

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 3878

AN ORDINANCE relating to Local Improvement District No. 268; fixing the amount, form, date, interest rates, maturity and denominations of the Local Improvement District No. 268 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 No. 268 assessment installments.

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

Section 1. The total amount of the assessment roll in Local Improvement District No. 268 in the City of Bellevue, Washington (the "City"), created under Ordinance No. 3519, passed July 1, 1986, was \$440,668.56. The 30-day period for making cash payments of assessments without interest in the District expired on January 4, 1988, and the total amount of assessments paid in cash was \$21,546.64, leaving a balance of assessments unpaid on the assessment roll in the sum of \$419,121.92. Local Improvement District No. 268 Bonds (the "Bonds") shall be issued in the total principal amount of \$419,121.92. The Bonds shall be dated January 25, 1988, shall mature on January 25, 2000, and shall be numbered from 1 to 84, 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 \$4,121.92 and Bonds Nos. 2 to 84, 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 January 25, 1989, in accordance with the following schedule:

<u>Bond Numbers</u> <u>(Inclusive)</u>	<u>Amounts</u>	<u>Interest</u> <u>Rates</u>
1 to 10	\$49,121.92	9.00%
11 to 19	45,000.00	6.60
20 to 28	45,000.00	6.65
29 to 36	40,000.00	6.80
37 to 44	40,000.00	7.00
45 to 52	40,000.00	7.20

<u>Bond Numbers</u> <u>(Inclusive)</u>	<u>Amounts</u>	<u>Interest</u> <u>Rates</u>
53 to 60	\$40,000.00	7.35%
61 to 68	40,000.00	7.55
69 to 76	40,000.00	7.65
77 to 84	40,000.00	7.75

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"). The 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. Any exchange or transfer shall be without cost to the owner or transferee.

Both principal of and interest on the Bonds shall be payable solely out of the Local Improvement Fund, District No. 268 (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 checks or drafts mailed to the registered owners at the addresses appearing on the Bond Register fifteen days prior to the interest payment date. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the registered owners at either of the principal offices of the Bond Registrar, at the option of the owners.

The City reserves the right and option to redeem the Bonds prior to their stated maturity date on any interest payment date, in numerical order, lowest numbers first, at par plus accrued interest to the date fixed for redemption, 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 causing notice of that redemption to be given not less than 10 nor more than 30 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 fulfilled when notice is mailed as

herein provided whether or not it is actually received by the owner of any Bond. The interest on the Bonds so called for redemption shall cease on the date fixed for redemption unless the Bond or Bonds so called are not redeemed upon presentation made pursuant to that call.

Section 2. 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 a facsimile reproduction of the seal of the City shall be printed thereon.

Only those Bonds bearing 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, Local Improvement District No. 268 Bonds described in the Bond Ordinance.

Washington State Fiscal Agency
Bond Registrar

By _____
Authorized Officer

The authorized execution of the 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.

If any officer whose facsimile signature appears on the Bonds ceases to be an officer of the City authorized to sign bonds before the Bonds bearing his or her facsimile signature are authenticated or delivered by the Bond Registrar or issued by the City, those Bonds nevertheless may be issued, authenticated and delivered and, when issued, authenticated and delivered, shall be as binding on the City as though that person had continued to be an officer of the City authorized to sign bonds. Any Bond also may be signed on behalf of the City by any person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign bonds, although he or she did not hold the required office on the date of issuance of the Bonds.

Section 3. 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 in accordance with the provisions of the Bonds and this ordinance, to serve as the City's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this ordinance and City Ordinance No. 3324 establishing a system of registration for the City's bonds and obligations.

The Bond Registrar shall be responsible for its representations contained in the Bond 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 4. The City covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the City treated as proceeds of the Bonds at any time during the term of the Bonds which will cause interest on the Bonds to be included in gross income for federal income tax purposes. The City also covenants that, if all gross proceeds of the Bonds have not been spent within six months after the date of issuance of the Bonds, it will calculate, or cause to be calculated, and rebate to the United States all earnings from the investment of gross proceeds of the Bonds that are in excess of the amount that would have been earned had the yield on those investments been equal to the yield on the Bonds, plus all income derived from those excess earnings, to the extent and in the manner required by Section 148 of the United States Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations. If the City fails to meet rebate requirements applicable to the Bonds under Section 148 of the Code, the City covenants that, to the extent permitted under that Section, it will pay the penalty provided in Subsection 148(f)(7)(C) if required to prevent interest on the Bonds from being included in gross income for federal income tax purposes. The City certifies 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 5. The Bonds shall be negotiable instruments to the extent provided by RCW 62A.8-102 and 62A.8-105.

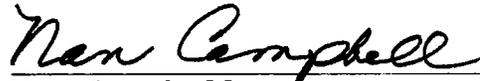
Section 6. Seattle-First National Bank in Seattle, Washington, has submitted an offer to purchase all of the Bonds at a price of par, plus accrued interest from the date of the Bonds to the date of their delivery to the purchaser, the City to furnish the printed Bonds and the approving legal opinion of Foster Pepper & Shefelman (successor to 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 the 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 that offer.

The proper City officials are authorized and directed to do everything necessary for the prompt delivery of the Bonds to the purchaser and for the proper application and use of the proceeds of the sale thereof.

Section 7. The interest rate on the installments and delinquent payments of the special assessments in Local Improvement District No. 268 are revised and fixed at the rate of 7.625% per annum.

Section 8. This ordinance shall take effect and be in force five days after its passage and legal publication.

PASSED by the City Council this 11th day of January, 1988,
and signed in authentication of its passage this 11th day of
January, 1988.


Nan Campbell, Mayor

Approved as to Form:


Richard L. Andrews
City Attorney

Attest:


Marie K. O'Connell, City Clerk

PUBLISHED:

January 15, 1988

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