursuant to a vote of the qualified voters of the City, contracts in the amount of \$1,257,831 and pension liability in the amount of \$17,327 which are general obligations of the City and the amount of indebtedness for which bonds are herein authorized to be issued is \$14,385,000.

Section 2. The City shall borrow money on the credit of the City and issue negotiable limited tax general obligation bonds evidencing such indebtedness in the amount of \$14,385,000 for general City purposes to provide the funds to purchase, improve and develop for use as a City park that certain real property located in the Bellevue Central Business District and commonly known as the Bellevue Junior High property, which property comprises approximately 17-1/2 acres and is more particularly described in the Option and Purchase and Sale Agreement entered into between the City and Bellevue School District No. 405 on September 23, 1983, on file in the office of the City Clerk as above described, and to pay the cost of the issuance, sale and administration of the bonds and to provide funds for such other municipal purposes as the City Council may hereafter determine. Such general indebtedness to be incurred shall be within the limit of up to 3/4 of 1% of the value of the taxable property within the City permitted for general municipal purposes without a vote of the qualified voters therein.

Section 3. The bonds shall be called "Limited Tax General Obligation Bonds, 1983" (the "Bonds"), of the City; shall be dated December 1, 1983; shall be in denomination of \$5,000 each or any intergral multiple thereof within a single maturity; shall be numbered separately and in the manner and with any additional designation as the Bond Registrar (collectively, the fiscal agencies of the State of Washington located in Seattle, Washington, or New York, New York) deems necessary for the purpose of identification; and shall bear interest at the rates set forth below, payable on December 1, 1984, and semiannually thereafter on each succeeding June 1 and December 1, and, if any Bond is not redeemed upon proper presentment on its maturity or call date, with full obligation on the part of the City to pay interest at the same rate from and after the maturity or call date until that Bond, with interest, is paid in full or sufficient money for such payment is on deposit in the City's "Interest and Debt Redemption--Regular Fund No. 212," heretofore created and that Bond has been called for payment in the manner

set forth hereafter. The Bonds shall bear interest and mature on December 1 in the years and amounts as follows:

<u>Maturity Years</u>	<u>Amounts</u>	<u>Interest Rates</u>
1984	\$ 510,000	11.00%
1985	1,165,000	16.50%
1986	1,340,000	7.75%
1987	1,455,000	7.40%
1988	1,565,000	7.75%
1989	1,685,000	8.00%
1990	1,825,000	8.30%
1991	1,980,000	8.60%
1992	2,145,000	8.90%
1993	715,000	9.00%

Upon surrender thereof to the Bond Registrar, Bonds are interchangeable for Bonds in any authorized denomination of an equal aggregate principal amount and of the same maturity. Bonds may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Such exchange or transfer shall be without cost to the owner or transferee.

The Bonds shall be issued only in registered form as to both principal and interest on books or records maintained by the Bond Registrar (the "Bond Register"). Such Bond Register shall contain the name and mailing address of the owner of each Bond or nominee of such owner and the principal amount and number of Bonds held by each owner or nominee.

Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be paid by check or draft mailed to the registered owners or nominees at the addresses appearing on the Bond Register on the 15th day of the month preceding the interest payment date. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the registered owners at the principal offices of the Bond Registrar.

Bonds maturing in the years 1984 through 1988, inclusive, shall be issued without the right or option of the City to redeem the same prior to their respective maturity dates. The City reserves the right to redeem Bonds maturing on or after December 1, 1989, in whole, or in part in inverse order of maturity (and by lot within a maturity in such manner as the Bond Registrar shall determine) on December 1, 1988, and on any interest payment date thereafter, at par plus accrued interest to the date fixed for redemption. Portions of the principal

amount of any Bond, in amounts of \$5,000 or any integral multiple of \$5,000, may be redeemed. If less than all of the principal amount of any Bond is redeemed, upon surrender of such Bond at the principal office of the Bond Registrar, there shall be issued to the registered owner, without charge therefor, a new Bond or Bonds, at the option of the registered owner, of like maturity in the total principal amount of the unredeemed portion of such Bond in any of the denominations authorized by this ordinance.

Notice of any such intended redemption shall be given not less than 30 nor more than 60 days prior to the date fixed for redemption by first class mail, postage prepaid, to the registered owner of any Bond to be redeemed at the address appearing on the Bond Register. The requirements of this section shall be deemed to be complied with when notice is mailed as herein provided whether or not it is actually received by the owner of any Bonds. The interest on the Bonds so called for redemption shall cease on the date fixed for redemption unless such Bond or Bonds so called are not redeemed upon presentation made pursuant to such call. In addition, such redemption notice shall be mailed within the same period, postage prepaid, to Moody's Investor's Service, Inc., and Standard & Poor's Corporation at their offices in New York, New York, or their successors, but such mailing to those New York firms shall not be a condition precedent to the redemption of such Bonds.

The City also reserves the right to purchase any of the Bonds on the open market at any time at a price not in excess of par plus accrued interest to date of purchase.

Section 4. The Bonds shall be printed or lithographed on good bond paper in a form consistent with the provisions of this ordinance, shall be signed by the Mayor and attested by the City Clerk, both of whose signatures shall be in facsimile, and shall have a facsimile reproduction of the seal of the City printed thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the following form, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance:

CERTIFICATE OF AUTHENTICATION

This bond is one of the fully registered City of Bellevue, Washington, Limited Tax General Obligation Bonds, 1983, described in the within mentioned ordinance.

Washington State Fiscal Agency
Bond Registrar

By _____
Authorized Officer

Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

In case either of the officers who shall have executed the Bonds shall cease to be such officer or officers of the City before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issue, shall be as binding upon the City as though those who signed the same had continued to be such officers of the City. Any Bond may also be signed and attested on behalf of the City by such persons as at the actual date of execution of such Bond shall be proper officers of the City although at the original date of such Bond any such person shall not have been such officer of the City.

Section 5. The Bond Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the City. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this ordinance and to carry out all of the Bond Registrar's powers and duties under this ordinance.

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

Section 6. The Bonds shall be negotiable instruments to the extent provided by RCW 62A.8-102 and 62A.8-105.

Section 7. The City irrevocably pledges to levy taxes annually, within the constitutional and statutory tax limitations provided by law without a vote of the electors of the

City, upon all property in the City subject to taxation in an amount sufficient, together with other money legally available and to be used therefor, to pay the principal of and interest on the Bonds as the same shall accrue, and the full faith, credit and resources of the City are pledged irrevocably for the payment of the principal of and interest on the Bonds.

Section 8. The City covenants that it will spend the principal proceeds of the Bonds with due diligence to completion of the purposes specified in this ordinance and will make no use of the proceeds of the Bonds or of its other money at any time during the term of the Bonds which will cause the Bonds to be arbitrage bonds within the meaning of Section 103(c) of the United States Internal Revenue Code of 1954, as amended, and applicable regulations promulgated thereunder.

Section 9. The accrued interest received, if any, upon the sale and delivery of the Bonds shall be paid into the "Interest and Debt Redemption--Regular Fund No. 212" of the City heretofore created. There is created and established in the office of the City Finance Director a special fund to be known and designated as the "School Property Acquisition and Development Fund, 1983," of the City. The principal proceeds received from the sale and delivery of the Bonds shall be paid into the "School Property Acquisition and Development Fund, 1983," and used for the purposes specified in Section 2 of this ordinance. Pending the expenditure of such principal proceeds, the City may temporarily invest such proceeds in any legal investment and the investment earnings may be retained in such fund and expended for the purposes of such fund. All taxes collected for and allocated to the payment of the principal of and interest on the Bonds hereafter shall be deposited in the Bond Fund. Pending the receipt of the proceeds from the issuance of the Bonds, interest-bearing warrants may be drawn on the "School Property Acquisition and Development Fund, 1983," to provide interim funds to pay such costs, such loan to be repaid from the proceeds received from the issuance of the Bonds. In the alternative, the City hereafter may provide by ordinance for the issuance of other short term obligations pursuant to Chapter 216, Laws of 1983.

Section 10. In the event the City shall issue advance refunding bonds pursuant to the laws of the State of Washington, or have money available from any other lawful source, to pay the principal of and interest on the Bonds or such portion thereof included in the refunding plan as the same become due and payable and to refund all such then outstanding Bonds and to pay the costs of refunding, and shall have irrevocably set aside in a special account of a refunding trustee for and pledged to such

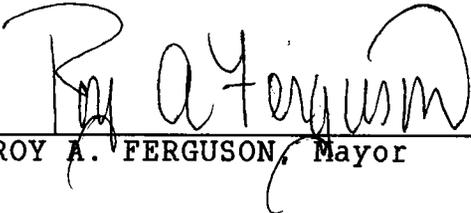
payment and refunding money and/or direct obligations of the United States of America or other legal investments sufficient in amount, together with known earned income from the investments thereof, to make such payments and to accomplish the refunding as scheduled (hereinafter called the "trust account"), and shall make irrevocable provision for redemption of such Bonds, then in that case all right and interest of the owners of the Bonds to be so retired or refunded (hereinafter collectively called the "defeased Bonds") in the covenants of this ordinance and, except as hereinafter provided, in the funds and accounts obligated to the payment of such Bonds shall thereafter cease and become void. Such owners shall thereafter have the right to receive payment of the principal of and interest on the defeased Bonds from the trust account and, in the event the funds in the trust account are not available for such payment, shall have the right to receive payment of the principal of and interest on the defeased Bonds from the funds and accounts obligated to the payment of such Bonds. Subject to the rights of the holders of Bonds, the City may then apply any money in any other fund or account established for the payment or redemption of the defeased Bonds to any lawful purposes as it shall determine.

Section 11. Seattle-Northwest Securities Corporation of Seattle, Washington, has submitted an offer to purchase the bonds at a price of par plus accrued interest from the date of the bonds to the date of their delivery to the purchaser, the City to furnish the printed bonds and the approving legal opinion of Roberts & Shefelman, municipal bond counsel of Seattle, Washington, at the City's expense. Bond counsel shall not be required to review or express any opinion concerning the completeness or accuracy of any official statement, offering circular or other sales material issued or used in connection with the Bonds, and bond counsel's opinion shall so state. The City Council, deeming that it is in the best interest of the City that such offer be accepted, accepts the same. The Bonds shall, therefore, immediately upon their execution, be delivered to Seattle-Northwest Securities Corporation of Seattle, Washington, upon payment therefor in accordance with such offer.

Section 12. Pending the printing, execution and delivery to the purchaser of the definitive Bonds, the City may cause to be executed and delivered to such purchaser a single temporary Bond in the principal amount of \$14,385,000. Such temporary Bond shall bear the same date of issuance, interest rates, principal payment dates and terms and covenants as the definitive Bonds, and shall be issued as a fully registered bond in the name of such purchaser, and shall be in such form as is acceptable to such purchaser. Such temporary Bond shall be exchanged for the definitive Bonds as soon as the same are printed, authenticated and available for delivery.

Section 13. This ordinance shall be published by posting it in three official posting places of the City and shall take effect and be in force five days after the date of posting.

PASSED by the City Council this 12th day of December, 1983, and signed in authentication of its passage this 12th day of December, 1983.



ROY A. FERGUSON, Mayor

APPROVED AS TO FORM:

LINDA M. YOUNGS, City Attorney



RICHARD L. ANDREWS, Assistant
City Attorney

ATTEST:



MARIE K. O'CONNELL, City Clerk

Published: December 17, 1983

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