

(including City contributions to a nonprofit entity, the Seattle Opera, for the reconstruction of the Mercer Arena) and to pay the costs of issuance and sale of those bonds, and for other City purposes approved by ordinance; and

WHEREAS, pursuant to Ordinance 122452 the City previously entered into a Bond Payment Guaranty Agreement with Seattle-Chinatown International District Preservation and Development Authority (also known as SCIDPDA) to guarantee the payment of principal of and interest on SCIDPDA's \$7,355,000 principal amount Special Obligation Refunding Bonds, Series 2007, which may now be refunded prior to maturity at a price equal to the outstanding principal amount to be redeemed, plus accrued interest to the date fixed for redemption; and

WHEREAS, the City Council has determined that the amount of outstanding obligations guaranteed by the City will be reduced, and a substantial savings will be achieved, by entering into a Refinancing Agreement (defined below) with SCIDPDA providing for the loan of a portion of the proceeds of the City's 2017B Bonds (defined below) to SCIDPDA to be used solely to carry out a refunding of the outstanding 2007 SCIDPDA Bonds (defined below), pursuant to a Refunding Trust Agreement (defined below). Such savings are measured by the difference between (i) the principal and interest cost over the life of the refinancing loan installment payments due under the Refinancing Agreement, and (ii) the principal and interest cost over the life of the 2007 SCIDPDA Bonds refunded by such loan proceeds, but for such refunding; and

WHEREAS, the LTGO Authorizing Ordinance authorizes the Director of Finance to conduct the sale of the LTGO Bonds (as defined below) and to recommend to the City Council for its approval by resolution the interest rates and certain Bond Sale Terms for each series of the LTGO Bonds, within parameters set forth in the LTGO Authorizing Ordinance; and

WHEREAS, pursuant to Ordinance 121651 (as amended by Ordinance 122286) and Resolution 30981, the City previously issued its Unlimited Tax General Obligation Refunding Bonds, 2007, and reserved the right to call, pay and redeem those bonds maturing on and after December 1, 2017 prior to maturity at any time on or after June 1, 2017 at a price equal to the stated principal amount to be redeemed, plus accrued interest; and

WHEREAS, by Ordinance 121651 (as amended by Ordinance 122286 and amended and restated by Ordinance 124343) (the "Omnibus Refunding Ordinance"), the City authorized the issuance of general obligation bonds for the purpose, among other things, of paying all or part of the costs of refunding the City's outstanding general obligation bonds; and

WHEREAS, the Omnibus Refunding Ordinance authorizes the Director of Finance to conduct the sale of the UTGO Bonds (as defined below) and to recommend to the City Council for its approval by resolution the interest rates and certain Bond Sale Terms for the UTGO Bonds, within parameters set forth in the Omnibus Refunding Ordinance; and

WHEREAS, pursuant to the LTGO Authorizing Ordinance and the Omnibus Refunding Ordinance, a preliminary official statement dated May 10, 2017, for the public sale of the Bonds in three series, including an official notice of sale, was prepared and distributed, bids were received in accordance with the official notice of bond sale and the proposed sale of the 2017A Bonds to J.P. Morgan Securities LLC, the proposed sale of the 2017B Bonds to Fifth Third Securities, Inc., and the proposed sale of the UTGO Bonds to Morgan Stanley & Co. LLC has been recommended to the City Council for its approval with the interest rates and other Bond Sale Terms; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THAT:

PART 1 -- DEFINITIONS

Section 101. Definitions. The meanings of capitalized terms used and not otherwise defined in this resolution shall be as set forth in the LTGO Authorizing Ordinance and the Omnibus Refunding Ordinance. In addition, the following terms as used in this resolution shall have the following meanings:

“2007 SCIDPDA Bonds” means Seattle-Chinatown International District Preservation and Development Authority Special Obligation Refunding Bonds, Series 2007, as identified in Exhibit A hereto, issued pursuant to Resolution No. 07-09-12-02 of SCIDPDA’s governing board, adopted on September 12, 2007.

“2017A Bonds” means the \$73,080,000 principal amount Limited Tax General Obligation Improvement Bonds, 2017A, issued pursuant the LTGO Authorizing Ordinance and this resolution, to pay or reimburse all or part of the cost of the City projects identified in the LTGO Authorizing Ordinance and to pay the costs of issuance and sale of the 2017A Bonds, and for other City purposes approved by ordinance.

“2017A Purchaser” means J.P. Morgan Securities LLC of New York, New York.

“2017B Bonds” means the \$12,400,000 principal amount Limited Tax General Obligation Improvement and Refunding Bonds, 2017B (Taxable), issued pursuant to the LTGO Authorizing Ordinance and this resolution, in order to refund the 2007 SCIDPDA Bonds, to pay or reimburse costs of certain capital projects (including City contributions to a nonprofit entity, the Seattle Opera, for the reconstruction of Mercer Arena), and to pay the costs of issuance and sale of the 2017B Bonds and the administrative costs of the refunding, and for other City purposes approved by ordinance.

“2017B Purchaser” means Fifth Third Securities, Inc. of Cincinnati, Ohio.

“Acquired Obligations” means those government obligations (if any) purchased pursuant to one or more of the Refunding Trust Agreements. For purposes of the SCIDPDA Refunding Trust Agreement, the term “Acquired Obligations” shall mean any government obligations (as defined in RCW 39.53.010) that are

permitted to be used to fund a refunding escrow under SCIDPDA Resolution No. 07-09-12-02 and the terms of the 2007 SCIDPDA Bonds, regardless of the definition of the term “government obligations” as set forth in this resolution. For purposes of the UTGO Refunding Trust Agreement, the term “Acquired Obligations” shall mean any government obligations (as defined in RCW 39.53.010) that are permitted to be used to fund a refunding escrow under the UTGO Refunded Bonds Legislation, regardless of the definition of the term “government obligations” as set forth in this resolution.

“**Bond Legislation**” means (a) with respect to the LTGO Bonds, together, the LTGO Authorizing Ordinance and this resolution; and (b) with respect to the UTGO Bonds, together, the Omnibus Refunding Ordinance and this resolution.

“**Bonds**” means, collectively, the 2017A Bonds, the 2017B Bonds, and the UTGO Bonds.

“**Government Obligations**” for purposes of any future defeasance of the Bonds authorized hereunder, shall be limited to the following types of securities, provided that such securities are then permissible “government obligations” under RCW 39.53.010 (or any successor statute) as then in effect: (i) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, and bank certificates of deposit secured by such obligations; (ii) bonds, debentures, notes, participation certificates, or other obligations issued by the Banks for Cooperatives, the Federal Intermediate Credit Bank, the Federal Home Loan Bank system, the Export-Import Bank of the United States, Federal Land Banks, or the Federal National Mortgage Association; (iii) public housing bonds and project notes fully secured by contracts with the United States; and (iv) obligations of financial institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, to the extent insured or to the extent guaranteed as permitted under any other provision of state law.

“**LTGO Authorizing Ordinance**” means Ordinance 125197 passed by the City Council on November 21, 2016.

“**LTGO Bonds**” means, together, the 2017A Bonds and the 2017B Bonds.

“**Omnibus Refunding Ordinance**” means Ordinance 121651, passed by the City Council on November 22, 2004, as amended by Ordinance 122286, passed by the City Council on November 20, 2006, and amended and restated by Ordinance 124343, passed by the City Council on November 25, 2013. In accordance with Section 30 of Ordinance 124343, all section references to the Omnibus Refunding Ordinance herein refer to the “clean” version of that legislation attached to Ordinance 124343 as Exhibit C.

“**Projects**” means the Projects identified in the LTGO Authorizing Ordinance, as it may be amended from time to time.

“**Refunding Trust Agreements**” means the SCIDPDA Refunding Trust Agreement and the UTGO Refunding Trust Agreement.

“**Refunding Trustee**” means the financial institution selected by the Director of Finance to serve as refunding trustee or escrow agent under the Refunding Trust Agreements, or its successors.

“**Refinancing Agreement**” means the Refinancing Agreement, dated as of the Issue Date and in a form acceptable to the Director of Finance, by and among the City and SCIDPDA providing for the loan of a portion of the 2017B Bonds to SCIDPDA for refunding of the outstanding 2007 SCIDPDA Bonds.

“**SCIDPDA Refunding Trust Agreement**” means the agreement among the City, SCIDPDA, the Refunding Trustee and such other parties as may be necessary, providing for the carrying out of the SCIDPDA Refunding Plan, in a form acceptable to the Director of Finance.

“**SCIDPDA Refunding Plan**” means the refunding plan authorized pursuant to Section 304(d) hereof for the refunding of the 2007 SCIDPDA Bonds, in furtherance of the Refinancing Agreement.

“**SCIDPDA Refunding Resolution**” means SCIDPDA Council Resolution No. 17-04-19-02, among other things, authorizing SCIDPDA to enter into the Refinancing Agreement and the Refunding Trust Agreement.

“**UTGO Bonds**” means the \$14,605,000 Unlimited Tax General Obligation Refunding Bonds, 2017.

“**UTGO Bonds Purchaser**” means Morgan Stanley & Co. LLC of New York, New York.

“**UTGO Refunded Bond Legislation**” means Ordinance 121651, passed by the City Council on November 22, 2004, as amended by Ordinance 122286, passed by the City Council on November 22, 2006 and Resolution 30981 adopted by the City Council on April 18, 2007 approving the issuance and sale of the Refunded Bonds.

“**UTGO Refunded Bonds**” means the currently outstanding Unlimited Tax General Obligation Refunding Bonds, 2007, issued to carry out an advance refunding of the City’s then-outstanding Unlimited Tax General Obligation Bonds, 1999, Series A (Library Facilities), which were voter-approved bonds issued for library capital facilities purposes approved by the requisite supermajority of the voters on November 3, 1998, as identified on Exhibit A.

“**UTGO Refunding Plan**” means the refunding plan for the UTGO Refunded Bonds, as set forth in Section 404(d).

“**UTGO Refunding Trust Agreement**” means the agreement among the City, a Refunding Trustee and such other parties as may be necessary, providing for the carrying out of the UTGO Refunding Plan, in a form acceptable to the Director of Finance.

PART II - 2017A BONDS

Section 201. Sale and Delivery of 2017A Bonds. The City finds that the sale of the 2017A Bonds to the 2017A Purchaser at the interest rates and pursuant to the Bond Sale Terms set forth in the LTGO Authorizing Ordinance, this resolution, the Official Notice of Bond Sale attached as Exhibit B, and the bid information attached as Exhibit C (which includes a summary of the true interest cost associated with each bid and a printed version of all the electronic bids for the 2017A Bonds, including the electronic bid of the 2017A Purchaser), is in the City’s best interest and therefore confirms, ratifies and approves the award of the 2017A Bonds to the 2017A Purchaser.

Section 202. Approval of 2017A Bond Sale Terms. In accordance with Section 4 of the LTGO Authorizing Ordinance, the following Bond Sale Terms for the 2017A Bonds are approved:

(a) Principal Amount. The 2017A Bonds shall be issued in the aggregate principal amount of \$73,080,000. The allocation of the principal portions of the 2017A Bonds to particular purposes shall be as determined by the Director of Finance, and as reflected in a Tax Certificate executed as of the Issue Date.

(b) Date or Dates. Each 2017A Bond shall be dated its Issue Date, which date shall be any date selected by the Director of Finance that is not later than December 31, 2019.

(c) Denominations. The 2017A Bonds shall be issued in Authorized Denominations, as set forth in the LTGO Authorizing Ordinance.

(d) Interest Rates; Payment Dates. Each 2017A Bond shall bear interest at a fixed rate per annum, as shown below, computed on the basis of a 360-day year of twelve 30-day months, from its Issue Date or from the most recent date for which interest has been paid or duly provided for, whichever is later. Interest shall be payable on the first day of each May and November, commencing November 1, 2017. Principal shall be payable at maturity (and on mandatory redemption dates in the amounts set forth in subsection (f)) in principal amounts on November 1, 2018 and on each November 1, thereafter as follows:

Maturity Date	Principal Amounts	Interest Rates	Maturity Date	Principal Amounts	Interest Rates
2018	\$3,290,000	5.00%	2030	\$2,100,000	5.00%
2019	3,445,000	5.00	2031	2,210,000	5.00
2020	3,630,000	5.00	2032	2,320,000	5.00
2021	3,810,000	5.00	2033	2,445,000	5.00
2022	4,000,000	5.00	2034	2,560,000	4.00
2023	4,200,000	5.00	2035	2,665,000	4.00
2024	4,400,000	5.00	2036	2,765,000	4.00
2025	4,615,000	5.00	2037	2,875,000	4.00
2026	2,245,000	5.00	***	***	***
2027	2,350,000	5.00	2042	5,950,000	4.00
2028	1,945,000	4.00	***	***	***
2029	2,025,000	4.00	2047	7,235,000	4.00

(e) Final Maturity. The final maturity of the 2017A Bonds is November 1, 2047.

(f) Redemption Rights.

(i) Optional Redemption. The 2017A Bonds maturing on and before November 1, 2026

shall not be subject to redemption at the option of the City prior to their stated maturity dates. The 2017A Bonds maturing on and after November 1, 2027, are subject to redemption at the option of the City, in whole or in part on any date on or after May 1, 2027, at a price equal to the principal amount to be redeemed plus accrued interest, if any, to the date fixed for redemption.

(ii) Mandatory Redemption. 2017A Bonds maturing in the year 2042 are designated as 2017A Term Bonds and, if not redeemed under the optional redemption provisions set forth above or purchased in the open market under the provisions set forth in the LTGO Authorizing Ordinance, shall be called for redemption in accordance with the LTGO Authorizing Ordinance at par plus accrued interest on November 1 in years and amounts as follows:

<u>2017A Term Bonds Stated to Mature in 2042</u>	
Mandatory Redemption Years	Mandatory Redemption Amounts
2038	\$1,100,000
2039	1,140,000
2040	1,190,000
2041	1,235,000
2042*	1,285,000

2017A Bonds maturing in the year 2047 are designated as 2017A Term Bonds and, if not redeemed under the optional redemption provisions set forth above or purchased in the open market under the provisions set forth in the LTGO Authorizing Ordinance, shall be called for redemption in accordance with the LTGO Authorizing Ordinance at par plus accrued interest on November 1 in years and amounts as follows:

<u>2017A Term Bonds Stated to Mature in 2047</u>	
Mandatory Redemption Years	Mandatory Redemption Amounts
2043	\$1,335,000
2044	1,390,000
2045	1,445,000
2046	1,500,000
2047*	1,565,000

If a 2017A Term Bond is redeemed under the optional redemption provisions or defeased or purchased by the

City and surrendered for cancellation, the principal amount of that 2017A Term Bond so redeemed, purchased, or defeased (irrespective of its actual redemption or purchase price) shall be credited against one or more scheduled mandatory redemption installments for that 2017A Term Bond in accordance with the LTGO Authorizing Ordinance.

(g) Price. The purchase price for the 2017A Bonds is \$83,573,487.53, representing the aggregate principal amount of the 2017A Bonds, plus original issue premium and less underwriter's discount.

(h) Other Terms and Conditions. The following terms and conditions, along with those additional Bond Sale Terms set forth in the Official Notice of Bond Sale, are ratified, confirmed and approved in all respects:

(i) The City Council finds that the issuance of the 2017A Bonds will not cause the indebtedness of the City to exceed the City's legal debt capacity on the Issue Date. The expected life of the capital facilities to be financed with the proceeds of the 2017A Bonds will exceed the maturity of the 2017A Bonds.

(ii) The Bond Sale Terms do not provide for any bond insurance or other credit enhancement, or for interest rate swaps, caps, floors or other similar hedging devices, at the expense or direction of the City.

Section 203. Use of 2017A Bond Proceeds. The principal proceeds of the sale of the 2017A Bonds shall be deposited in the funds, accounts or subaccounts as determined by the Director of Finance as necessary to pay costs of the various Projects, the costs of issuing the 2017A Bonds and for such other purposes as may be approved by ordinance.

Section 204. Federal Tax Matters - 2017A Bonds. The 2017A Bonds shall be issued as Tax-Exempt Bonds, in accordance with Section 12(a) of the LTGO Authorizing Ordinance.

PART III - 2017B BONDS

Section 301. Sale and Delivery of 2017B Bonds. The City finds that the sale of the 2017B Bonds to

the 2017B Purchaser at the interest rates and pursuant to the Bond Sale Terms set forth in the LTGO Authorizing Ordinance, this resolution, the Official Notice of Bond Sale attached as Exhibit B, and the bid information attached as Exhibit D (which includes a summary of the true interest cost associated with each bid and a printed version of all the electronic bids for the 2017B Bonds, including the electronic bid of the 2017B Purchaser), is in the City’s best interest and therefore confirms, ratifies and approves the award of the 2017B Bonds to the 2017B Purchaser.

Section 302. Approval of 2017B Bond Sale Terms. In accordance with Section 4 of the LTGO Authorizing Ordinance, the following Bond Sale Terms for the 2017B Bonds are approved:

(a) Principal Amount. The 2017B Bonds shall be issued in the aggregate principal amount of \$12,400,000.

(b) Date or Dates. Each 2017B Bond shall be dated its Issue Date, which date shall be any date selected by the Director of Finance that is not later than December 31, 2019.

(c) Denominations. The 2017B Bonds shall be issued in Authorized Denominations, as set forth in the LTGO Authorizing Ordinance.

(d) Interest Rates; Payment Dates. Each 2017B Bond shall bear interest at a fixed rate per annum, as shown below, computed on the basis of a 360-day year of twelve 30-day months, from its Issue Date or from the most recent date for which interest has been paid or duly provided for, whichever is later. Interest shall be payable on the first day of each May and November, commencing November 1, 2017. Principal shall be payable at maturity (and on mandatory redemption dates in the amounts set forth in subsection (f)) in principal amounts commencing on November 1, 2018, as follows:

Maturity Date	Principal Amounts	Interest Rates	Maturity Date	Principal Amounts	Interest Rates
2018	\$730,000	4.00%	2028	\$ 395,000	3.05%
2019	760,000	4.00	2029	410,000	3.15
2020	790,000	1.75	2030	420,000	3.25
2021	800,000	2.00	2031	440,000	3.30
2022	825,000	2.20	2032	455,000	3.35
2023	835,000	2.35	2033	470,000	3.40
2024	860,000	2.50	***	***	***

2025	875,000	2.65	2035	980,000	3.45
2026	905,000	2.80	***	***	***
2027	390,000	2.90	2037	1,060,000	3.50

(e) **Final Maturity.** The final maturity of the 2017B Bonds is November 1, 2037.

(f) **Redemption Rights.**

(i) Optional Redemption. The 2017B Bonds maturing on and before November 1, 2026 shall not be subject to redemption at the option of the City prior to their stated maturity dates. The 2017B Bonds maturing on and after November 1, 2027, are subject to redemption at the option of the City, in whole or in part on any date on or after May 1, 2027, at a price equal to the principal amount to be redeemed plus accrued interest, if any, to the date fixed for redemption.

(ii) Mandatory Redemption. The 2017B Bonds maturing in the year 2035 are designated as 2017B Term Bonds and, if not redeemed under the optional redemption provisions set forth above or purchased in the open market under the provisions set forth in the LTGO Authorizing Ordinance, shall be called for redemption in accordance with the LTGO Authorizing Ordinance at par plus accrued interest on November 1 in years and amounts as follows:

2017B Term Bonds Stated to Mature in 2035

Mandatory Redemption Years	Mandatory Redemption Amounts
2034	\$480,000
2035*	500,000

*Maturity

The 2017B Bonds maturing in the year 2037 are designated as 2017B Term Bonds and, if not redeemed under the optional redemption provisions set forth above or purchased in the open market under the provisions set forth in the LTGO Authorizing Ordinance, shall be called for redemption in accordance with the LTGO Authorizing Ordinance at par plus accrued interest on November 1 in years and amounts as follows:

2017B Term Bonds Stated to Mature in 2037

Mandatory Redemption Years	Mandatory Redemption Amounts
2036	\$520,000
2037*	540,000

*Maturity

If a 2017B Term Bond is redeemed under the optional redemption provisions or defeased or purchased by the City and surrendered for cancellation, the principal amount of that 2017B Term Bond so redeemed, purchased, or defeased (irrespective of its actual redemption or purchase price) shall be credited against one or more scheduled mandatory redemption installments for that 2017B Term Bond in accordance with the LTGO Authorizing Ordinance.

(g) Price. The purchase price for the 2017B Bonds is \$12,411,091.13, representing the aggregate principal amount of the 2017B Bonds, plus original issue premium, less underwriter's discount.

(h) Other Terms and Conditions. The following terms and conditions, along with those additional Bond Sale Terms set forth in the Official Notice of Bond Sale, are ratified, confirmed and approved in all respects:

(i) The City Council finds that the issuance of the 2017B Bonds will not cause the indebtedness of the City to exceed the City's legal debt capacity on the Issue Date. The expected life of the capital facilities to be financed or refinanced with the proceeds of the 2017B Bonds will exceed the maturity of the 2017B Bonds.

(ii) The Bond Sale terms do not provide for any bond insurance or other credit enhancement, or for interest rate swaps, caps, floors or other similar hedging devices, at the expense or direction of the City.

(iii) It is the intent of the City to issue the 2017B Bonds as Taxable Bonds and that interest on the 2017B Bonds not be excludable from gross income for federal income tax purposes.

Section 303. Use of 2017B Bond Proceeds. The principal proceeds of the 2017B Bonds received by the City shall be deposited immediately upon receipt as set forth below. The amounts necessary to pay the costs of issuance of the 2017B Bonds shall be allocated among the various purposes by the Director of Finance.

(a) Capital Projects. The principal proceeds of the sale of the portion of the 2017B Bonds allocated to pay or reimburse costs of certain of the Projects, including portions of the cost of the Overlook Walk project undertaken by the Office of the Waterfront, and to fund the City's contribution to the Seattle

Opera for the reconstruction of the Mercer Arena, shall be deposited in the funds or accounts as determined by the Director of Finance as he deems expedient to carry out the foregoing purposes, including payment of an allocable share of the costs of issuance.

(b) SCIDPDA Refunding. The proceeds of the sale of the portion of the 2017B Bonds allocated to carrying out the refunding of the 2007 SCIDPDA Bonds under the Refinancing Agreement shall be deposited immediately upon the receipt thereof with the Refunding Trustee and used to carry out the SCIDPDA Refunding Plan, including discharging the guarantee and obligations of the City relating to the 2007 SCIDPDA Bonds. The SCIDPDA Refunding Plan shall be as set forth in the Refunding Trust Agreement and Section 304 (d). The costs of issuance and administrative costs of the refunding of the 2007 SCIDPDA Bonds shall be paid as set forth in the Refinancing Agreement and in the SCIDPDA Refunding Trust Agreement.

Section 304. Provisions for SCIDPDA Refunding Plan.

(a) Findings With Respect to SCIDPDA Refunding Plan. The City Council finds that the execution of the Refinancing Agreement and the issuance of the portion of the 2017B Bonds allocated to carrying out the refunding of the 2007 SCIDPDA Bonds, is desirable to modify certain terms of the bonds to be refunded and effect a debt service savings to SCIDPDA, thereby reducing the amount of outstanding public development authority debt guaranteed by the City, and is therefore in the best interest of the City and its taxpayers and in the public interest. In making such finding, the City Council has given consideration to the amount of the outstanding 2007 SCIDPDA Bonds, the fixed maturities of the 2007 SCIDPDA Bonds and of the portion of the 2017B Bonds allocated to their refunding, the allocable share of the costs of issuance of the 2017B Bonds, and the known earned income from the investment of the amounts deposited with the Refunding Trustee pending payment and redemption of the 2007 SCIDPDA Bonds. The City Council further finds that upon the legal defeasance of the 2007 SCIDPDA Bonds, the obligations, pledges, charges, trusts, covenants, and agreements of the City under the Bond Payment Guaranty Agreement entered into with respect to the 2007 SCIDPDA Bonds shall be discharged.

(b) Refinancing Agreement; Call for Redemption of the 2007 SCIDPDA Bonds. To provide for the loan of a portion of the 2017B Bonds to SCIDPDA to carry out the refunding of the 2007 SCIDPDA Bonds, and to provide for and secure the repayment of such loan, the Director of Finance is authorized and directed to execute the Refinancing Agreement and such other agreements or amendments, in form and substance acceptable to him, with SCIDPDA and such other parties as may be necessary or appropriate. The City further authorizes the Director of Finance and other City officials to take such actions as may be necessary on behalf of the City to cause SCIDPDA to call for redemption on August 1, 2017, all of the outstanding 2007 SCIDPDA Bonds, in accordance with the Refinancing Agreement.

(c) SCIDPDA Refunding Trust Agreement. The Director of Finance is authorized and directed to execute the SCIDPDA Refunding Trust Agreement, in form and substance acceptable to him, with the Refunding Trustee, SCIDPDA and such other parties as may be necessary or appropriate to carry out the refunding of the 2007 SCIDPDA Bonds.

(d) SCIDPDA Refunding Plan. The following SCIDPDA Refunding Plan shall be set forth in the SCIDPDA Refunding Trust Agreement and shall provide substantially as follows, with such alterations as the Director of Finance deems necessary or appropriate:

(i) On the Issue Date, proceeds of the portion of the 2017B Bonds allocated to carrying out the refunding of the 2007 SCIDPDA Bonds shall be loaned to SCIDPDA pursuant to the Refinancing Agreement, and together with other money of SCIDPDA allocated to the refunding, shall be deposited with the Refunding Trustee in an amount sufficient to pay the principal of and accrued interest on the 2007 SCIDPDA Bonds on the date set for redemption in accordance with this SCIDPDA Refunding Plan.

(ii) The Refunding Trustee shall hold the amounts so deposited in a refunding trust account, and shall apply such money, together with other money held in that account, as set forth in the SCIDPDA Refunding Trust Agreement. If so directed in the SCIDPDA Refunding Trust Agreement, the Refunding Trustee shall apply the amounts so held to acquire the Acquired Obligations and shall hold the maturing principal of

and interest thereon in the refunding trust account. All maturing principal of and interest on the Acquired Obligations (if any), together with all other money held in that account, shall be applied to the payment of the principal of and interest on the 2007 SCIDPDA Bonds when due up to and including the date set for redemption.

(iii) On the date set for redemption, the Refunding Trustee shall call, pay, and redeem all of the then-outstanding 2007 SCIDPDA Bonds at a price equal to the principal amount to be redeemed, plus accrued interest to that date.

(iv) The costs of carrying out the SCIDPDA Refunding Plan and the allocable share of the costs of issuance of the 2017B Bonds shall be paid in accordance with the Refinancing Agreement and the SCIDPDA Refunding Trust Agreement.

Section 305. Federal Tax Matters. The 2017B Bonds shall be issued as Taxable Bonds, in accordance with Section 12(b) of the LTGO Authorizing Ordinance.

PART IV - UTGO BONDS

Section 401. Sale and Delivery of the UTGO Bonds. The City finds that the sale of the UTGO Bonds to the UTGO Bond Purchaser at the interest rates and pursuant to the Bond Sale Terms set forth in the Omnibus Refunding Ordinance, this resolution, the Official Notice of Bond Sale attached as Exhibit B, and the bid information attached as Exhibit E (which includes a summary of the true interest cost associated with each bid and a printed version of all the electronic bids for the UTGO Bonds, including the electronic bid of the Purchaser), is in the City's best interest and therefore confirms, ratifies and approves the award of the UTGO Bonds to the UTGO Bond Purchaser.

Section 402. Approval of UTGO Bond Sale Terms. In accordance with Section 4 of the Omnibus Refunding Ordinance, the following Bond Sale Terms for the UTGO Bonds are approved:

(a) Principal Amount. The UTGO Bonds shall be issued in the aggregate principal amount of \$14,605,000.

(b) Date or Dates. Each UTGO Bond shall be dated its Issue Date, which date shall be any date selected by the Director of Finance that is not later than December 31, 2019.

(c) Denominations. The UTGO Bonds shall be issued in Authorized Denominations, as set forth in the Omnibus Refunding Ordinance.

(d) Interest Rates; Payment Dates. Each UTGO Bond shall bear interest at a fixed rate per annum, as shown below, computed on the basis of a 360-day year of twelve 30-day months, from its Issue Date or from the most recent date for which interest has been paid or duly provided for, whichever is later. Interest shall be payable on the first day of each June and December, commencing December 1, 2017. Principal shall be payable at maturity on December 1, 2017 and December 1, 2018 as follows:

Maturity Date	Principal Amount	Interest Rate
2017	\$7,355,000	5.00%
2018	7,250,000	5.00

(e) Final Maturity. The final maturity of the UTGO Bonds is December 1, 2018.

(f) Redemption Rights. The UTGO Bonds are not subject to optional or mandatory redemption prior to their stated maturity dates.

(g) Price. The purchase price for the UTGO Bonds is \$15,179,132.28 representing the aggregate principal amount of the UTGO Bonds, plus original issue premium and less underwriter's discount.

(h) Other Terms and Conditions. The following terms and conditions, along with those additional Bond Sale Terms set forth in the Official Notice of Bond Sale, are ratified, confirmed and approved in all respects:

(i) The City Council finds that the issuance of the UTGO Bonds will not cause the indebtedness of the City to exceed the City's legal debt capacity on the Issue Date. The expected life of the capital facilities to be refinanced with the proceeds of the UTGO Bonds (as described in the Tax Certificate to be executed by the Director of Finance as of the Issue Date) will not exceed the maturity of the UTGO Bonds.

(ii) The Bond Sale Terms do not provide for any bond insurance or other credit

enhancement, or for interest rate swaps, caps, floors or other similar hedging devices, at the expense or direction of the City.

Section 403. Use of UTGO Bond Proceeds. The proceeds of the sale of the UTGO Bonds shall be deposited immediately upon the receipt thereof with the Refunding Trustee and used to carry out the UTGO Refunding Plan, including discharging the obligations of the City relating to the UTGO Refunded Bonds under the UTGO Refunded Bond Legislation. The UTGO Refunding Plan shall be as set forth in the UTGO Refunding Trust Agreement and Section 404(d). The Director of Finance shall determine, in his sole discretion, whether the portion of the sale proceeds of the UTGO Bonds necessary for payment of costs of issuance and administrative costs of the refunding shall be (i) deposited into a City fund, account or subaccount to be paid directly by the City, or (ii) deposited with the Refunding Trustee, who shall be directed to pay such costs as part of the UTGO Refunding Plan.

Section 404. Provisions for UTGO Refunding.

(a) Findings With Respect to Refunding. The City Council finds that the issuance of the UTGO Bonds at this time will effect a savings to the City and is in the best interest of the City and its taxpayers and in the public interest. In making such finding, the City Council has given consideration to the fixed maturities of the UTGO Bonds and the UTGO Refunded Bonds, the costs of issuance of the UTGO Bonds and the known earned income from the investment of the amounts deposited with the Refunding Trustee pending payment and redemption of the UTGO Refunded Bonds. The City Council further finds that the money to be deposited with the Refunding Trustee will discharge and satisfy the obligations, pledges, charges, trusts, covenants, and agreements of the City under the UTGO Refunded Bond Legislation, and that the UTGO Refunded Bonds shall no longer be deemed to be outstanding under the UTGO Refunded Bond Legislation immediately upon the deposit of such money with the Refunding Trustee.

(b) Designation of UTGO Refunded Bonds as Refundable Bonds; Call for Redemption of the UTGO Refunded Bonds. The Unlimited Tax General Obligation Refunding Bonds, 2007 of the City are hereby designated as “Refundable Bonds” for purposes of the Omnibus Refunding Bond Ordinance. The City authorizes the Director of Finance to call for redemption on the earliest date practicable for redemption in accordance with the UTGO Refunded Bonds Legislation, all of the UTGO Refunded Bonds at a price of 100% of the principal amount to be redeemed, plus accrued interest to the date set for redemption. Such call for redemption shall be irrevocable after the Issue Date. The date on which the UTGO Refunded Bonds are called for redemption is within the first period in which the UTGO Refunded Bonds may be called. The City authorizes and directs the Director of Finance to give or cause to be given such notices as required, at the times and in the manner required, pursuant to the UTGO Refunded Bond Legislation in order to effect the redemption prior to the maturity of the UTGO Refunded Bonds.

(c) UTGO Refunding Trust Agreement. The Director of Finance is authorized and directed to appoint the Refunding Trustee and to execute the UTGO Refunding Trust Agreement, in form and substance acceptable to him, consistent with Section 16(d)

of the Omnibus Refunding Ordinance.

(d) UTGO Refunding Plan. The following UTGO Refunding Plan is approved substantially as follows, with such alterations as the Director of Finance deems necessary or appropriate:

(i) On the Issue Date, proceeds of the UTGO Bonds shall be deposited with the Refunding Trustee in an amount sufficient to pay the principal of and accrued interest on the UTGO Refunded Bonds on the redemption date, and to pay such costs of issuance or administrative costs of carrying out the UTGO Refunding Plan as are included as part of the UTGO Refunding Plan.

(ii) The Refunding Trustee shall hold the amounts so deposited in a refunding trust account, and shall apply such money, together with other money held in that account, as set forth in the UTGO Refunding Trust Agreement. If so directed in the UTGO Refunding Trust Agreement, the Refunding Trustee shall apply the amounts so held to acquire the Acquired Obligations and shall hold the maturing principal of and interest thereon in the refunding trust account. All maturing principal of and interest on the Acquired Obligations (if any), together with all other money held in that account, shall be applied to the payment of the principal of and interest on the UTGO Refunded Bonds when due up to and including the date set for redemption.

(iii) On the date set for redemption of the UTGO Refunded Bonds, the Refunding Trustee shall call, pay and redeem all of the UTGO Refunded Bonds at a price equal to the principal amount to be redeemed, plus accrued interest to that date.

(iv) The cost of carrying out the UTGO Refunding Plan and the costs of issuance of the UTGO Bonds may be paid either by the City directly or from the amounts held by the Refunding Trustee, as directed by the Director of Finance in his discretion.

Section 405. Federal Tax Matters. The UTGO Bonds shall be issued as Tax-Exempt Bonds, in accordance with Section 13(a) of the Omnibus Refunding Ordinance.

PART V - MISCELLANEOUS PROVISIONS

Section 501. General Authorization. The Mayor and the Director of Finance and each of the other appropriate officers of the City are each authorized and directed to do everything as in their judgment may be necessary, appropriate or desirable in order to carry out the terms and provisions of, and complete the transactions contemplated by, the LTGO Authorizing Ordinance, the Omnibus Refunding Ordinance and this resolution.

Section 502. Severability. The provisions of this resolution are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this resolution to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with

respect to the particular person or circumstance, and all other provisions of this resolution in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 503. Ratification of Prior Acts. All acts taken pursuant to the authority of this resolution but prior to its effective date are ratified, approved and confirmed.

Section 504. Section Headings. Section headings in this resolution are used for convenience only and shall not constitute a substantive portion of this resolution.

ADOPTED by the City Council the _____ day of May, 2017 and signed by me in open session in authentication of its adoption this _____ day of May, 2017.

President of the City Council

Filed this _____ day of May, 2017.

(SEAL)

City Clerk

LIST OF EXHIBITS

- | | |
|-----------|--|
| Exhibit A | Identification of Refunded Bonds |
| Exhibit B | Official Notice of Bond Sale |
| Exhibit C | Printed Version of All Electronic Bids for the 2017A Bonds |
| Exhibit D | Printed Version of All Electronic Bids for the 2017B Bonds |
| Exhibit E | Printed Version of All Electronic Bids for the UTGO Bonds |