

ORDINANCE NO. 4248

AN ORDINANCE of the City Council of the City of Bellevue, Washington, providing for the issuance and sale of limited tax levy general obligation bonds of the City in the principal sum of \$6,740,000 for the purpose of providing permanent financing for the acquisition of the Leavitt Building; providing the date, form, terms and maturities of said bonds; providing for the disposition of the proceeds of sale of such bonds; providing for the annual levy of taxes to pay the principal of and interest on said bonds; and providing for the public sale thereof.

WHEREAS, the City Council (the "Council") of the City of Bellevue, Washington (the "City"), pursuant to Resolution No. 5381 adopted on April 22, 1991 (the "Resolution") deemed it necessary and in the best interest of the City and its citizens that the City acquire the Leavitt Building; and

WHEREAS, pursuant to the Resolution the City has acquired the Leavitt Building using funds on hand and temporarily available for that purpose; and

WHEREAS, in the Resolution the City stated its intention to permanently finance this acquisition through the issuance of bonds and the reimbursement of City funds and accounts used to acquire the Leavitt Building; and

WHEREAS, in order to provide the funds required for the permanent financing of such acquisition and to reimburse the funds and accounts of the City used to make such acquisition, the City now desires to authorize the issuance of limited tax levy general obligation bonds of the City in the principal amount of \$6,740,000.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON AS FOLLOWS:

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

(a) "Bond Fund" means the "Bond Redemption Account, 1991" created by Section 6 of this ordinance in the Property Management Fund.

(b) "Bond Proceeds Account" means the "Bond Proceeds Account, 1991" created by Section 6 of this ordinance in the Property Management Fund.

(c) "Bond Register" means the books or records maintained by the Bond Registrar for the registration and transfer of the Bonds containing the name and mailing address of the owner of the Bonds or nominee of such owner and such other information as the Bond Registrar shall determine.

(d) "Bond 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 Bonds, maintaining the Bond Register, effecting transfer of ownership of the Bonds and paying principal of and interest on the Bonds, and any subsequent Bond Registrar designated by the City.

(e) "Bond Year" means each one year period that ends at the close of business on November 30.

(f) "Bonds" means the \$6,740,000 principal amount of the City of Bellevue, Washington, Limited Tax Levy General Obligation Bonds, 1991, issued pursuant to and for the purposes provided in this ordinance.

(g) "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.

(h) "Computation Date" means the Installment Computation Date or the Final Computation Date.

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

(j) "Final Computation Date" means the date that the last Bond is discharged. A Bond is discharged on the date that all amounts due under the terms of the Bond are actually and unconditionally due if cash is available at the place of payment and no interest accrues with respect to the Bond after such date.

(k) "Installment Computation Date" means the last year of the fifth Bond Year and of each succeeding fifth Bond Year.

(l) "Nonpurpose Payments" means, in general, any payment with respect to an investment allocated to the Bonds.

The following types of payments are specifically included:

(a) Direct Payments. The amount of gross proceeds of the Bond directly used to purchase the investment. Direct payments do not include brokerage commissions, administrative expenses or similar expenses.

(b) Constructive Payments. The fair market value (as of the date of allocation to the Bonds) of any investment that was not directly purchased with gross proceeds of the Bonds, but which is allocated to the Bonds.

(c) Payments of Rebatable Arbitrage. Any payment of Rebatable Arbitrage if such payment is made no later than the due date for such payment.

(m) "Nonpurpose Receipts" means, in general, any receipt with respect to an investment allocated to the Bonds.

The following types of receipts are specifically included:

(a) Actual Receipts. Any amount actually or constructively received with respect to an investment. Actual receipts may not be reduced by selling commissions, administrative expenses or similar expenses.

(b) Disposition Receipts. An amount determined by treating an investment that ceases to be allocated to the Bonds (other than by reason of a sale or retirement) as if sold for fair market value on the date that the investment ceases to be allocated to the Bonds.

(c) Installment Date Receipts. The fair market value (or, for fixed rate investments, present value) of all investments allocated to the Bonds at the close of business on any Computation Date.

(d) Imputed Receipts. Any receipts that are required to be imputed and taken into account pursuant to Section 1.148-5T of the Temporary Income Tax Regulations or any successor Temporary or Final Income Tax Regulations.

(n) "Project" means the capital improvements described in Exhibit A hereto.

(o) "Property Management Fund" means the fund of that name previously created pursuant to Ordinance No. 4240 in the office of the Treasurer.

(p) "Rebate Computation Certificate" means the certificate executed by the Treasurer setting forth the methodology for computation of Rebatable Arbitrage.

(q) "Treasurer" means the Treasurer of the City or any successor to the functions of such Treasurer.

Section 2. Findings and Authorization of Improvements. It is hereby confirmed that the public interest, welfare and benefit of the inhabitants of the City require that the City acquire the Leavitt Building and make improvements thereto as previously authorized by Resolution No. 5381.

The cost of all necessary architectural, engineering, and other consulting services, inspection and testing, administrative and relocation expenses, on and off site utilities, and other costs incurred in connection with the acquisition of such property shall be deemed a part of the costs of such acquisition.

Section 3. Authorization of Bonds. The City hereby authorizes the issuance and sale of the Bonds in the total principal amount of \$6,740,000 to provide permanent financing for the acquisition of the Leavitt Building and improvements thereto, to repay funds and accounts of the City from which moneys were heretofore advanced for such purpose, and to pay costs incidental thereto and to the issuance of the Bonds. The Bonds shall be a limited tax general obligation of the City; shall be designated "City of Bellevue, Washington, Limited Tax Levy General Obligation Bonds, 1991; shall be dated June 1, 1991; shall be

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issued in fully registered form in denominations of \$5,000 or integral multiples thereof; shall be numbered in such manner and with an additional designation as the Bond Registrar deems necessary for purposes of identification and control; shall bear interest payable on June 1, 1992 and semi-annually thereafter on each December 1 and June 1, and shall mature on June 1 in the following amounts in the following years:

<u>Year</u>	<u>Amount</u>
1992	\$265,000
1993	490,000
1994	515,000
1995	550,000
1996	580,000
1997	615,000
1998	655,000
1999	695,000
2000	740,000
2001	790,000
2002	845,000

Interest on the Bonds shall be paid at the rate established by resolution of the Council upon sale of the Bonds pursuant to Section 14 hereof.

Section 4. Registration Payment and Transfer. The City hereby designates the fiscal agent for the State of Washington as authenticating, transfer, and paying agent and registrar for the Bonds (collectively, the "Bond Registrar"). The Bond Registrar shall keep, or cause to be kept, at its principal office, sufficient records for the registration and transfer of the Bonds. The Bond Registrar is authorized to authenticate and deliver Bonds transferred in accordance with the provisions of

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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.

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.

Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Principal installments and interest on the Bonds shall be paid by check or draft of the Bond Registrar mailed (on the date such interest or principal is due) to the registered owner or nominee at the address appearing on the Bond Register on the fifteenth day of the month preceding each principal installment and interest payment date. The last principal installment of the Bonds shall be payable upon presentation and surrender of the Bonds to the Bond Registrar by the registered owner or nominee at the principal office of the Bond Registrar.

The Bonds may be transferred only on the Bond Register maintained by the Bond Registrar for that purpose upon the surrender thereof by the registered owner or nominee or his/her

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authorized agent and only if endorsed in the manner provided thereon, and thereupon new fully registered Bonds of like principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor. Such transfer shall be without cost to the registered owner or transferee.

The City may deem the person in whose name the Bonds are registered to be the absolute owner thereof for the purpose of receiving payment of the principal of and interest on such Bonds and for any and all other purposes whatsoever.

Section 5. Redemption. The Bonds are not subject to redemption prior to their maturity.

Section 6. Creation of Bond Fund and Provision for Tax Levy Payments. A special fund of the City known as the "Property Management Fund" has previously been created in the office of the Treasurer pursuant to Ordinance No. 4240. Special Accounts entitled the "Bond Redemption Account, 1991" (the "Bond Fund") and the "1991 Bond Proceeds Account" (the "Bond Proceeds Account") are hereby authorized and directed to be established within the Property Management Fund. The Bond Fund shall be drawn upon for the sole purpose of paying the principal of and interest on the Bonds.

The City hereby irrevocably covenants and agrees for as long as the Bonds are outstanding and unpaid, that each year it will include in its budget and levy an ad valorem tax, within and as a part of the tax millage levy permitted to cities without a vote

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of the people, upon all the property within the City subject to taxation in an amount that will be sufficient, together with all other revenues and money of the City that may legally be used and which the City may apply for such purposes, to pay the principal of and interest on the Bonds as the same shall become due. All of such taxes and any of such other money so collected shall be paid into the Bond Fund. None of the money in the Bond Fund shall be used for any other purpose than the payment of the principal of and interest on the Bonds. Money in the Bond Fund not needed to pay the interest or principal next coming due may temporarily be deposited in such institutions or invested in such obligations as may be lawful for the investment of City money. Any interest or profit from the investment of such money shall be deposited in the Bond Fund.

The City hereby irrevocably pledges that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal of and interest on the Bonds will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Bonds. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of said taxes and for the prompt payment of the principal of and interest on the Bonds as the same shall become due.

Section 7. Defeasance. In the event that money and/or "Government Obligations," as such obligations are now or may

hereafter be defined in Ch. 39.53 RCW, maturing at such time or times and bearing interest to be earned thereon in amounts sufficient to redeem and retire the Bonds or a portion of the Bonds in accordance with their terms, are set aside in a special account to effect such redemption or retirement and such money and 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 Bond Fund for the payment of the principal of and interest on the Bonds so provided for, and 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 8. Tax Covenant. The City hereby covenants and agrees with the owner of the Bonds for as long as it remains outstanding that the City will not make use of the proceeds of sale of the Bonds or any other funds or obligations of the City that may be deemed to be proceeds of the Bonds pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder which, if such use had reasonably been expected on the date of delivery of the Bonds to the initial purchaser thereof, would have caused the Bonds to be "arbitrage bonds" within the meaning of said section and said regulations. The City will comply with the continuing requirements of Section 148 of the Internal Revenue Code of 1986,

as amended, (or any successor provision thereof applicable to the Bonds) and the applicable regulations thereunder throughout the term of the Bonds.

The City hereby covenants that throughout the term of the Bonds it will not take any action or enter into any agreement that will cause the proceeds of the sale of the Bonds to be used in a manner that would cause any Bond to be classified as a "private activities bond" within the meaning of Section 141 of the Code and the applicable regulations thereunder. Specifically, unless the City has received an opinion of nationally recognized bond counsel approving a specific action or agreement, the City will not permit entities other than governmental units to use in the aggregate more than 10 percent of the Project on a basis other than as a member of the general public unless payments made by such users with respect to such uses do not exceed in the aggregate 10 percent of the principal and interest payments on the Bonds in each Bond Year and over the term of the Bonds.

Section 9. Arbitrage Rebate.

(a) General Rule. The City will pay to the United States of America in accordance with the provisions of this section (i) at least 90 percent of the Rebatable Arbitrage with respect to the Bonds as of each Installment Computation Date, (ii) 100 percent of the Rebatable Arbitrage with respect to the

Bonds as of the Final Computation Date and (iii) any income attributable to such Rebatable Arbitrage.

(b) Computation of Rebatable Arbitrage. The Rebatable Arbitrage with respect to the Bonds computed in accordance with the Rebate Computation Certificate and, as of each Computation Date, will be the excess of:

(i) The future value of all Nonpurpose Receipts with respect to the Bonds; over

(ii) The future value of all Nonpurpose Payments with respect to the Bonds.

The future value will be computed as of each Computation Date.

(c) Payment Procedure.

(i) The payment of Rebatable Arbitrage due as of each Installment Computation Date will be paid no later than the date that is 60 days after the Installment Computation Date.

(ii) The payment of Rebatable Arbitrage due as of the Final Computation Date will be paid no later than the latest of (a) the date that is 60 days after the Final Computation Date, (b) the date that is 8 months after the date of issuance of the Bonds, or (c) the date 60 days after the earlier of the date that the City no longer expects to spend gross proceeds of the Bonds within 6 months of the date of issuance of the Bonds or 12 months after the date of issuance of the Bonds.

(iii) Each payment of Rebatable Arbitrage will be made to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255 and will be accompanied by IRS Form 8038-T.

(d) Other Methodology. Notwithstanding this Section 9, payments of Rebatable Arbitrage will be made in accordance with instructions provided by Preston Thorgrimson Shidler Gates & Ellis if necessary to maintain the Federal income tax exemption for interest payments made on the Bonds.

Section 10. Lost or Destroyed Bonds. In case the Bonds shall be lost, stolen or destroyed, the Bond Registrar may execute and deliver new Bonds of like amount, date, and tenor to the registered owner thereof upon the owner's paying the expenses and charges of the City and the Bond Registrar in connection therewith and upon his/her filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Bonds were actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the City with indemnity satisfactory to the Treasurer.

Section 11. Form of the Bonds. The Bonds shall be in substantially the following form:

ORIGINAL

UNITED STATES OF AMERICA

NO. _____

\$ _____

STATE OF WASHINGTON

CITY OF BELLEVUE

LIMITED TAX LEVY GENERAL OBLIGATION BOND, 1991

INTEREST RATE:

MATURITY DATE:

CUSIP NO.:

SEE REVERSE SIDE FOR
CERTAIN ADDITIONAL PROVISIONS

REGISTERED OWNER:
PRINCIPAL AMOUNT:

The City of Bellevue, Washington, a municipal corporation of the State of Washington (the "City") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner hereof or registered assigns, the principal amount indicated above together with interest thereon from June 1, 1991 at the Interest Rate specified above, payable June 1, 1992 and semiannually thereafter on each December 1 and June 1 of each year until such principal amount has been paid, or such payment has been duly providing for.

Both principal of and interest on the Bonds are payable in lawful money of the United States of America to the registered owner hereof at the address appearing on the Bond Register. Interest shall be paid by mailing a check or draft (on the date such interest is due) 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 agencies 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 ordinance No. _____ of the City (the "Bond Ordinance") until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

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These Bonds are issued pursuant to the Constitution and laws of the State of Washington, and duly adopted ordinances and resolutions of the City, for the purpose of providing funds to acquire property in furtherance of its capital improvement plan.

The City has obligated and bound itself to make annual levies of ad valorem taxes upon all the taxable property within the City within and as a part of the tax millage levy permitted to cities without a vote of the people in amounts sufficient, with such other moneys of the City available for such purposes as the Council, may, from time to time, appropriate and set aside, to pay the principal installments of the Bonds and interest thereon as the same shall become due. The full faith, credit and resources of the City are hereby irrevocably pledged for the levy of such taxes and the prompt payment of such principal and interest.

It is hereby certified and declared that all acts, conditions and things required to be done precedent to and in the issuance of this Bonds have happened, been done and performed and that the total indebtedness of the City including this Bonds, does not exceed any constitutional, statutory or charter limitation.

IN WITNESS WHEREOF, the City of Bellevue, Washington, has caused this Bonds to be signed by the facsimile or manual signature of its Mayor, to be attested by the facsimile or manual signature of its Clerk, and the official seal of the City to be impressed or imprinted hereon, this 1st day of June, 1991.

CITY OF BELLEVUE, WASHINGTON

By /s/ facsimile or manual signature
Mayor

ATTEST:

/s/ facsimile or manual signature
Clerk

The Certificate of Authentication for the Bonds shall be in substantially the following form and shall appear on the front of each Bond:

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CERTIFICATE OF AUTHENTICATION

Date of Authentication:

These Bonds are described in the within-referenced Ordinance No. 4248 of the City of Bellevue, Washington, and are the Limited Tax Levy General Obligation Bonds, 1991 dated June 1, 1991, of such City.

As Bond Registrar

By _____
Authorized Officer

ADDITIONAL BOND PROVISIONS

This bond is one of an issue of limited tax levy general obligation bonds of the City of like date and tenor, except as to number, interest rate and date of maturity, in the aggregate principal amount of \$6,740,000 issued pursuant to Ordinance No. 4248 of the City, passed May 20, 1991 (the "Bond Ordinance"), to provide financing for the acquisition of an office building in Bellevue, Washington and the construction of capital improvements thereto.

The City has not reserved the right to redeem the Bonds prior to their maturity.

The pledge of tax levies for payment of principal of and interest on the bonds may be discharged prior to maturity of the bonds by making provision for the payment thereof on the terms and conditions set forth in the resolution authorizing their issuance.

The bonds of this issue are issued in fully registered form in the denomination of \$5,000 each or any integral multiple thereof, provided that no bond shall represent more than one maturity. Upon surrender to the Bond Registrar, bonds are interchangeable for bonds in any authorized denomination of an equal aggregate principal amount and of the same interest rate and maturity. This bond is transferable only on the records maintained by the Bond Registrar for that purpose upon the surrender of this bond by the registered owner hereof or his/her duly authorized agent and only if endorsed in the manner provided hereon, and thereupon a new fully registered bond of like principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor. Such exchange or transfer

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shall be without cost to the registered owner or transferee. The City may deem the person in whose name this bond is registered to be the absolute owner hereof for the purpose of receiving payment of the principal of and interest on the bond and for any and all other purposes.

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 all rights thereunder and does hereby irrevocably constitute and appoint _____ of _____, or its successor, as Agent to transfer said Bond on the books kept by the Bond Register for registration thereof, with full power of substitution in the premises.

DATED: _____, _____.

SIGNATURE GUARANTEED:

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

Section 12. Execution of the 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 official 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 has been duly executed, authenticated and delivered hereunder and is entitled to the benefits of this ordinance.

In case either of the officers of the City 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 Bonds 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. The Bonds may also be signed and attested on behalf of the City by such persons as at the actual date of execution of such Bonds shall be the proper officers of the City although at the original date of such Bonds any such person shall not have been such officer.

Section 13. Application of Proceeds of the Bonds. At the time of delivery of the Bonds, the proceeds of the Bonds shall be deposited as follows:

(a) Accrued interest shall be deposited in the Bond Fund.

(b) The remaining Bond proceeds shall be deposited into the Bond Proceeds Account and used to pay costs of acquiring the Leavitt Building including the reimbursement of funds and accounts of the City heretofore used for such purposes, and costs related to the issuance of the Bonds. The amounts deposited in accordance with the previous sentence are deemed to be appropriated for the purposes specified.

Money remaining in the Bond Proceeds Account after all of such costs have been paid may be used to pay costs or other legally authorized expenditures of the City or shall be deposited in the Bond Fund. Money in the Bond Proceeds Account may be invested as permitted by law and in a manner consistent with this ordinance. All interest earned and profits derived from such investments shall be retained in and become a part of the Bond Proceeds Account.

Section 14. Sale of the Bond; Approval of Official Statement. The Bonds shall be sold at public sale in accordance with the terms and conditions set forth in the official Notice of Bond Sale attached hereto as Exhibit A and incorporated herein by this reference. The Clerk of the City Council is hereby authorized and directed to cause the Notice of Bond Sale substantially in the form attached hereto as Exhibit A, or a summary thereof, to be published prior to such sale at least once

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in a newspaper of general circulation within the City and in such other publications as the Clerk of the City Council may deem desirable.

The form and content of the Preliminary Official Statement in connection with the Bonds dated June 1, 1991 are approved and the use of the Preliminary Official Statement in connection with the sale of the Bonds is approved. The City deems the Preliminary Official Statement as final as of its date pursuant to Securities and Exchange Commission Rule 15c2-12 except for the omission of information dependent upon the sale of the Bonds, such as price, interest rates, discount, ratings, delivery date and other terms of the Bonds dependent on the foregoing.

Following the sale of the Bonds, the City shall cause definitive Bonds to be prepared, executed and delivered, which Bonds shall be lithographed or printed with engraved or lithographed borders. Until the definitive Bonds are prepared, the City may execute a temporary bond which shall be typewritten, and which shall be delivered to the purchaser or purchasers of the Bonds in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions. The temporary bond shall be dated as of the date of the Bonds, shall be fully registered, shall be in the denomination of \$6,740,000, shall be numbered T-1, shall be substantially of the tenor of such definitive Bonds, but with such omissions, insertions and variations as may

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be appropriate to temporary bonds, and shall be signed by the Mayor and Clerk of the City.

Upon surrender to the City of any such temporary Bond, the city, without charge to the registered owner, shall execute and deliver to the registered owner of the temporary Bond in exchange therefore definitive Bonds of the same series, maturities, interest rates, redemption provisions and aggregate principal amount as the temporary Bond, if any, surrendered. Until so exchanged, the temporary Bond shall be in all respects entitled to the same benefit and security as definitive Bonds executed and issued pursuant to this resolution.

Section 15. Assessed Value and Existing Bonded Debt. The actual value of the taxable property within the City as ascertained by the last preceding assessment for City purposes is \$9,065,392,802. The City has outstanding nonvoted general obligation indebtedness in the amount of \$22,084,001. The total amount of outstanding general obligation Bonded indebtedness of the City, whether voted or nonvoted, including the principal amount of the Bonds will be \$63,609,001.

Section 16. 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 deemed separable from the remaining covenants

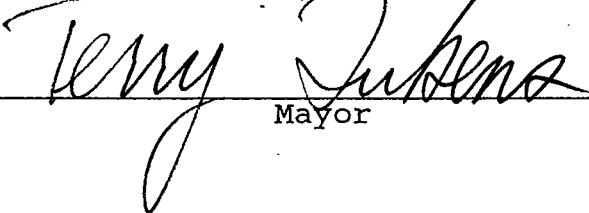
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and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds.

Section 17. Effective Date. This ordinance shall take effect and be in force five days after its passage, approval and publication as required by law.

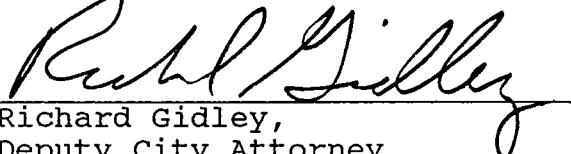
PASSED by the City Council of the City of Bellevue, Washington, and approved by its Mayor at a regular meeting of the Council, this 20th day of May, 1991.

CITY OF BELLEVUE, WASHINGTON



Mayor

APPROVED AS TO FORM:



Richard Gidley,
Deputy City Attorney

ATTEST:



Deputy City Clerk

PUBLISHED: 

EXHIBIT A

NOTICE OF BOND SALE

CITY OF BELLEVUE, WASHINGTON

LIMITED TAX LEVY GENERAL OBLIGATION BONDS, SERIES 1991

NOTICE IS HEREBY GIVEN that the City of Bellevue, Washington (hereinafter the "City"), will receive sealed bids at the office of the City Clerk of the City at Bellevue City Hall, 11511 Main Street, Bellevue, Washington, 98009 on

Monday, June 3, 1991

until 11:00 o'clock a.m., local time Limited Tax Levy General Obligation Box in the aggregate principal amount of \$6,740,000. The bids for the Bonds will be publicly opened, read, evaluated and acted upon by the City Council at a regular meeting at 8:00 o'clock p.m. on the same date in the Chambers of the City Council in the Bellevue City Hall in Bellevue, Washington.

BOND DETAILS. The Bonds will be dated as of June 1, 1991, will be in denominations of \$5,000 or any integral multiple thereof, will be in fully registered form, will be numbered, and will mature on June 1 of such years and in such principal amounts as follows:

<u>Year</u>	<u>Amount</u>
1992	\$265,000
1993	490,000
1994	515,000
1995	550,000
1996	580,000
1997	615,000
1998	655,000
1999	695,000
2000	740,000
2001	790,000
2002	845,000

The Bonds bear interest from the date thereof payable on June 1, 1992, and semiannually thereafter on December 1 and June 1 of each year.

PAYING AGENTS. Both principal of and interest on the Bonds will be payable in lawful money of the United States of America. Interest on the Bonds shall be paid by check or draft mailed (on

the date such interest is due) to the registered owners or nominees of such owners at the addresses appearing on the Bond Register (as hereinafter defined) as of the 15th 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 or nominees of such owners at the principal offices of either of the fiscal agencies of the State of Washington in the cities of Seattle, Washington, or New York, New York, at the option of such owners.

BOND REGISTRATION. The fiscal agencies of the State of Washington in the cities of Seattle, Washington, and New York, New York, currently Seattle-First National Bank and The Bank of New York, respectively, will act as bond registrar, transfer agent, and authenticating and paying agent with respect to the Bonds (collectively, the "Bond Registrar"). The Bonds may be transferred only upon the records maintained for such purpose (the "Bond Register") and only if endorsed in the manner provided thereon and surrendered to the Bond Registrar.

OPTIONAL REDEMPTION. The Bonds are not subject to redemption prior to their scheduled maturity.

SECURITY. The City has covenanted and agreed for as long as any Bonds are outstanding and unpaid, that each year it will include in its budget and levy an ad valorem tax, within and as a part of the tax millage levy permitted without a vote of the electorate, upon all the property in the City subject to taxation in an amount which will be sufficient, together with all other moneys of the City on hand and legally available for such purposes, to pay the principal of and interest on the Bonds as the same shall become due. The full faith, credit and resources of the City are pledged for the annual levy and collection of said taxes and for the prompt payment of the principal of and interest on the Bonds as the same shall become due.

TAX EXEMPTION. Interest on the Bonds will be excludable from gross income subject to federal income taxation, provided that the continuing arbitrage requirements of Section 148 of the Federal Internal Revenue Code of 1986 (the "Code") are complied with. The Bonds are not private activity bonds. Interest on the Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or corporations, but will be taken into account in the computation of adjusted net book income and adjusted current earnings for purposes of the corporate alternative minimum tax under Section 55 of the Code and in the computation of the environmental tax on corporations under Section 59A of the Code.

INTEREST RATE AND BIDDING DETAILS. Bid forms will be provided by the City. Each bid shall be signed and enclosed in a sealed envelope. No bid will be accepted for the purchase of fewer than all of the Bonds. No bid will be accepted with a Price of less than 98.0% of the principal amount of the Bonds.

All bids shall be without condition. Each bid submitted shall provide for the payment of accrued interest to the date of delivery on the Bonds.

One or more rates of interest may be fixed for the Bonds, which rate or rates must be in a multiple of one-eighth or one-twentieth of 1%. The interest rate shall be the same for all Bonds maturing in any one year.

It is requested that each bid state (i) the total interest cost over the life of the Bonds, less premium or plus a discount, if any and (ii) the true interest cost of the Bonds. Such statement shall not be deemed to be a part of the bid.

REOFFERING PRICE. The successful bidder must certify the initial reoffering price to the public (excluding bond houses and brokers) for each maturity of the bonds to the City's bond counsel not less than five business days prior to closing. This certification shall constitute the agreement of the bidder to offer all bonds in each maturity for sale at a price no greater than the certified reoffering price until at least ten percent of the principal amount of each maturity is sold at a price less than or equal to the certified reoffering price. Failure to honor this agreement may result in cancellation of the sale and forfeiture of the bidder's good faith deposit.

DEPOSIT. All bids for the Bonds shall be accompanied by a deposit in the amount of \$337,000. All deposits shall be by cashier's or certified check made payable unconditionally to the order of the Treasurer of City of Bellevue, Washington. The deposits of unsuccessful bidders will be returned as soon as possible to such bidders. The good faith deposit of the successful bidder shall be held as security for the performance of such bid. Such check shall be cashed by the City Treasurer and will be applied to the purchase price of the Bonds or be forfeited to the City as and for liquidated damages if the successful bidder shall fail or neglect to complete the purchase of said Bonds in accordance with its proposal within forty (40) days after the acceptance thereof. Interest will not be allowed on such good faith deposits.

AWARD. The City reserves the right to reject any and all bids received and to waive any irregularities therein or in the bidding. No bid may be withdrawn after the same is filed with the

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City Clerk unless permission is first obtained by ordinance of the City Council. Unless all proposals are rejected, the City will award the Bonds at the meeting of the Council on the day of the bid opening. The Bonds will be awarded to the responsible bidder offering to purchase all of the Bonds at the lowest true interest cost to the City, to be determined by doubling the semiannual interest rate necessary to discount the debt service to June 1, 1991 and the price bid for the Bonds.

DELIVERY. Printed bonds will be furnished by the City and will be delivered to the purchaser in the City of Seattle, Washington, at the expense of the City, or elsewhere as may be mutually agreed upon at the purchaser's option and expense. Accrued interest to the date of delivery shall be paid by the purchaser at the time of delivery.

The approving legal opinion of Preston Thorgrimson Shidler Gates & Ellis will be printed on the Bonds and will be furnished, without cost, to the successful bidder at the time of delivery. The obligations hereunder to deliver and accept the Bonds shall be conditioned on the availability and delivery at the time of delivery of such Bonds of said approving opinion, and of a certificate, in form and tenor satisfactory to said law firm and, dated as of the date of such delivery, to the effect that there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened affecting the validity of such Bonds.

SETTLEMENT. Payment for the Bonds shall be made in Federal funds available on the date and at the place of delivery of such Bonds.

CUSIP NUMBERS. It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for said Bonds in accordance with the terms of its bid. All expenses in relation to the printing of CUSIP numbers on said Bonds shall be paid for by the City; provided, however, that the CUSIP Service bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

FURTHER INFORMATION. Further information regarding the Bonds may be obtained upon request made to the undersigned, the Clerk of the City Council, or from the Financial Advisor to the City, Seattle-Northwest Securities Corporation, 1420 Fifth

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Avenue, Suite 4300, Seattle, Washington 98101, Attention:
Therese B. Dickison, (telephone: (206) 628-2882).

DATED at Bellevue, Washington, this 20th day of
May, 1991.

Marie D. Council
Clerk of the City Council
City of Bellevue, Washington

EXHIBIT B
BID FORM

Bellevue, Washington

Limited Tax Levy General Obligation Bonds, Series 1991
Bellevue, Washington

Dear Sir:

For \$6,740,000 (Six Million Seven Hundred and Forty Thousand Dollars) par value Limited Tax Levy General Obligations, Series 1991 (the "Bonds") of the City of Bellevue, Washington, to be dated June 1, 1991, and maturing serially on June 1, 1992 through June 1, 2002, in the amounts shown herein, with interest payable semi-annually on the first days of June and December of each year commencing on June 1, 1992 at the rate or rates specified herein until the Bonds are paid, we will pay \$_____ plus accrued interest from June 1, 1991, to the date of delivery of the Bonds to us.

The schedule of maturities, interest rate or rates, the total interest cost, and the true interest cost upon which this bid is based, with interest computed from June 1, 1991, to the maturity dates of the Bonds, are as follows:

<u>Year</u>	<u>Amount</u>
1992	\$265,000
1993	490,000
1994	515,000
1995	550,000
1996	580,000
1997	615,000
1998	655,000
1999	695,000
2000	740,000
2001	790,000
2002	845,000

Our calculation, but not constituting any part of the foregoing, of the total interest cost is \$_____, and of the true interest cost is _____%.

This bid is submitted in accordance with and subject to all provisions contained in the official Notice of Bond Sale dated _____, 1991 and incorporated herein by reference.

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A certified or bank cashier's check in the sum of \$337,000 payable to the City of Bellevue is attached hereto, which check is to be returned to us if this bid is not accepted. If this bid is accepted, said check shall be cashed and the proceeds may be invested and retained by the City Treasurer and when the Bonds are delivered and paid for under the terms of this bid, shall be considered as an advance part payment thereof, or shall be retained as and for liquidated damages in case we fail to take up and pay for the Bonds at the price agreed upon under the terms of this bid.

Respectfully submitted this _____ day of _____, 1991.

By: _____
For: _____

Good faith check returned and receipt thereof acknowledged.

Signed: _____ For: _____