ORDINANCE NO. 4763

AN ORDINANCE OF THE CITY OF BELLEVUE, WASHINGTON PROVIDING FOR THE ISSUANCE AND SALE OF BONDS OF LOCAL IMPROVEMENT DISTRICT NO. 280 IN THE PRINCIPAL SUM OF $7,829,564.61 AND FIXING THE INTEREST RATE ON ASSESSMENTS IN LOCAL IMPROVEMENT DISTRICT NO. 280.

WHEREAS, by Ordinance No. 3961, the Council created Local Improvement District No. 280; and

WHEREAS, the assessment roll in Local Improvement District No. 280 has been confirmed in the manner required by law by Ordinance No. 4672, in the total amount of $9,905,978.09, of which $1,221,598.16 was paid during the thirty day period permitted by law for the payment of assessments without penalty or interest and $972,258.79 has been appealed; and

WHEREAS, it is necessary that the City issue Local Improvement District No. 280 Bonds in the amount of $7,829,564.61, which is equal to the unpaid balance of the assessment roll and that has not been appealed, $7,712,121.14, plus an amount to permit the bonds to be purchased at a discount;

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

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

(a) "Assessments" means the assessments levied in LID No. 280 of the City by Ordinance No. 4672, which assessments are pledged to be paid into the LID Control Fund, including installments thereof and any interest and penalties due or which may become due thereon.

(b) "Bonds" means the City of Bellevue Local Improvement District No. 280 Bonds, 1995 issued pursuant to this ordinance for the purposes of paying the costs and expenses of the improvements within LID No. 280.

(c) "Bond Register" means the books or records maintained by the Bond Registrar containing the name and mailing address of the owner of each Bond or nominee of such owner and the principal amount and number of Bonds owned by each owner or nominee.

(d) "Bond Registrar" means the fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York, for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, effecting the transfer of ownership of the Bonds and paying the principal of and interest on the Bonds as the same becomes due and payable.

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

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

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

(h) "LID No. 280" means Local Improvement District No. 280 of the City created by Ordinance No. 3961.

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

Section 2. Authorization of Bonds. For the purpose of paying the interfund loan that was made for the purpose of acquiring, constructing and installing the improvements in LID No. 280 as ordered by and more fully described

in Ordinance No. 3961, plus all costs incidental thereto and to the issuance of the Bonds, the City shall issue its Local Improvement District No. 280 Bonds, 1995 (the "Bonds") in the aggregate principal amount of $7,829,564.61.

The Bonds shall be dated May 15, 1995, shall be in fully registered form in the denomination of $5,000 each, except for one Bond in the amount of $4,564.61, shall be numbered in such manner and with any additional designation as the Bond Registrar deems necessary for the purposes of identification and control, shall bear interest at the following rates per annum, payable annually beginning December 1, 1995 and annually thereafter on the first day of December of each year, and shall mature December 1, 2016:

Bond Nos.	Amount	Interest Rates
1 - 80	$399,564.61	4.50%
81 - 159	395,000.00	5.00
160 - 238	395,000.00	5.10
239 - 317	395,000.00	5.25
318 - 396	395,000.00	5.40
397 - 474	390,000.00	5.55
475 - 552	390,000.00	5.70
553 - 630	390,000.00	5.85
631 - 708	390,000.00	6.00
709 - 786	390,000.00	6.10
787 - 864	390,000.00	6.20
865 - 942	390,000.00	6.30
943 - 1,020	390,000.00	6.40
1,021 - 1,098	390,000.00	6.50
1,099 - 1,176	390,000.00	6.55
1,177 - 1,254	390,000.00	6.60
1,255 - 1,332	390,000.00	6.65
1,333 - 1,410	390,000.00	6.70
1,411 - 1,488	390,000.00	6.75
1,489 - 1,566	390,000.00	6.75

The Bonds shall be obligations only of the LID Control Fund and the Local Improvement District Guaranty Fund of the City and shall not be general obligations of the City.

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 registered owners or assigns at the addresses appearing on the Bond Register as of the fifteenth 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.

Section 3. Bond Register and Exchange of Bonds. The Bond Register shall be maintained by the Bond Registrar, and shall contain the name and mailing address of the owner or owners of each Bond or nominee of such owner or owners and the principal amount and number of Bonds held by each owner or nominee.

Upon surrender thereof to the Bond Registrar, the Bonds are interchangeable for Bonds in any authorized denomination of an equal aggregate principal amount and of the same interest rate and 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.

Section 4. Redemption. The Bonds shall be redeemed at par in advance of their scheduled maturity, by application of assessments and prepayments thereof, in whole or in part in numerical order, on any interest payment date whenever there shall be sufficient money in the LID Control Fund, over and above an amount sufficient for the payment of the interest next accruing on all unpaid Bonds. The Bond Registrar shall maintain a system of numbering which shall permit reissued and/or transferred Bonds to be called in accordance with their original number at the time of issuance.

Notice of any such intended redemption shall be given not less than fifteen days nor more than sixty 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 regardless of whether or not it is actually received by the owner of any Bond.

Interest on any Bond so called for redemption shall cease to accrue on the date fixed for redemption unless such Bond so called is not redeemed upon presentation made pursuant to such call.

Section 5. Payment of Assessments and Interest on Assessments. The City has heretofore levied Assessments payable into the LID Control Fund in the total amount of $9,905,978.09, of which $1,221,598.16 was prepaid prior to the passage of this ordinance and $972,258.79 has been appealed and not less than $7,712,121.14 remains payable into the LID Control Fund in twenty equal annual installments together with interest and penalties thereon in the manner and at the times specified in Ordinance No. 4672 of the City. Assessments in LID 280 shall bear interest at the rate of 6.76% per annum, which is ¼% higher than the interest rate on the Bonds. Both principal of and interest on the Bonds are payable solely out of the LID Control Fund and from the Local Improvement District Guaranty Fund of the City.

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

UNITED STATES OF AMERICA

NO. _____ $_____

STATE OF WASHINGTON

CITY OF BELLEVUE

LOCAL IMPROVEMENT DISTRICT NO. 280 BOND, 1995

INTEREST RATE: ____% MATURITY DATE: December 1, 2016

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ Dollars

Laws of Washington 1965, Chapter 7, RCW § 35.45.070 provides, in part, as follows:

> Neither the holder nor owner of any bond, interest coupon, or warrant issued against a local improvement fund shall have any claim therefor against the city or town by which it is issued, except for payment from the special assessments made for the improvement for which the bond or warrant was issued and except also for payment from the local improvement guaranty fund of the city or town as to bonds issued after the creation of a local improvement guaranty fund of the city or town. The city or town shall not be liable to the holder or owner of any bond, interest coupon, or warrant for any loss to the local improvement guaranty fund occurring in the lawful operation thereof.

The City of Bellevue, Washington (the "City") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, the Principal Amount indicated above and to pay interest thereon from May 15, 1995, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on December 1, 1995, and annually thereafter on the first day of each December. Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest shall be paid by mailing a check or draft to the Registered Owner or assigns at the address shown on the Bond Register as of the 15th day of the month prior to the interest payment date. Principal shall be paid to the Registered Owner or assigns upon presentation and surrender of this bond at the principal office of the fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York (collectively, the "Bond Registrar").

Reference is hereby made to additional provisions of this bond set forth on the reverse side hereof and such additional provisions shall for all purposes have the same effect as if set forth in this space.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance (as hereinafter defined) until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

It is hereby certified and declared that this bond and the bonds of this issue are issued pursuant to and in compliance with the Constitution and laws of the

State of Washington and ordinances of the City, and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done, and performed.

IN WITNESS WHEREOF, the City of Bellevue, Washington, has caused this bond to be signed on behalf of the City with the manual or facsimile signature of its Mayor, to be attested by the manual or facsimile signature of its 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

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is one of the bonds described in the within-mentioned Bond Ordinance and is one of the Local Improvement District No. 280 Bonds, 1995, of the City of Bellevue.

WASHINGTON STATE FISCAL
AGENCY, Bond Registrar

By _____
Authorized Officer

ADDITIONAL BOND PROVISIONS

This bond is one of an authorized issue of bonds of like date and tenor, except as to number, interest rate, and amount in the aggregate principal amount of $7,829,564.61 issued pursuant to Ordinance 4763 of the City passed May 22, 1995 (the "Bond Ordinance") to provide the funds necessary for certain

improvements within LID No. 280 of the City. The bonds are payable solely from the special fund of the City known as the "Local Improvement District No. 280 Control Fund" (the "LID Control Fund") of the City and out of the Local Improvement District Guaranty Fund of the City. The City has irrevocably obligated and bound itself to pay into the LID Control Fund all assessments levied within LID No. 280.

The bonds of this issue are not general obligations of the City.

The bonds of this issue are subject to redemption at a price of par in advance of their scheduled maturity, in whole, or in part in numerical order, on any interest payment date whenever there shall be sufficient money in the LID Control Fund to pay the same and all bonds of Local Improvement District No. 280 which mature at such time, over and above an amount sufficient for the payment of the interest next accruing on the unpaid bonds of Local Improvement District No. 280.

Notice of any such intended redemption shall be given not less than fifteen nor more than sixty days prior to the redemption date 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 the Bond Ordinance shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether or not it is actually received by the owner of any bond. Interest on all of such bonds so called for redemption shall cease to accrue on the date fixed for redemption unless such bond or bonds so called for redemption are not redeemed upon presentation made pursuant to such call.

The bonds of this issue are interchangeable for bonds of equal aggregate principal amount and of the same interest rate upon presentation and surrender to the Bond Registrar.

The City hereby covenants and agrees with the owner of this bond that it will keep and perform all the covenants of this bond and of the Bond Ordinance to be by it kept and performed. Reference is hereby made to the Bond Ordinance for the definitions of defined terms used herein.

Reference to the Bond Ordinance and any and all modifications and amendments thereto is made for a description of the nature and extent of the security for the bonds, the funds pledged, and the terms and conditions upon which the bonds are issued.

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

DATED: _____, ____.

SIGNATURE GUARANTEED:

_____

_____

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

The following abbreviations, when used in the inscription on the face of the within Bond, 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 MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors Act

_____

(State)

Abbreviations may also be used though not in list above.

Section 7. Execution of Bonds. The Bonds 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 City Clerk, and shall have the corporate seal of the City impressed or imprinted thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond 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 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 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 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 the 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 8. Bond Registrar. The City hereby specifies and adopts the system of registration for the Bonds approved by the Washington State Finance Committee. The Bond Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient books or records 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 the 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 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 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 owners of the Bonds.

Section 9. Defeasance. In the event that money and/or "Government Obligations" (as now or hereafter defined in RCW Ch. 39.53 or its successor statute, if any) maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money if necessary) sufficient to redeem and retire the Bonds or any of them in accordance with their terms are set aside in a special account to effect such redemption or retirement and such money and/or the principal of and interest on such obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the LID Control Fund for the payment of the principal of and interest on the Bonds so provided for, and the owners of such Bonds shall cease to be entitled to any lien, benefit or security of this ordinance except the right to receive the funds so set

aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder.

Section 10. Bonds to Remain Tax Exempt; Nonarbitrage. The City covenants with the owners of the Bonds that it will not use or invest the proceeds of the Bonds or any other funds of the City for any purpose or in any manner or take any other action that would cause the Bonds to be "arbitrage bonds" as defined in Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder, or would result in interest on the Bonds becoming taxable income to the owners thereof under Section 103 of the Internal Revenue Code of 1986, as amended, or any other federal tax legislation that may be enacted into law.

Section 11. Lost or Destroyed Bonds. In case the Bonds or any of them shall be lost, stolen or destroyed, the Bond Registrar may execute and deliver a new Bond of like amount, date, and tenor to the registered owner thereof upon the owner paying the expenses and charges of the City and the Bond Registrar in connection therewith and upon his/her filing with the Treasury Manager of the City and the Bond Registrar evidence satisfactory to said Treasury Manager and Bond Registrar that such Bond was actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the City and Bond Registrar with indemnity satisfactory to such Treasury Manager and Bond Registrar.

Section 12. Sale of Bonds. The sale of the Bonds to Seattle-First National Bank, Seattle, Washington, at the price and pursuant to the terms and conditions set forth herein and in their offer dated May 22, 1995, is hereby in all respects ratified and confirmed. Upon the sale of the Bonds, the appropriate City officials are hereby authorized to do everything necessary for the prompt printing, issuance and delivery of the Bonds and the proper application of the proceeds thereof.

The Council hereby deems the Preliminary Official Statement prepared in connection with the sale of the Bonds 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 13. Effective Date. This ordinance shall be 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

CERTIFICATE

I, the undersigned, City Clerk of the City of Bellevue, Washington (the "City") and keeper of the records of the City Council (herein called the "Council"), DO HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance No. 4763 of the Council (herein called the "Ordinance"), duly passed at a regular meeting thereof held on the 22nd day of May, 1995.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a legally sufficient number of members of the Council voted in the proper manner for the passage of said Ordinance; that all other requirements and proceedings incident to the proper passage of said Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 22nd day of May, 1995.

Myrna L Basich

City Clerk