

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 3568

AN ORDINANCE relating to local improvement districts; establishing Consolidated Local Improvement District No. 262 et al. and Consolidated Local Improvement Fund, District No. 262 et al.; fixing the amount, form, date, interest rates, maturity and denominations of the Consolidated Local Improvement District No. 262 et al. Bonds; providing for the sale and delivery thereof to Seattle-First National Bank in Seattle, Washington; and fixing the interest rate on local improvement district assessment installments.

WHEREAS, the City Council of the City heretofore has created Local Improvement Districts Nos. 262, 264 and 271 for various purposes; and

WHEREAS, RCW 35.45.160 authorizes the establishment of consolidated local improvement districts for the purpose of issuing bonds only and provides that if the governing body of any municipality orders the creation of such consolidated local improvement district, the money received from the installment payment of the principal of and interest on assessments levied within the original local improvement districts shall be deposited in a consolidated local improvement district bond redemption fund to be used to redeem outstanding consolidated local improvement district bonds; NOW, THEREFORE,

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

Section 1. For the purpose of issuing bonds only, those local improvement districts of the City of Bellevue, Washington (the "City"), established by the following ordinances, respectively, the 30-day period for making cash payment of assessments without interest in each local improvement district having expired in the case of the assessments for each local improvement district, are consolidated into a consolidated local improvement district to be known and designated as Consolidated Local Improvement District No. 262 et al.:

<u>Local Improvement District No.</u>	<u>Created by Ordinance No.</u>
262	3274
264	3371
271	3485

Section 2. There is created and established in the office of the City Finance Director for Consolidated Local Improvement District No. 262 et al. a special consolidated local improvement district fund to be known and designated as Consolidated Local Improvement Fund, District No. 262 et al. (the "Bond Fund"). All money presently on hand representing collections pertaining to installments of assessments and interest thereon in each of the local improvement districts listed in Section 1 shall be transferred to and deposited in the Bond Fund, and all collections pertaining to assessments on the assessment rolls of those local improvement districts when hereafter received shall be deposited in the Bond Fund to redeem outstanding Consolidated Local Improvement District No. 262 et al. bonds.

Section 3. Consolidated Local Improvement District No. 262 et al. bonds (the "Bonds") shall be issued in the total principal sum of \$562,895.55, being the total amount on the assessment rolls of Local Improvement Districts Nos. 262, 264 and 271 remaining uncollected after the expiration of the 30-day interest-free prepayment period. The Bonds shall be dated December 1, 1985, shall mature on December 1, 1997, and shall be numbered from 1 to 112, inclusive, 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, and New York, New York) deems necessary for the purpose of identification. Bond No. 1 shall be in the denomination of \$7,895.55 and Bonds Nos. 2 to 112, inclusive, shall be in the denomination of \$5,000.00 each. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall bear interest, payable annually beginning December 1, 1986, in accordance with the following schedule:

<u>Bond Numbers</u>	<u>Interest Rates</u>
1 to 24	7.40%
25 to 35	7.75
36 to 46	8.00
47 to 57	8.10
58 to 68	8.25
69 to 79	8.50
80 to 90	8.70
91 to 101	8.90
102 to 112	9.00

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 and the principal amount and number of Bonds held by each owner.

Bonds may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. The transfer of a Bond shall be by the Bond Registrar's receiving the Bond to be transferred, cancelling it and issuing a new certificate in the form of the Bonds to the transferee after registering the name and address of the transferee on the Bond Register. The new certificate shall bear the same Bond number as the transferred Bond but may have a different inventory reference number or control number. Such exchange or transfer shall be without cost to the owner or transferee. The Bond Registrar shall not be required to make such exchange or transfer during the fifteen days preceding any principal payment or redemption date.

Both principal of and interest on the Bonds shall be payable solely out of the Bond Fund and from the Local Improvement Guaranty Fund of the City, and 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 at the addresses appearing on the Bond Register on the 15th day of the month preceding the interest payment date. The principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the registered owners at the principal offices of either of the fiscal agencies of the State of Washington in Seattle, Washington, and New York, New York, at the option of such owners.

The City reserves the right to redeem the Bonds prior to their stated maturity on any interest payment date, in numerical order, lowest numbers first, at par plus accrued interest, whenever there shall be sufficient money in the Bond Fund to pay the Bonds so called and all earlier numbered Bonds over and above the amount required for the payment of the interest on all unpaid Bonds, by mailing, not less than 15 nor more than 30 days prior to the date fixed for redemption, notice of such 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.

Section 4. The Bonds shall be printed, lithographed or typed on good bond paper in a form consistent with the provisions of this ordinance and state law, shall be signed by the Mayor and 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, Consolidated Local Improvement District No. 262 et al. Bonds described in the Bond 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 or both 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 nevertheless may be authenticated, delivered and issued and upon such authentication, delivery and issuance, 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 also may be signed 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 members 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 covenants that it will not take or permit to be taken on its behalf any action which would adversely affect the exemption from federal income taxation of the interest on the Bonds and will take or require to be taken such acts as may reasonably be within its ability and as may from time to time be required under applicable law to continue the exemption from federal income taxation of the interest on the Bonds. Without limiting the generality of the foregoing, and except to the extent the investment of any Bond proceeds is limited to a yield required to comply with federal arbitrage regulations, the City will spend the proceeds of the Bonds with due diligence to completion of the purpose specified herein and will not invest or make other use of the proceeds of the Bonds or of its other money at any time during the term of the Bonds, which if such use had been reasonably expected at the date that the Bonds are issued, would have caused such 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 thereunder.

The City further covenants that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

Section 8. Prior to December 1, 1990, the Bonds may be redeemed only from special assessment payments. In the event that on or after December 1, 1990, money and/or "government obligations," as defined in Chapter 39.53 RCW as now or hereafter amended, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to pay and retire the Bonds in accordance with their terms, are set aside in or for the account of the Bond Fund for the bonds to effect such payment and retirement, and such money and the principal of and interest on such government obligations are set aside in a special fund and pledged irrevocably for such purpose, then no further payments need to be made into the Bond Fund for the payment of the principal of and interest on the Bonds, and the Bonds shall cease to be entitled to any lien, claim, benefit or security of this ordinance or of the Local Improvement Guaranty Fund except the right to receive the money so set aside and pledged, and thereafter the Bonds shall be deemed not to be outstanding hereunder.

Section 9. Seattle-First National Bank in Seattle, Washington, has submitted an offer to purchase all of 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, therefore, immediately upon their execution shall be delivered to Seattle-First National Bank in Seattle, Washington, upon payment therefor in accordance with such offer.

Section 10. The interest rate on the installments and delinquent payments of the special assessments in Local Improvement Districts Nos. 262, 264 and 271 are revised and fixed at the rate of 8.73% per annum.

Section 11. This ordinance shall take effect and be in force five days after its passage and legal publication.

PASSED by the City Council this 2nd. day of December, 1985, and signed in authentication of its passage this 25th day of November, 1985.



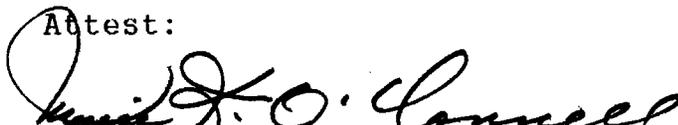
 Cary E. Bozeman, Mayor

Approved at to Form:



 Richard L. Andrews
 City Attorney

Attest:



 Marie K. O'Connell
 City Clerk

Published: December 6, 1985

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