

CITY OF SEATTLE
ORDINANCE 126219
COUNCIL BILL 119919

AN ORDINANCE relating to contracting indebtedness; authorizing and providing for the issuance and sale of limited tax general obligation bonds to pay all or part of the costs of various elements of the City’s capital improvement program and for other City purposes approved by ordinance, to provide one or more loans to the Pike Place Market Preservation and Development Authority for the financing of certain improvements, and to pay the costs of issuance of the bonds; providing parameters for the bond sale terms including conditions, covenants, and other sale terms; creating the 2021 Multipurpose LTGO Bond Fund (Taxable); and ratifying and confirming certain prior acts.

WHEREAS, The City of Seattle, Washington (the “City”), has determined that it is in its best interest that certain capital projects (as identified in this ordinance, the “Projects”) be financed by the issuance of limited tax general obligation bonds of the City in a principal amount not to exceed \$212.7 million; and

WHEREAS, pursuant to a memorandum of understanding with the Pike Place Market Preservation and Development Authority (the “PPMPDA”), the City has agreed to make one or more loans (the “PPMPDA Loan(s)”) in an aggregate amount not to exceed \$6.0 million to be used to support capital improvements to the PPMPDA, to be financed through the issuance of the City’s limited tax general obligation bonds. Proceeds of the Bonds will be loaned to PPMPDA pursuant to one or more written loan agreements authorized herein to be negotiated and executed upon issuance of the associated bonds; and

WHEREAS, the series of bridges and roadways comprising the West Seattle Bridge have suffered severe structural damage and will require significant funding to prevent collapse and to perform such engineering and design work as may be necessary or desirable to

1 determine whether and how to repair or replace all or a portion of the West Seattle
2 Bridge, and the City is in need of funds to pay this extraordinary and unforeseen cost; and
3 WHEREAS, RCW 39.36.020 authorizes the City to incur indebtedness without the assent of the
4 voters of the City so long as such indebtedness does not result in a total nonvoted
5 indebtedness of the City in excess of 1.5% of the value of taxable property within the
6 City as computed in accordance with RCW 39.36.030; NOW, THEREFORE,

7 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

8 Section 1. **Definitions.** As used in this ordinance, the following capitalized terms
9 shall have the following meanings.

10 **“Authorized Denomination”** means \$5,000 or any integral multiple thereof within a
11 maturity of a Series, or such other minimum authorized denominations as may be specified in the
12 applicable Bond Documents.

13 **“Beneficial Owner”** means, with regard to a Bond, the owner of any beneficial interest
14 in that Bond.

15 **“Bond”** means one of the limited tax general obligation bonds issued pursuant to this
16 ordinance.

17 **“Bond Counsel”** means a lawyer or a firm of lawyers, selected by the City, of nationally
18 recognized standing in matters pertaining to bonds issued by states and their political
19 subdivisions.

20 **“Bond Documents”** means, with respect to any Series of the Bonds, (a) this ordinance
21 (including any amendatory or supplemental ordinances); (b) the authenticated bond form; and
22 (c) the written agreement(s) setting forth the Bond Sale Terms and additional terms, conditions,
23 or covenants pursuant to which such Bond was issued and sold, as set forth in any one or more of

1 the following (if any): (i) a sale resolution, (ii) a bond purchase contract (as defined in the
2 applicable authorizing ordinance), (iii) a bond indenture, fiscal agent or paying agent agreement,
3 or the State fiscal agency contract, and (iv) a direct purchase or continuing covenant agreement.

4 **“Bond Purchase Contract”** means a written offer to purchase a Series of the Bonds
5 pursuant to certain Bond Sale Terms, which offer has been accepted by the City in accordance
6 with this ordinance. In the case of a competitive sale, the Purchaser’s bid for a Series, together
7 with the official notice of sale and Pricing Certificate confirming the Bond Sale Terms, shall
8 comprise the Bond Purchase Contract.

9 **“Bond Redemption Fund”** means the City’s General Bond Interest and Redemption
10 Fund, previously created by Ordinance 112112 and established and to be used for the payment of
11 the principal of, premium, if any, and interest on the Bonds.

12 **“Bond Register”** means the books or records maintained by the Bond Registrar for the
13 purpose of registering ownership of each Bond.

14 **“Bond Registrar”** means the Fiscal Agent (unless the Director of Finance appoints a
15 different person to act as bond registrar with respect to a particular Series), or any successor
16 bond registrar selected in accordance with the Registration Ordinance.

17 **“Bond Sale Terms”** means the terms and conditions for the sale of a Series of the Bonds
18 approved by the Director of Finance consistent with the parameters set forth in Section 4,
19 including the maximum principal amount, date or dates, denominations, interest rate or rates (or
20 mechanism for determining the interest rate or rates), payment dates, final maturity, redemption
21 rights, price, and other terms, conditions or covenants. In connection with a negotiated sale or
22 private placement, the Bond Sale Terms shall be set forth in a Bond Purchase Contract; in

1 connection with a competitive sale, the Bond Sale Terms shall be set forth in a Pricing
2 Certificate.

3 **“Book-Entry Form”** means a fully registered form in which physical bond certificates
4 are registered only in the name of the Securities Depository (or its nominee), as Registered
5 Owner, with the physical bond certificates held by and immobilized in the custody of the
6 Securities Depository (or its designee), where the system for recording and identifying the
7 transfer of the ownership interests of the Beneficial Owners in those Bonds is neither maintained
8 by nor the responsibility of the City or the Bond Registrar.

9 **“City”** means The City of Seattle, Washington, a municipal corporation duly organized
10 and existing under the laws of the State.

11 **“City Council”** means the City Council of the City, as duly and regularly constituted
12 from time to time.

13 **“Code”** means the Internal Revenue Code of 1986, or any successor thereto, as it has
14 been and may be amended from time to time, and regulations thereunder.

15 **“Continuing Disclosure Agreement”** means, for each Series sold in an offering subject
16 to federal securities regulations requiring a written undertaking to provide continuing disclosure,
17 a continuing disclosure agreement entered into pursuant to Section 14, in substantially the form
18 attached as Exhibit B.

19 **“DTC”** means The Depository Trust Company, New York, New York.

20 **“Director of Finance”** means the Director of the Finance Division of the Department of
21 Finance and Administrative Services of the City, or any other officer who succeeds to
22 substantially all of the responsibilities of that office.

1 **“Fiscal Agent”** means the fiscal agent of the State, as the same may be designated by the
2 State from time to time, or such other fiscal agent as the City may hereafter appoint.

3 **“Government Obligations”** means, unless otherwise limited in the Bond Documents for
4 a particular Series of the Bonds, any government obligation as that term is defined in RCW
5 39.53.010, as now in effect or as may hereafter be amended.

6 **“Issue Date”** means, with respect to a Bond, the initial date on which that Bond is issued
7 and delivered to the initial Purchaser in exchange for its purchase price.

8 **“Letter of Representations”** means the Blanket Issuer Letter of Representations
9 between the City and DTC dated October 4, 2006, as it may be amended from time to time, or an
10 agreement with a substitute or successor Securities Depository.

11 **“MSRB”** means the Municipal Securities Rulemaking Board.

12 **“Omnibus Refunding Ordinance”** means Ordinance 125457, passed by the City
13 Council on November 20, 2017, authorizing the issuance of general obligation refunding bonds
14 (as such ordinance may be amended from time to time), or any other ordinance passed in the
15 future, pursuant to which the Bonds (or any Series of the Bonds) are designated as “refundable
16 bonds.”

17 **“Owner”** means, without distinction, the Registered Owner and the Beneficial Owner of
18 a Bond.

19 **“PPMPDA”** means the Pike Place Market Preservation and Development Authority, a
20 public development authority of the City formed and operating under RCW 35.21.730-759.

21 **“PPMPDA Loan(s)”** means one or more loans to the PPMPDA for the purpose of
22 undertaking certain capital improvements to the Pike Place Market and related facilities.

1 **“Pricing Certificate”** means a certificate executed by the Director of Finance as of the
2 pricing date confirming the Bond Sale Terms for the sale of a Series of Bonds to the Purchaser in
3 a competitive sale, in accordance with the parameters set forth in Section 4.

4 **“Projects”** means the various elements of the City’s capital improvement program
5 identified in Exhibit A, attached hereto and by this reference made a part hereof.

6 **“Purchaser”** means the entity or entities who have been selected by the Director of
7 Finance in accordance with this ordinance to serve as underwriter, purchaser or successful bidder
8 in a sale of any Series.

9 **“Rating Agency”** means any nationally recognized rating agency then maintaining a
10 rating on a Series of the Bonds at the request of the City.

11 **“Record Date”** means, unless otherwise defined in the Bond Documents, in the case of
12 each interest or principal payment date, the Bond Registrar’s close of business on the 15th day of
13 the month preceding such interest or principal payment date. With regard to redemption of a
14 Bond prior to its maturity, the Record Date shall mean the Bond Registrar’s close of business on
15 the day prior to the date on which the Bond Registrar sends the notice of redemption to the
16 Registered Owner(s) of the affected Bonds.

17 **“Registered Owner”** means, with respect to a Bond, the person in whose name that
18 Bond is registered on the Bond Register. For so long as a Series of the Bonds is in Book-Entry
19 Form under a Letter of Representations, the Registered Owner of such Series shall mean the
20 Securities Depository.

21 **“Registration Ordinance”** means Ordinance 111724, establishing a system of
22 registration for the City’s bonds and other obligations pursuant to Seattle Municipal Code
23 Chapter 5.10, as that chapter now exists or may hereafter be amended.

1 **“Rule 15c2-12”** means Rule 15c2-12 promulgated by the SEC under the Securities
2 Exchange Act of 1934, as amended.

3 **“SEC”** means the United States Securities and Exchange Commission.

4 **“Securities Depository”** means DTC, any successor thereto, any substitute securities
5 depository selected by the City, or the nominee of any of the foregoing. Any successor or
6 substitute Securities Depository must be qualified under applicable laws and regulations to
7 provide the services proposed to be provided by it.

8 **“Series”** means a series of the Bonds issued pursuant to this ordinance.

9 **“State”** means the State of Washington.

10 **“Tax Credit Subsidy Bond”** means any Taxable Bond that is designated by the City as a
11 tax credit bond pursuant to the Code, and which is further designated as a “qualified bond” under
12 Section 6431 or similar provision of the Code, and with respect to which the City is eligible to
13 claim a Tax Credit Subsidy Payment.

14 **“Tax Credit Subsidy Payment”** means a payment by the federal government with
15 respect to a Tax Credit Subsidy Bond.

16 **“Tax-Exempt Bond”** means any Bond the interest on which is intended on the Issue
17 Date to be excludable from gross income for federal income tax purposes.

18 **“Taxable Bond”** means any Bond the interest on which is not intended on the Issue Date
19 to be excludable from gross income for federal income tax purposes.

20 **“Term Bond”** means any Bond that is issued subject to mandatory redemption prior to
21 its maturity in periodic mandatory redemption payments in accordance with Section 7(b) of this
22 ordinance.

1 Section 2. **Authorization of Bonds.** The City is authorized to borrow money on the
2 credit of the City and issue limited tax general obligation bonds evidencing indebtedness in the
3 maximum principal amount stated in Section 4 to pay all or part of the costs of the Projects
4 (which costs may include capitalized interest, if necessary); to make the PPMPDA Loan(s) as
5 described herein; for other City purposes approved by ordinance; and to pay the costs of issuance
6 of the Bonds. The Bonds may be issued in one or more Series and may be combined with other
7 general obligation bonds (including refunding bonds) authorized separately. The Bonds shall be
8 designated limited tax general obligation bonds, shall be numbered separately, and shall have
9 any name, year and Series or other label as deemed necessary or appropriate by the Director of
10 Finance.

11 Section 3. **Manner of Sale of the Bonds.** The Director of Finance may provide for
12 the sale of each Series by competitive sale, negotiated sale, limited offering, or private
13 placement. The Purchaser of each Series shall be chosen through a selection process acceptable
14 to the Director of Finance. The Director of Finance is authorized to specify a date and time of
15 sale and a date and time for the delivery of each Series; in the case of a competitive sale, to
16 provide an official notice of sale including bid parameters and other bid requirements and to
17 provide for the use of an electronic bidding mechanism; to provide for and determine matters
18 relating to the forward or delayed delivery of the Bonds, if deemed desirable; and to specify
19 other matters in his or her determination necessary, appropriate, or desirable in order to carry out
20 the sale of each Series. Each Series must be sold on Bond Sale Terms consistent with the
21 parameters set forth in Section 4.

1 Section 4. **Appointment of Designated Representative; Bond Sale Terms.**

2 (a) **Designated Representative.** The Director of Finance is appointed to serve as the
3 City's designated representative in connection with the issuance and sale of the Bonds in
4 accordance with RCW 39.46.040(2) and this ordinance.

5 (b) **Parameters for Bond Sale Terms.** The Director of Finance is authorized to
6 approve on behalf of the City Bond Sale Terms for the sale of the Bonds in one or more Series
7 and, in connection with each such sale, to execute a Bond Purchase Contract (or, in the case of a
8 competitive sale, a Pricing Certificate) confirming the Bond Sale Terms and such related
9 agreements as may be necessary or desirable, consistent with the following parameters:

10 (i) **Maximum Principal Amount.** The maximum aggregate principal
11 amount of all Series of the Bonds authorized by this ordinance may not exceed \$212.7 million.

12 (ii) **Date or Dates.** Each Bond shall be dated its Issue Date, as determined by
13 the Director of Finance, which Issue Date may not be later than December 31, 2023.

14 (iii) **Denominations.** The Bonds shall be issued in Authorized Denominations.

15 (iv) **Interest Rate(s).** Each Bond shall bear interest from its Issue Date or
16 from the most recent date to which interest has been paid or duly provided, unless otherwise
17 provided in the applicable Bond Documents. One or more rates of interest shall be established
18 for each maturity of each Series of the Bonds, which rate or rates may be fixed or variable. The
19 net interest cost for any fixed rate Series may not exceed a rate of 10% per annum.

20 (v) **Payment Dates.** Interest shall be payable on dates acceptable to the
21 Director of Finance. Principal shall be payable on dates acceptable to the Director of Finance,
22 which shall include payment at the maturity of each Bond, in mandatory redemption installments

1 applicable to Term Bonds, and otherwise in accordance with any redemption or tender provisions
2 set forth in the Bond Documents.

3 (vi) **Final Maturity.** Each Bond shall mature no later than 31 years after its
4 Issue Date.

5 (vii) **Redemption Prior to Maturity.** The Bond Sale Terms may include
6 redemption provisions, as determined by the Director of Finance, consistent with Section 7 and
7 subject to the following:

8 (A) **Optional Redemption.** The Director of Finance may designate
9 any Bond as being subject to optional redemption prior to its maturity. Any Tax-Exempt Bond
10 that is subject to optional redemption prior to maturity must be callable on at least one or more
11 dates occurring not more than 10½ years after the Issue Date, consistent with Section 7(a).

12 (B) **Mandatory Redemption.** The Director of Finance may designate
13 any Bond as a Term Bond, subject to mandatory redemption prior to its maturity in mandatory
14 redemption installment payments of principal, consistent with Section 7(b).

15 (C) **Extraordinary Redemption.** The Director of Finance may
16 designate any Bond as subject to extraordinary optional redemption or extraordinary mandatory
17 redemption upon the occurrence of an extraordinary event, as such event or events may be set
18 forth in the applicable Bond Documents, consistent with Section 7(c).

19 (viii) **Price.** The Director of Finance may approve in the Bond Sale Terms an
20 aggregate purchase price for each Series of the Bonds that is, in his or her judgment, the price
21 that produces the most advantageous borrowing cost for the City for that Series consistent with
22 the parameters set forth herein and in any applicable bid documents.

1 (ix) **Other Terms and Conditions.**

2 (A) **Debt Capacity and Limitations.** A Series of the Bonds may not
3 be issued if it would cause the indebtedness of the City to exceed the City’s legal debt capacity
4 on the Issue Date of such Series.

5 (B) **Reasonably Expected Life.** As of the Issue Date of each Series,
6 the Director of Finance must find to his or her satisfaction that the average expected life of the
7 capital facilities to be financed with the proceeds (or allocable share of proceeds) of that Series
8 exceeds the weighted average maturity of such Series (or share thereof allocated to financing
9 those capital facilities).

10 (C) **Additional Terms, Conditions, and Agreements.** The Bond Sale
11 Terms for any Series may provide for bond insurance or for any other credit enhancement as the
12 Director of Finance may find necessary or desirable. The Bond Sale Terms may include such
13 additional terms, conditions, and covenants as may be necessary or desirable, including but not
14 limited to: restrictions on investment of Bond proceeds and pledged funds (including any escrow
15 established for the defeasance of any of the Bonds), provisions for the conversion of interest rate
16 modes, provisions for the reimbursement of a credit enhancement provider, and requirements to
17 give notice to or obtain the consent of a credit enhancement provider. The Director of Finance is
18 authorized to execute, on behalf of the City, such additional certificates and agreements as may
19 be necessary or desirable to reflect such terms, conditions, and covenants.

20 (D) **Tax Status of the Bonds.** The Director of Finance may designate
21 any Series of the Bonds as Tax-Exempt Bonds, Taxable Bonds, or Tax Credit Subsidy Bonds,
22 consistent with Section 13.

1 Section 5. **Bond Registrar; Registration and Transfer of Bonds.**

2 (a) **Registration and Bond Registrar.** The Bonds shall be issued only in registered
3 form as to both principal and interest and shall be recorded on the Bond Register. The Fiscal
4 Agent is appointed to act as Bond Registrar for each Series of the Bonds, unless otherwise
5 determined by the Director of Finance.

6 (b) **Transfer and Exchange of Bonds.** The Bond Registrar shall keep, or cause to be
7 kept, sufficient books for the registration and transfer of the Bonds, which shall be open to
8 inspection by the City at all times. The Bond Register shall contain the name and mailing address
9 of the Registered Owner of each Bond and the principal amount and number of each of the
10 Bonds held by each Registered Owner.

11 The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds
12 transferred or exchanged in accordance with the provisions of the Bonds and this ordinance, to
13 serve as the City's paying agent for the Bonds and to carry out all of the Bond Registrar's powers
14 and duties under this ordinance and the Registration Ordinance.

15 The Bond Registrar shall be responsible for its representations contained in the Bond
16 Registrar's certificate of authentication on the Bonds. The Bond Registrar may become an
17 Owner of Bonds with the same rights it would have if it were not the Bond Registrar and, to the
18 extent permitted by law, may act as depository for and permit any of its officers or directors to
19 act as members of, or in any other capacity with respect to, any committee formed to protect the
20 rights of Owners.

21 Bonds surrendered to the Bond Registrar may be exchanged for Bonds in any Authorized
22 Denomination of an equal aggregate principal amount and of the same Series, interest rate and
23 maturity. Bonds may be transferred only if endorsed in the manner provided thereon and

1 surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to an Owner or
2 transferee. The Bond Registrar shall not be obligated to exchange or transfer any Bond during
3 the period between the Record Date and the corresponding interest payment or principal
4 redemption date.

5 (c) **Securities Depository; Book-Entry Form.** Unless otherwise determined by the
6 Director of Finance, the Bonds initially shall be issued in Book-Entry Form and registered in the
7 name of the Securities Depository. The Bonds so registered shall be held fully immobilized in
8 Book-Entry Form by the Securities Depository in accordance with the provisions of the Letter of
9 Representations. Neither the City nor the Bond Registrar shall have any responsibility or
10 obligation to participants of the Securities Depository (or the persons for whom they act as
11 nominees) with respect to the Bonds regarding the accuracy of any records maintained by the
12 Securities Depository (or its participants) of any amount in respect of principal of or interest on
13 the Bonds, or any notice that is permitted or required to be given to Registered Owners
14 hereunder (except such notice as is required to be given by the Bond Registrar to the Securities
15 Depository). Registered ownership of a Bond initially held in Book-Entry Form, or any portion
16 thereof, may not be transferred except: (i) to any successor Securities Depository; (ii) to any
17 substitute Securities Depository appointed by the City or such substitute Securities Depository's
18 successor; or (iii) to any person if the Bond is no longer held in Book-Entry Form.

19 Upon the resignation of the Securities Depository from its functions as depository, or
20 upon a determination by the Director of Finance to discontinue utilizing the then-current
21 Securities Depository, the Director of Finance may appoint a substitute Securities Depository. If
22 the Securities Depository resigns from its functions as depository and no substitute Securities
23 Depository can be obtained, or if the Director of Finance determines not to utilize a Securities

1 Depository, then the Bonds shall no longer be held in Book-Entry Form and ownership may be
2 transferred only as provided herein.

3 Nothing herein shall prevent the Bond Sale Terms from providing that a Series of the
4 Bonds shall be issued in certificated form without utilizing a Securities Depository, and that the
5 Bonds of such Series shall be registered as of their Issue Date in the names of the Owners
6 thereof, in which case ownership may be transferred only as provided herein.

7 (d) **Lost or Stolen Bonds.** In case any Bond shall be lost, stolen or destroyed, the
8 Bond Registrar may authenticate and deliver a new bond or bonds of like amount, date, tenor,
9 and effect to the Registered Owner(s) thereof upon the Registered Owner(s)' paying the
10 expenses and charges of the City in connection therewith, and upon filing with the Bond
11 Registrar evidence satisfactory to the Bond Registrar that such bond or bonds were actually lost,
12 stolen or destroyed and of Registered Ownership thereof, and upon furnishing the City with
13 indemnity satisfactory to both.

14 Section 6. **Payment of Bonds.**

15 (a) **Payment.** Principal of and interest on each Bond shall be payable in lawful
16 money of the United States of America on the dates and in the amounts as provided in the Bond
17 Documents applicable to that Series. No Bonds of any Series shall be subject to acceleration
18 under any circumstances.

19 (b) **Bonds Held In Book-Entry Form.** Principal of and interest on each Bond held
20 in Book-Entry Form shall be payable in the manner set forth in the Letter of Representations.

21 (c) **Bonds Not Held In Book-Entry Form.** Interest on each Bond not held in Book-
22 Entry Form shall be payable by electronic transfer on the interest payment date, or by check or
23 draft of the Bond Registrar mailed on the interest payment date to the Registered Owner at the

1 address appearing on the Bond Register on the Record Date. The City, however, shall not be
2 required to make electronic transfers except pursuant to a request by a Registered Owner in
3 writing received at least ten days prior to the Record Date and at the sole expense of the
4 Registered Owner. Principal of each Bond not held in Book-Entry Form shall be payable upon
5 presentation and surrender of the Bond by the Registered Owner to the Bond Registrar.

6 Section 7. **Redemption and Purchase of Bonds.**

7 (a) **Optional Redemption.** All or some of the Bonds of any Series may be subject to
8 redemption prior to their stated maturity dates at the option of the City at the times and on the
9 terms set forth in the applicable Bond Documents.

10 (b) **Mandatory Redemption.** All or some of the Bonds of any Series may be
11 designated as Term Bonds, subject to mandatory redemption in principal installment payments,
12 as set forth in the applicable Bond Documents. If not redeemed or purchased at the City's option
13 prior to maturity, Term Bonds (if any) must be redeemed, at a price equal to one hundred percent
14 of the principal amount to be redeemed plus accrued interest, on the dates and in the years and
15 principal amounts set forth in the applicable Bond Documents.

16 If the City optionally redeems or purchases a Term Bond prior to its maturity, the
17 principal amount of that Term Bond so redeemed or purchased (irrespective of its redemption or
18 purchase price) shall be credited against the remaining mandatory redemption installment
19 payments in the manner directed by the Director of Finance. In the absence of direction by the
20 Director of Finance, credit shall be allocated to each mandatory redemption installment payment
21 for that Bond on a *pro rata* basis.

22 (c) **Extraordinary Redemption.** All or some of the Bonds of any Series may be
23 subject to extraordinary optional or extraordinary mandatory redemption prior to maturity, upon

1 the occurrence of an extraordinary event, at the prices, in the principal amounts, and on the dates,
2 all as set forth in the applicable Bond Documents.

3 (d) **Selection of Bonds for Redemption; Partial Redemption.** If fewer than all of
4 the outstanding Bonds of a Series are to be redeemed at the option of the City, the Director of
5 Finance shall select the maturity or maturities to be redeemed. If less than all of the principal
6 amount of a maturity of the selected Series is to be redeemed, if such Series is held in Book-
7 Entry Form, the portion of such maturity to be redeemed shall be selected for redemption by the
8 Securities Depository in accordance with the Letter of Representations. If the Series is not then
9 held in Book-Entry Form, the portion of such maturity to be redeemed shall be selected by the
10 Bond Registrar using such method of random selection as the Bond Registrar shall determine.
11 All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in
12 any applicable Authorized Denomination. If less than all of the outstanding principal amount of
13 any Bond is redeemed, upon surrender of that Bond to the Bond Registrar there shall be issued to
14 the Registered Owner, without charge, a new Bond (or Bonds, at the option of the Registered
15 Owner) of the same Series, maturity, and interest rate in any Authorized Denomination in the
16 aggregate principal amount to remain outstanding.

17 (e) **Purchase.** The City reserves the right and option to purchase any or all of the
18 Bonds at any time at any price acceptable to the City plus accrued interest to the date of
19 purchase.

20 Section 8. **Notice of Redemption; Rescission of Notice.** Unless otherwise set forth
21 in the applicable Bond Documents, the City must cause notice of any intended redemption of
22 Bonds to be given not less than 20 nor more than 60 days prior to the date fixed for redemption
23 by first-class mail, postage prepaid, to the Registered Owner of any Bond to be redeemed at the

1 address appearing on the Bond Register on the Record Date, and the requirements of this
2 sentence shall be deemed to have been fulfilled when notice has been mailed as so provided,
3 whether or not it is actually received by the Owner of any Bond. Interest on Bonds called for
4 redemption shall cease to accrue on the date fixed for redemption unless the Bond or Bonds
5 called are not redeemed when presented pursuant to the call.

6 In the case of an optional or extraordinary optional redemption, the notice may state that
7 the City retains the right to rescind the redemption notice and the related redemption of Bonds by
8 giving a notice of rescission to the affected Registered Owners at any time on or prior to the
9 scheduled redemption date. Any notice of redemption that is rescinded by the Director of
10 Finance shall be of no effect, and the Bonds for which the notice of redemption has been
11 rescinded shall remain outstanding.

12 Section 9. **Failure to Pay Bonds.** If any Bond is not paid when properly presented
13 at its maturity or redemption date, the City shall be obligated to pay interest on that Bond at the
14 same rate provided on that Bond from and after its maturity or redemption date until that Bond,
15 principal, premium, if any, and interest, is paid in full or until sufficient money for its payment in
16 full is on deposit in the Bond Redemption Fund and that Bond has been called for payment by
17 giving notice of that call to the Registered Owner of that Bond.

18 Section 10. **Form and Execution of Bonds.** The Bonds shall be typed, printed, or
19 reproduced in a form consistent with the provisions of this ordinance and State law; shall be
20 signed by the Mayor and Director of Finance, either or both of whose signatures may be manual
21 or in facsimile; and the seal of the City or a facsimile reproduction thereof shall be impressed or
22 printed thereon.

1 Only Bonds bearing a certificate of authentication in substantially the following form
2 (with the designation, year, and Series of the Bonds adjusted consistent with this ordinance),
3 manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to
4 the benefits of this ordinance: “This Bond is one of the fully registered The City of Seattle,
5 Washington, [Limited Tax General Obligation Bonds], [Year] [Series], described in [this
6 ordinance].” The authorized signing of a certificate of authentication shall be conclusive
7 evidence that the Bond so authenticated has been duly executed, authenticated, and delivered and
8 is entitled to the benefits of this ordinance.

9 If any officer whose manual or facsimile signature appears on a Bond ceases to be an
10 officer of the City authorized to sign bonds before the Bond bearing his or her manual or
11 facsimile signature is authenticated or delivered by the Bond Registrar or issued by the City, that
12 Bond nevertheless may be authenticated, delivered, and issued and, when authenticated, issued,
13 and delivered, shall be as binding on the City as though that person had continued to be an
14 officer of the City authorized to sign bonds. Any Bond also may be signed on behalf of the City
15 by any person who, on the actual date of signing of the Bond, is an officer of the City authorized
16 to sign bonds, although he or she did not hold the required office on the Issue Date of that Series
17 of the Bonds.

18 Section 11. **Pledge of Taxes.** For so long as any of the Bonds are outstanding, the
19 City irrevocably pledges to include in its budget and levy taxes annually within the constitutional
20 and statutory tax limitations provided by law without a vote of the electors of the City on all of
21 the taxable property within the City in an amount sufficient, together with other money legally
22 available and to be used therefor, to pay when due the principal of and interest on the Bonds. The

1 full faith, credit, and resources of the City are pledged irrevocably for the annual levy and
2 collection of those taxes and the prompt payment of that principal and interest.

3 Section 12. **Refunding or Defeasance of Bonds.**

4 (a) **Bonds Designated as Refundable Bonds.** Each Series of the Bonds is hereby
5 designated as a Series of “Refundable Bonds” for purposes of the Omnibus Refunding
6 Ordinance.

7 (b) **Refunding; Defeasance.** The City may issue refunding bonds pursuant to the
8 laws of the State or use money available from any other lawful source (i) to pay when due the
9 principal of (including premium, if any) and interest on any Bond, or any portion thereof,
10 included in a refunding or defeasance plan (the “Defeased Bonds”); (ii) to redeem and retire,
11 release, refund, or defease the Defeased Bonds; and (iii) to pay the costs of such refunding or
12 defeasance. If money and/or Government Obligations maturing at a time or times and in an
13 amount sufficient (together with known earned income from the investment thereof) to redeem
14 and retire, release, refund, or defease the Defeased Bonds in accordance with their terms is set
15 aside in a special trust fund or escrow account irrevocably pledged to such redemption,
16 retirement, or defeasance (the “Trust Account”), then all right and interest of the Owners of the
17 Defeased Bonds in the covenants of this ordinance and in the funds and accounts pledged to the
18 payment of such Defeased Bonds, other than the right to receive the funds so set aside and
19 pledged, thereafter shall cease and become void. Such Owners thereafter shall have the right to
20 receive payment of the principal of and interest or redemption price on the Defeased Bonds from
21 the Trust Account. After establishing and fully funding such a Trust Account, the Defeased
22 Bonds shall be deemed to be no longer outstanding, and the Director of Finance may then apply

1 any money in any other fund or account established for the payment or redemption of the
2 Defeased Bonds to any lawful purpose.

3 (c) **Notice of Defeasance or Refunding.** Unless otherwise specified in the
4 applicable Bond Documents, notice of refunding or defeasance shall be given, and selection of
5 Bonds for any partial refunding or defeasance shall be conducted, in the manner set forth in this
6 ordinance for the redemption of Bonds.

7 Section 13. **Federal Tax Matters.** The Bond Documents may include such additional
8 terms and covenants relating to federal tax matters as the Director of Finance deems necessary or
9 appropriate, including the following:

10 (a) **Tax-Exempt Bonds.** For each Series of the Bonds issued as Tax-Exempt Bonds,
11 the City covenants that it will take all actions consistent with the terms of such Series, as set
12 forth in this ordinance and the applicable Bond Documents, that are reasonably within its power
13 and necessary to prevent interest on that Series from being included in gross income for federal
14 income tax purposes. The City further covenants that it will neither take any action nor make or
15 permit any use of gross proceeds of such Series (or other funds of the City treated as gross
16 proceeds of such Series) at any time during the term of such Series that will cause interest on
17 such Series to be included in gross income for federal income tax purposes. The City also
18 covenants that, to the extent the arbitrage rebate requirement of Section 148 of the Code is
19 applicable to any Series issued as Tax-Exempt Bonds, it will take all actions necessary to comply
20 (or to be treated as having complied) with that requirement in connection with that Series
21 (including the calculation and payment of any penalties that the City may elect to pay as an
22 alternative to calculating rebatable arbitrage and the payment of any other penalties if required

1 under Section 148 of the Code) to prevent interest on such Series from being included in gross
2 income for federal income tax purposes.

3 (b) **Taxable Bonds; Tax Credit Subsidy Bonds.** For each Series of the Bonds
4 issued as Taxable Bonds or as Tax Credit Subsidy Bonds, the Director of Finance is authorized
5 to make provision in the Bonds and other Bond Documents, to execute additional written
6 agreements, and to make additional covenants on behalf of the City, all as he or she may deem
7 necessary or appropriate in order to obtain, maintain, and administer such tax status. In the case
8 of Tax Credit Subsidy Bonds, such additional covenants and agreements may include (without
9 limiting the generality of the foregoing) those necessary in order for the City (i) to receive from
10 the United States Treasury the applicable Tax Credit Subsidy Payments in respect of such Tax
11 Credit Subsidy Bonds, and (ii) to ensure that such Series otherwise becomes and remains eligible
12 for tax benefits under the Code.

13 Section 14. **Official Statement; Continuing Disclosure.**

14 (a) **Preliminary Official Statement.** The Director of Finance and other appropriate
15 City officials are directed to cause the preparation of and review the form of a preliminary
16 official statement in connection with each sale of one or more Series to the public. For the sole
17 purpose of the Purchaser's compliance with paragraph (b)(1) of Rule 15c2-12, the Director of
18 Finance is authorized to deem that preliminary official statement final as of its date, except for
19 the omission of information permitted to be omitted by Rule 15c2-12. The City approves the
20 distribution to potential purchasers of the Bonds of a preliminary official statement that has been
21 deemed final in accordance with this subsection.

22 (b) **Final Official Statement.** The City approves the preparation of a final official
23 statement for each sale of one or more Series of the Bonds to be sold to the public in the form of

1 the preliminary official statement with such additions, modifications and amendments as the
2 Director of Finance deems necessary or desirable, and further authorizes the Director of Finance
3 to execute and deliver such final official statement to the Purchaser. The City authorizes and
4 approves the distribution by the Purchaser of that final official statement to purchasers and
5 potential purchasers of the Bonds.

6 (c) **Undertaking to Provide Continuing Disclosure.** To meet the requirements of
7 paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for a Series of the
8 Bonds, the Director of Finance is authorized to execute a written Continuing Disclosure
9 Agreement with respect to that Series, in substantially the form attached as Exhibit B.

10 Section 15. **2021 Multipurpose LTGO Bond Funds Created; Deposit and Use of**
11 **Proceeds.** The 2021 Multipurpose LTGO Bond Fund (Tax-Exempt) has been previously created
12 in the City Treasury. In addition, if such fund has not been previously created by another
13 ordinance, the 2021 Multipurpose LTGO Bond Fund (Taxable) is hereby created in the City
14 Treasury. Unless otherwise provided in the Bond Sale Terms, the principal proceeds and net
15 premium, if any, received from the sale and delivery of any Series of the Bonds sold as Tax-
16 Exempt Bonds shall be paid into or allocated to the 2021 Multipurpose LTGO Bond Fund (Tax-
17 Exempt), or in such funds, accounts, or subaccounts of the City Treasury as the Director of
18 Finance may designate, and used for the purposes described in Section 2. Unless otherwise
19 provided in the Bond Sale Terms, the principal proceeds and net premium, if any, received from
20 the sale and delivery of any Series of the Bonds sold as Taxable Bonds shall be paid into or
21 allocated to the 2021 Multipurpose LTGO Bond Fund (Taxable), or in such funds, accounts, or
22 subaccounts of the City Treasury as the Director of Finance may designate, and used for the
23 purposes described in Section 2. The Director of Finance may use the principal proceeds and net

1 premium, if any, of any Series to pay for costs of issuance of that Series, and the Director of
2 Finance also may incur and account for costs of issuance that are not included as part of the bond
3 proceeds and net premium, including but not limited to any underwriter's discount.

4 The Director of Finance may (i) establish and transfer proceeds of the Bonds among
5 funds, accounts, or subaccounts in the City Treasury, or (ii) make interfund loans pursuant to
6 Seattle Municipal Code Section 5.06.030 to or from other City accounts or funds, all on terms he
7 or she may deem necessary, appropriate, or desirable to carry out the purposes of this ordinance
8 and consistent with the Bond Sale Terms. Enactment of this ordinance authorizes the transfer of
9 amounts from the 2021 Multipurpose LTGO Bond Fund (Tax-Exempt) and the 2021
10 Multipurpose LTGO Bond Fund (Taxable) to other funds in order to carry out the purposes of
11 this ordinance.

12 There has previously been created and established in the City Treasury the Bond
13 Redemption Fund. Net premium and accrued interest received from the sale and delivery of a
14 Series of the Bonds that is not necessary for the purposes described in Section 2, if any, shall be
15 paid or allocated into the Bond Redemption Fund prior to the first debt service payment date
16 with respect to that Series.

17 Until needed to pay the Project expenses and the costs described herein, the City may
18 invest principal proceeds of any Series of the Bonds temporarily in any authorized investment,
19 and the investment earnings shall be deposited in such funds, subfunds, accounts and
20 subaccounts as may be designated by the Director of Finance. Earnings subject to a federal tax or
21 rebate requirement may be withdrawn from any such fund or account and used for those tax or
22 rebate purposes.

1 The Director of Finance may pay principal of and interest on a Series of the Bonds with
2 any proceeds of that Series (including interest earnings thereon) remaining after applying such
3 proceeds to the purposes set forth in Section 2, or after the City Council has determined that the
4 expenditure of such Bond proceeds for those purposes is no longer necessary or appropriate.

5 Section 16. **General Authorization.** In addition to the specific authorizations in this
6 ordinance, the Mayor and the Director of Finance and each of the other appropriate officers of
7 the City is each authorized and directed to do everything as in his or her judgment may be
8 necessary, appropriate, or desirable in order to carry out the terms and provisions of, and
9 complete the transactions contemplated by, this ordinance. In particular and without limiting the
10 foregoing:

11 (a) The Director of Finance, in his or her discretion and without further action by the
12 City Council, (i) may issue requests for proposals to provide underwriting services or financing
13 facilities (including liquidity or credit support), and may execute engagement letters with
14 underwriters and other financial institutions (including providers of liquidity or credit support)
15 based on responses to such requests, (ii) may select and make decisions regarding the Bond
16 Registrar, fiscal or paying agents, and any Securities Depository for each Series of the Bonds;
17 and (iii) may take such actions on behalf of the City as are necessary or appropriate for the City
18 to designate, qualify, or maintain the tax-exempt treatment with respect to any Series issued as
19 Tax-Exempt Bonds, to receive from the United States Treasury the applicable Tax Credit
20 Subsidy Payments in respect of any Series issued as Tax Credit Subsidy Bonds, and to otherwise
21 receive any other federal tax benefits relating to any Series of the Bonds that are available to the
22 City; and

1 (b) The Mayor and Director of Finance are independently authorized (i) to execute
2 and deliver any and all contracts or other documents as are consistent with this ordinance and for
3 which the City’s approval is necessary or to which the City is a party (including but not limited
4 to agreements with escrow agents; refunding or defeasance trustees; liquidity or credit support
5 providers; bond insurers; underwriters; lenders or other financial institutions; the Bond Registrar
6 and any other fiscal or paying agents; counterparties to interest rate swap, cap, floor, or similar
7 agreements; and custodians); and (ii) to negotiate, execute, and deliver such other contracts or
8 documents incidental to the issuance and sale of a Series of the Bonds; the establishment of the
9 initial interest rate or rates on a Bond; or the tender, purchase, remarketing, or redemption of a
10 Bond, as may in his or her judgment be necessary or appropriate.

11 (c) In addition and without limiting the foregoing, the Mayor and Director of Finance
12 are independently authorized to negotiate, execute, and deliver any and all contracts or other
13 documents in form and substance acceptable to the Mayor and Director of Finance, that are
14 necessary or desirable to effectuate the making of one or more loans to the PMPDA for the sole
15 purpose of undertaking capital improvements to the Pike Place Market and related public
16 facilities and to otherwise ensure that the proceeds of the Bonds are applied to the purposes set
17 forth in a written loan agreement to be executed in connection with each such loan in such form
18 as may be agreed upon by the parties, consistent with this ordinance. This authorization
19 expressly includes the authority to set interest rates and other terms of such loans (which may be
20 different than the interest rates and corresponding terms of the bonds) and to include such
21 additional terms, conditions, or covenants as may be necessary or desirable, in the judgment of
22 the Mayor or Director of Finance, to protect the taxpayers of the City and to provide assistance to
23 support the public purposes of the PMPDA.

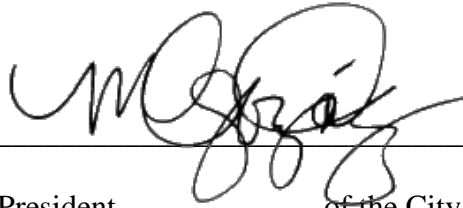
1 Section 17. **Severability.** The provisions of this ordinance are declared to be separate
2 and severable. If a court of competent jurisdiction, all appeals having been exhausted or all
3 appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as
4 to any person or circumstance, such offending provision shall, if feasible, be deemed to be
5 modified to be within the limits of enforceability or validity. However, if the offending provision
6 cannot be so modified, it shall be null and void with respect to the particular person or
7 circumstance, and all other provisions of this ordinance in all other respects, and the offending
8 provision with respect to all other persons and all other circumstances, shall remain valid and
9 enforceable.

10 Section 18. **Ratification of Prior Acts.** Any action taken after passage of this
11 ordinance but prior to its effective date that is consistent with the authority of this ordinance is
12 ratified, approved, and confirmed.

13 Section 19. **Headings.** Section headings in this ordinance are used for convenience
14 only and shall not constitute a substantive portion of this ordinance.
15

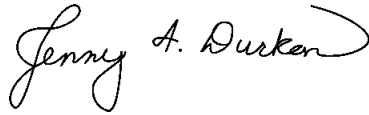
1 Section 20. **Effective Date.** This ordinance shall take effect and be in force 30 days
2 after its approval by the Mayor, but if not approved and returned by the Mayor within ten days
3 after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 23rd day of November, 2020,
5 and signed by me in open session in authentication of its passage this 23rd day of
6 November, 2020.

7 

8 President _____ of the City Council

9 **Approved** by me this 1st day of **December**, 2020.

10 

11 Jenny A. Durkan, Mayor

12 Filed by me this 1st day of **December**, 2020.

13 

14 Monica Martinez Simmons, City Clerk

15 (Seal)

16 Attachments:

17 Exhibit A – Description of 2021 Projects

18 Exhibit B – Form of Continuing Disclosure Agreement

EXHIBIT A**DESCRIPTION OF 2021 PROJECTS**

Description	Approximate Principal Amount
Seattle Municipal Tower Elevator Rehab	\$ 8,500,000
Fire Station 31	11,283,000
Human Capital Management System	7,500,000
Computing Services Architecture	6,429,807
Data and Telephone Infrastructure	11,503,229
Criminal Justice Information System	10,000,000
Alaskan Way Main Corridor (CPT-2.5%)	10,000,000
Overlook Walk and East-West Connections Projects	4,260,000
West Seattle Bridge Immediate Response	97,200,000
West Marginal Way Safe Street and Accessibility Improvements	2,800,000
Aquarium Expansion	9,000,000
Pike Place Market	6,000,000
Various Transportation Projects	22,000,000
Issuance Costs and Pricing Adjustments	6,194,281
 Total	 \$ 212,670,317

EXHIBIT B

FORM OF CONTINUING DISCLOSURE AGREEMENT

The City of Seattle, Washington (the “City”) makes the following written undertaking (the “Undertaking”) for the benefit of the Owners of the City’s Limited Tax General Obligation Bonds, [Year][Series] (the “Bonds”), for the sole purpose of assisting the underwriter in meeting the requirements of paragraph (b)(5) of Rule 15c2-12 (the “Rule”), as applicable to a participating underwriter for the Bonds. Capitalized terms used but not defined below shall have the meanings given in Ordinance _____ (the “Bond Ordinance”).

(a) Undertaking to Provide Annual Financial Information and Notice of Listed Events.

The City undertakes to provide or cause to be provided, either directly or through a designated agent, to the Municipal Securities Rulemaking Board (the “MSRB”), in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

(i) Annual financial information and operating data of the type included in the final official statement for the Bonds and described in subsection (b) of this section (“annual financial information”). The timely filing of unaudited financial statements shall satisfy the requirements and filing deadlines pertaining to the filing of annual financial statements under subsection (b), provided that audited financial statements are to be filed if and when they are otherwise prepared and available to the City.

(ii) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of

1 proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB)
2 or other material notices or determinations with respect to the tax status of the Bonds, or other
3 material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the
4 Bonds, if material; (8) Bond calls (other than scheduled mandatory redemptions of Term Bonds),
5 if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property
6 securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency,
7 receivership or similar event of the City, as such “Bankruptcy Events” are defined in the Rule;
8 (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of
9 all or substantially all of the assets of the City other than in the ordinary course of business, the
10 entry into a definitive agreement to undertake such an action or the termination of a definitive
11 agreement relating to any such actions, other than pursuant to its terms, if material; (14)
12 appointment of a successor or additional trustee or the change of name of a trustee, if material;
13 (15) incurrence of a financial obligation of the City, if material, or agreement to covenants, events
14 of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any
15 of which affect holders of the Bonds, if material; and (16) any default, event of acceleration,
16 termination event, modification of terms, or other similar event under the terms of a financial
17 obligation of the City, any of which reflect financial difficulties.

18 For purposes of this Undertaking, the term “financial obligation” shall mean a debt
19 obligation; derivative instrument entered into in connection with, or pledged as security or a source
20 of payment for, an existing or planned debt obligation; or a guarantee of either a debt obligation
21 or a derivative instrument entered into in connection with, or pledged as security or a source of
22 payment for, an existing or planned debt obligation. The term “financial obligation” does not

1 include municipal securities as to which a final official statement has been provided to the MSRB
2 consistent with the Rule.

3 (iii) Timely notice of a failure by the City to provide required annual financial
4 information on or before the date specified in subsection (b) of this section.

5 (b) Type of Annual Financial Information Undertaken to be Provided. The annual
6 financial information that the City undertakes to provide in subsection (a) of this section:

7 (i) Shall consist of (1) annual financial statements of the City prepared in
8 accordance with applicable generally accepted accounting principles applicable to governmental
9 units (except as otherwise noted therein), as such principles may be changed from time to time and
10 as permitted by applicable state law; (2) a statement of outstanding general obligation debt of the
11 City; (3) the assessed value of the property within the City subject to ad valorem taxation; and
12 (4) ad valorem tax levy rates and amounts and percentages of taxes collected;

13 (ii) Shall be provided not later than the last day of the ninth month after the end
14 of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal year
15 may be changed as required or permitted by state law, commencing with the City's fiscal year
16 ending December 31, 20__; and

17 (iii) May be provided in a single document or multiple documents, and may be
18 incorporated by specific reference to documents available to the public on the Internet website of
19 the MSRB or filed with the Securities and Exchange Commission.

20 (c) Amendment of Undertaking. This Undertaking is subject to amendment after the
21 primary offering of the Bonds without the consent of any Owner or holder of any Bond, or of any
22 broker, dealer, municipal securities dealer, participating underwriter, rating agency or the MSRB,
23 under the circumstances and in the manner permitted by the Rule, including:

1 (i) The amendment may only be made in connection with a change in
2 circumstances that arises from a change in legal requirements, change in law, or change in the
3 identity, nature, or status of the City, or type of business conducted by the City;

4 (ii) The Undertaking, as amended, would have complied with the requirements
5 of the Rule at the time of the primary offering, after taking into account any amendments or
6 interpretations of the Rule, as well as any change in circumstances; and

7 (iii) The amendment does not materially impair the interests of holders, as
8 determined either by parties unaffiliated with the City (e.g., bond counsel or other counsel familiar
9 with federal securities laws), or by an approving vote of bondholders pursuant to the terms of the
10 Bond Ordinance at the time of the amendment.

11 The City will give notice to the MSRB of the substance (or provide a copy) of any
12 amendment to this Undertaking and a brief statement of the reasons for the amendment. If the
13 amendment changes the type of annual financial information to be provided, the annual financial
14 information containing the amended financial information will include a narrative explanation of
15 the effect of that change on the type of information to be provided.

16 (d) Beneficiaries. This Undertaking shall inure to the benefit of the City and any
17 Owner of Bonds, and shall not inure to the benefit of or create any rights in any other person.

18 (e) Termination of Undertaking. The City's obligations under this Undertaking shall
19 terminate upon the legal defeasance, prior redemption, or payment in full of all of the Bonds. In
20 addition, the City's obligations under this Undertaking shall terminate if those provisions of the
21 Rule that require the City to comply with this Undertaking become legally inapplicable in respect
22 of the Bonds for any reason, as confirmed by an opinion of nationally recognized bond counsel or

1 other counsel familiar with federal securities laws delivered to the City, and the City provides
2 timely notice of such termination to the MSRB.

3 (f) Remedy for Failure to Comply with Undertaking. As soon as practicable after the
4 City learns of any material failure to comply with this Undertaking, the City will proceed with due
5 diligence to cause such noncompliance to be corrected. No failure by the City or other obligated
6 person to comply with this Undertaking shall constitute a default in respect of the Bonds. The sole
7 remedy of any Owner of a Bond shall be to take such actions as that Owner deems necessary,
8 including seeking an order of specific performance from an appropriate court, to compel the City
9 or other obligated person to comply with this Undertaking.

10 (g) Designation of Official Responsible to Administer Undertaking. The Director of
11 Finance of the City (or such other officer of the City who may in the future perform the duties of
12 that office) or his or her designee is the person designated, in accordance with the Bond Ordinance,
13 to carry out this Undertaking of the City in respect of the Bonds set forth in this section and in
14 accordance with the Rule, including, without limitation, the following actions:

15 (i) Preparing and filing the annual financial information undertaken to be
16 provided;

17 (ii) Determining whether any event specified in subsection (a)(ii) has occurred,
18 assessing its materiality, where necessary, with respect to the Bonds, and preparing and
19 disseminating any required notice of its occurrence;

20 (iii) Determining whether any person other than the City is an “obligated
21 person” within the meaning of the Rule with respect to the Bonds, and obtaining from such person
22 an undertaking to provide any annual financial information and notice of listed events for that
23 person in accordance with the Rule;

1 (iv) Selecting, engaging and compensating designated agents and consultants,
2 including but not limited to financial advisors and legal counsel, to assist and advise the City in
3 carrying out this Undertaking; and

4 (v) Effecting any necessary amendment of the Undertaking.