

AN ORDINANCE, providing for the guarantee of Local Improvement Bonds and Warrants in the City of Bellevue, Washington; creating a fund for the purpose of guaranteeing, to the extent of such fund, bonds and warrants issued against Local Improvement Districts therein in accordance with Chapter 141, Laws of 1923, as amended by Chapter 183, Laws Extraordinary Session 1925, as amended by Chapter 209, Laws of 1927, as amended by Chapter 109, Laws of 1933, State of Washington, (being Chapter 35.54, R.C.W.)

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, as follows:

Section 1. In accordance with Chapter 141, Laws of 1923, as amended by Chapter 183, Laws Extraordinary Session 1925, as amended by Chapter 209, Laws of 1927, as amended by Chapter 109, Laws of 1933, State of Washington, (being Chapter 35.54, R.C.W.) the City of Bellevue hereby establishes and creates a fund for the purpose of guaranteeing, to the extent of such fund, the payment of its bonds and warrants issued to pay for any Local Improvement ordered in Local Improvement Districts in the City of Bellevue subsequent to the date of taking effect of this ordinance. This fund shall be known and designated as "Local Improvement Guaranty Fund".

Section 2. Whenever any interest coupon, bond or warrant guaranteed under the provisions of the laws of the State of Washington in pursuance of which this ordinance is passed shall be in default, the City Clerk shall be and is hereby authorized and directed, upon the presentation and delivery of such defaulted bond, coupon or warrant, to execute, sign and deliver to the person or persons presenting the same, in the order of their presentation, and the Treasurer shall honor and pay, a warrant on the Local Improvement Guaranty Fund in such amount as may be necessary to pay in full any such coupon, bond or warrant with any interest that may be due thereon, Any defaulted coupon, bond or warrant received by the City Clerk under the provision of this ordinance shall be held for the benefit of said Local Improvement Guaranty Fund.

Section 3. Warrants drawing interest at a rate not to exceed six per cent (6%) shall be issued, as other warrants are issued by the City, against the said Local Improvement Guaranty Fund to meet any liability accruing against it; and at the time of making its annual budget and tax levy the City shall provide for the levying of a sum sufficient, with the other resources of the fund, to pay warrants so issued during the preceding fiscal year; provided, that such warrants shall at no time exceed five per cent (5%) of the outstanding bond obligations guaranteed by said fund.

Section 4. Whenever the City of Bellevue shall have paid out of said "Guaranty Fund" any sum on account of principal and interest on a local improvement bond or warrant hereunder guaranteed, the City of Bellevue, as Trustee for such fund, shall be subrogated to all of the rights of the holder of the bond, interest coupon, or warrant so paid and the proceeds thereof shall become a part of said fund.

Section 5. The City Treasurer is authorized and directed to pay into such Local Improvement Guaranty Fund all interest received from bank deposits of said fund, as well as any surplus remaining in any Local Improvement District Fund guaranteed under said State laws after the payment of all outstanding bonds or warrants payable primarily out of such Local Improvement District Fund.

Section 6. Neither the owner nor the holder of any bond, interest coupon, or warrant issued against a local improvement fund after the passage of this ordinance shall have any claim therefor against the City of Bellevue, except for payment from the special assessments made for the improvement for which said bond or warrant was issued, and except as against the Local Improvement Guaranty Fund created by this ordinance, and the City of Bellevue shall not be liable to any holder or owner of such bond, interest coupon, or warrant for any loss to the said Guaranty Fund occurring in the lawful operation thereof by the City. The remedy of the holder or owner of a bond or warrant in case of nonpayment shall be confined to the enforcement of the assessment and to the Guaranty Fund.

Section 7. A copy of section six (6) of this ordinance shall be plainly written, printed or engraved on each bond issued and guaranteed hereunder, and the writing, printing or engraving shall be deemed sufficient compliance with the requirements of Section 35.45.070, Revised Code of Washington.

Section 8. This ordinance shall take effect and be in force five (5) days after its passage, approval and legal publication.

PASSED by the City Council on this 22 day of ~~April~~^{MAY}, 1956, and signed in authentication thereof this 22 day of ~~April~~^{MAY}, 1956.

May

William Lane
Mayor

Robert J. France
Councilman

Robert Stebbins
Councilman

APPROVED AS TO FORM:

Thomas A. Cole
City Attorney

(SEAL)

ATTEST:

John
City Clerk

Date of Publication: May 24, 1956

FILED

CITY OF BELLEVUE

DATE May 22, 1956

CITY CLERK James J. Nelson