ORDINANCE NO. 4762

AN ORDINANCE of the City Council of Bellevue, Washington, authorizing the issuance and sale of Local Improvement District No. 280 Bond Anticipation Notes in the principal amount of $977,144.51 for the purpose of repaying a portion of the bond anticipation notes that were issued to pay the costs of street improvements constructed in Local Improvement District No. 280; providing the form, terms, conditions and covenants of said notes; accepting an offer for the purchase of the notes; and providing for the disposition of the proceeds of the sale of the notes.

WHEREAS, the City Council of Bellevue, Washington (the "City"), by Ordinance No. 3961 passed on November 7, 1988, created Local Improvement District No. 280 (the "District"), created a Local Improvement District No. 280 project fund in the LID Control Fund of the City, and provided for the issuance of local improvement district bonds and interim short-term obligations to pay the cost of improvements in the District and the expenses incidental thereto; and

WHEREAS, Chapter 39.50 of the Revised Code of Washington authorizes the City to issue short-term obligations to provide short-term financing in anticipation of the sale of its local improvement district bonds; and

WHEREAS, the City issued Local Improvement District No. 280 Bond Anticipation Notes, 1990 ("1990 Notes") in order to pay a portion of the costs of constructing street improvements in the District; and

WHEREAS, the City issued Local Improvement District No. 280 Bond Anticipation Notes, 1991 ("1991 Notes") in order to pay a portion of the costs of constructing street improvements in the District; and

WHEREAS, the City issued Local Improvement District No. 280 Bond Anticipation Notes, 1993 (the "1993 Notes") in order to repay the 1990 Notes and 1991 Notes; and

WHEREAS, the City issued Local Improvement District No. 280 Bond Anticipation Notes, 1994 (the "1994 Notes") in order to repay the 1993 Notes; and

WHEREAS, one property owner in the District has appealed his final assessment amounts totalling $972,258.79; and

WHEREAS, the City intends to issue LID No. 280 Bonds in the amount of $7,829,564.61, which is equal to the amount of assessments in the District that are payable in installments and that have not been appealed plus issuance costs; and

WHEREAS, it is deemed necessary and desirable that the City, in order to repay a portion of the 1994 Notes, issue and sell short-term obligations in the form of local improvement district bond anticipation notes in the principal amount of $977,144.51, which is equal to the amount of assessments that have been appealed plus an amount to permit the notes to be purchased at a discount, pending the resolution of the appeals of the assessment roll and issuance and sale of local improvement district bonds of the City to repay the notes;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Definitions. As used in this ordinance the following terms shall have the following meanings, unless a different meaning clearly appears from the context:

"Bonds" means the Local Improvement District No. 280 Bonds to be issued to pay and redeem the Notes or any refunding note or notes.

"City" means Bellevue, Washington, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of Washington.

"Council" means the general legislative authority of the City as the same shall be duly and regularly constituted from time to time.

"District" means Local Improvement District No. 280 of the City.

"Guaranty Fund" means the Local Improvement District Guaranty Fund of the City authorized and maintained pursuant to Ch. 35.54 RCW.

"LID Control Fund" means the Local Improvement District No. 280 Project in the special fund of the City designated as the Local Improvement District Control Fund created by Ordinance No. 3961 of the City.

"1994 Notes" means the "Local Improvement District No. 280 Bond Anticipation Notes, 1994" authorized pursuant to Ordinance No. 4647.

"Note Register" means the books or records maintained by the Note Registrar for the purpose of registration of the Notes.

"Note Registrar" means the fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York, for the purpose of registering and authenticating the Notes, maintaining the Note Register, effecting transfer of ownership of the Notes, and paying principal of and interest on the Notes.

"Notes" means the Local Improvement District No. 280 Bond Anticipation Notes issued pursuant to and for the purposes provided in this ordinance.

Section 2. Authorization of the Bonds. The issuance and sale of the Bonds in such form and with such terms, conditions, covenants, dates, interest rates, maturities and other details as shall hereafter be determined by ordinance, as heretofore authorized by Ordinance Nos. 3961, 4184, 4296, 4531 and 4647 is hereby affirmed. The proceeds of the Bonds shall be paid into the LID Control Fund and shall be applied to the extent necessary, together with other available funds, to pay and redeem the Notes.

Section 3. Authorization of the Notes. In anticipation of the issuance of the Bonds the City shall, for the purpose of repaying the 1994 Notes and paying the costs of issuing the Notes, issue short-term obligations in the principal amount of $977,144.51. Said short-term obligations shall be designated the "Bellevue,

Washington, Local Improvement District No. 280 Bond Anticipation Notes, 1995," shall be dated May 15, 1995 and shall be in registered form.

The Notes shall be in the denomination of $25,000 or any integral multiple thereof, except for one Note in the amount of $27,144.51, shall mature on June 1, 1997, and shall bear interest at a rate per annum equal to 5.00% calculated on the basis of a 360-day year with twelve 30-day months and payable on December 1, 1995 and on each June 1 and December 1 thereafter.

The City shall be obligated to pay interest at the same rate on the Notes from and after the maturity date thereof until the Notes shall have been paid in full or funds shall have been duly provided in the LID Control Fund for such payment in full.

The fiscal agencies of the State of Washington in the cities of Seattle, Washington and New York, New York, shall act as registrar for the Notes. Principal and interest on the Notes shall be paid to the registered owners of the Notes in lawful money of the United States of America at the office of the Note Registrar, and shall be obligations only of the LID Control Fund.

Section 4. Redemption of the Notes. Both the principal of and interest on the Notes are payable solely from the proceeds of the sale of the Bonds or refunding bond anticipation notes to be issued by the City, from assessments and interest thereon levied in the District to pay the costs and expenses of the Improvements or from the Local Improvement Guaranty Fund of the City or other lawfully available money of the City. The City hereby covenants with the owners of the Notes that it will issue the Bonds, refunding bond anticipation notes, or a combination of the foregoing in an amount sufficient, with any assessments, to pay when due the principal of and interest on the Notes and will thereupon redeem the Notes. The Notes are not a general obligation of the City and are not payable otherwise than as stated herein.

Section 5. Right of Prior Redemption. The City has reserved the right to call and redeem the Notes in whole or in part in numerical order on December 1, 1995 and on the first day of any month thereafter, upon at least 30 days notice mailed by first class mail to the registered owner of any Note to be redeemed at the address appearing on the Note Register. The requirement of this Section shall be met when notice is mailed, regardless of whether or not it is actually received by the owner of any Note. Interest on all Notes so called for redemption shall cease to accrue on the date fixed for redemption.

Section 6. Form of the Notes. The Notes shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____ $_____

STATE OF WASHINGTON
CITY OF BELLEVUE
LOCAL IMPROVEMENT DISTRICT NO. 280
BOND ANTICIPATION NOTE, 1995

REGISTERED OWNER:

MATURITY DATE: June 1, 1997

PRINCIPAL AMOUNT:

Bellevue, Washington (the "City"), a municipal corporation organized and existing under and by virtue of the laws of the State of Washington, hereby acknowledges itself indebted and for value received promises to pay to the Registered Owner on the Maturity Date indicated above, the Principal Amount specified above, together with interest thereon from the date hereof at a rate equal to 5.00% per annum, payable on December 1, 1995 and on each June 1 and December 1 thereafter, or until such Principal Amount shall have been paid or payment duly provided for. Interest shall be calculated on the basis of a 360-day year with twelve 30-day months.

Both principal of and interest on this note and on the notes of this issue are payable solely from the proceeds of Local Improvement District No. 280 bonds or refunding bond anticipation notes to be issued by the City; from assessments and

interest thereon levied in Local Improvement District No. 280 to pay the costs and expenses of the improvements therein; and from the Local Improvement District Guaranty Fund of the City. Payment of principal and interest shall be made to the owner hereof at the office of the fiscal agent of the State of Washington in Seattle, Washington, or New York, New York, out of the Local Improvement District No. 280 Project in the special fund of the City designated as the Local Improvement District Control Fund of the City created by Ordinance No. 3961. Reference is made to Ordinance No. 4762 of the City (the "Note Ordinance") for definitions of other defined terms used herein.

The City has reserved the right to call and redeem the notes of this issue in whole or in part in numerical order prior to their scheduled maturity on December 1, 1995 and on the first day of any month thereafter upon at least 30 days notice mailed by first class mail to the registered owner of any note to be redeemed at the address appearing on the Note Register. The requirement of this section shall be met when notice is mailed, regardless of whether or not it is actually received by the owner of any note. Interest on all notes so called for redemption shall cease to accrue on the date fixed for redemption.

The City hereby covenants with the owner of this note that it will issue bonds of Local Improvement District No. 280 or refunding bond anticipation notes in an amount sufficient, with any available assessments, to pay the principal of and interest on this note when due and will thereupon redeem this note. This note is not a general obligation of the City and is not payable otherwise than as stated herein.

This note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Note Ordinance until the Certificate of Authentication hereon shall have been manually signed by the Note Registrar.

Notes are interchangeable for notes of any authorized denomination of equal aggregate principal amount upon presentation and surrender to the Note Registrar.

It is hereby certified and declared that this note is issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and duly adopted ordinances of the City, and that all acts, conditions and things required to have happened, been done, and performed precedent to and in the issuance of this note have happened, been done, and performed.

IN WITNESS WHEREOF, Bellevue, Washington, has caused this note to be executed on behalf of the City by the manual or facsimile signature of the Mayor, to be attested by the manual or facsimile signature of the City Clerk, and the official seal of the City to be impressed or imprinted hereon this 15th day of May, 1995.

CITY OF BELLEVUE, WASHINGTON

By _____
Mayor

ATTEST:

_____
City Clerk

(S E A L)

CERTIFICATE OF AUTHENTICATION

This note is one of the notes described in the within-mentioned Note Ordinance and is one of the Local Improvement District No. 280 Bond Anticipation Notes, 1995 of Bellevue, Washington, dated May 15, 1995.

WASHINGTON STATE FISCAL
AGENCY, Note Registrar

By _____
Authorized Officer

The following abbreviations, when used in the inscription on the face of the within note, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT (TRANSFERS) MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts (Transfers) to Minors Act

_____
(State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____
PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

_____
(Please print or typewrite name and address, including zip code, of Transferee)

_____
the within note and does hereby irrevocably constitute and appoint _____ _____, of _____ or its successor, as registrar to transfer said note on the books kept for registration thereof with full power of substitution in the premises.

DATED: _____

SIGNATURE GUARANTEED:

_____

_____
NOTE: The signature of this Assignment must correspond with the name of the registered owner as it appears upon the face of the within note in every particular, without alteration or enlargement or any change whatever.

Section 7. Execution of the Notes. The Notes shall be signed on behalf of the City by the manual or facsimile signature of the Mayor, shall be attested by the

]manual or facsimile signature of the Clerk of the City, and shall have the official seal of the City impressed or imprinted thereon.

Only such Notes as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Note Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Notes so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

Section 8. Note Registrar. The City hereby specifies and adopts the system of registration for the Notes approved by the Washington State Finance Committee. The Note Registrar shall keep, or cause to be kept, at its principal corporate trust office sufficient books for the registration and transfer of the Notes which shall at all times be open to inspection by the City. The Note Registrar is authorized, on behalf of the City, to authenticate and deliver the Notes transferred or exchanged in accordance with the provisions of such Notes and this ordinance and to carry out all of the Note Registrar's powers and duties under this ordinance.

The Note Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Notes. The Note Registrar may become the owner of Notes with the same rights it would have if it were not the Note Registrar, and to the extent permitted by law, may act as depositary 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 Note owners.

Section 9. Application of Proceeds of Sale of the Notes. The proceeds of the sale of the Notes shall be paid to the City and deposited into the LID Control Fund and applied to repay a portion of the 1994 Notes.

Section 10. Sale of the Notes. The City hereby accepts the offer of Seattle-First National Bank, Seattle, Washington, dated May 22, 1995, to purchase the Notes in accordance with the terms contained in this ordinance and said offer.

The appropriate City officials are hereby authorized and directed to do everything necessary for the prompt issuance, execution and delivery of the Notes and for the proper application and use of the proceeds thereof.

The Council hereby deems the Preliminary Official Statement prepared in connection with the sale of the Notes as final, pursuant to Securities and Exchange Commission Rule 15c2-12, except for the omission of information dependent upon the pricing of the Bonds and the completion of the underwriting agreement.

Section 11. Lost or Destroyed Notes. In case the Notes authorized by this ordinance shall be lost, stolen or destroyed, the City may execute and the Treasury Manager of the City may deliver a new Note of like amount, date, and tenor to the owner thereof upon the owner paying the expenses and charges of the City in connection therewith, and upon filing with the Treasury Manager of the City evidence satisfactory to said Treasury Manager that the Note was actually lost, stolen or destroyed, and upon furnishing the City with indemnity satisfactory to the Treasury Manager.

Section 12. Notes Not Arbitrage Bonds or Private Activity Bonds. The City covenants and agrees that throughout the term of the Notes no part of the proceeds of the Notes or any other money or obligations held under this ordinance shall at any time be used for any purpose or invested in such a manner, nor shall the City take any other action, which would cause the Notes to be (i) "arbitrage bonds" under the Internal Revenue Code of 1986, as amended, and applicable regulations (the "Code") or (ii) "private activity bonds" under the Code.

Section 13. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall

be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be separable from the remaining covenants and agreements in this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Notes.

Section 14. Prior Acts. Any act taken pursuant to the authority of this ordinance but prior to its effective date is hereby ratified and confirmed.

Section 15. Effective Date. This ordinance shall become effective five days after its passage and publication as required by law.

PASSED by the City Council of the City of Bellevue this 22nd day of May, 1995 and signed in authentication of its passage this 22nd day of May, 1995.

CITY OF BELLEVUE, WASHINGTON

By _____
Donald S. Davidson, Mayor

ATTEST:

_____
Myrna Basich, City Clerk

APPROVED AS TO FORM:

_____
Richard L. Kirkby,
Assistant City Attorney

Published:

May 26, 1995