



SEATTLE CITY COUNCIL

Legislative Summary

CB 119109

Record No.: CB 119109

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125457

In Control: City Clerk

File Created: 09/08/2017

Final Action: 11/28/2017

Title: AN ORDINANCE relating to contracting indebtedness; authorizing the issuance and sale, from time to time in multiple series, of limited tax general obligation refunding bonds and unlimited tax general obligation refunding bonds for the purpose of carrying out the current or advance refunding of all or part of the City's outstanding limited tax general obligation bonds, carrying out the current or advance refunding of all or part of the City's outstanding unlimited tax general obligation bonds pursuant to an approved refunding plan, and to pay the administrative costs of carrying out such refundings and the costs of issuance of the refunding bonds; providing parameters for the bond sale terms including conditions, covenants, and other sale terms; rescinding the authorization to issue any future general obligation refunding bonds under Ordinance 121651 (as previously amended by Ordinance 122286, and as previously amended and restated by Ordinance 124343); authorizing the Director of Finance to enter into agreements providing for the disposition of the refunding bond proceeds; and ratifying and confirming certain prior acts.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Herbold

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments: Ex A - Description of Refundable LTGO and UTGO Bonds, Ex B - Form of Continuing Disclosure Agreement

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

Yes

No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	09/25/2017	Mayor's leg transmitted to Council	City Clerk			

Legislative Summary Continued (CB 119109)

- | | | | | | |
|---|-------------------------------|--|------------------------------------|---|------|
| 1 | City Clerk | 10/18/2017 | sent for review | Council
President's Office | |
| 1 | Council President's
Office | 10/19/2017 | sent for review | Select Budget
Committee | |
| | Action Text: | The Council Bill (CB) was sent for review. to the Select Budget Committee | | | |
| | Notes: | | | | |
| 1 | Full Council | 10/23/2017 | referred | Select Budget
Committee | |
| 1 | Select Budget Committee | 11/20/2017 | pass | | Pass |
| | Action Text: | The Committee recommends that Full Council pass the Council Bill (CB). | | | |
| | Notes: | | | | |
| | | In Favor: | 9 | Member Bagshaw, Member González , Member Harrell, Member Harris-Talley, Chair Herbold, Vice Chair Johnson, Member Juarez, Vice Chair O'Brien, Member Sawant | |
| | | Opposed: | 0 | | |
| 1 | Full Council | 11/20/2017 | passed | | Pass |
| | Action Text: | The Council Bill (CB) was passed by the following vote, and the President signed the Bill: | | | |
| | Notes: | | | | |
| | | In Favor: | 9 | Councilmember Bagshaw, Councilmember González , Council President Harrell, Councilmember Harris-Talley, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien, Councilmember Sawant | |
| | | Opposed: | 0 | | |
| 1 | City Clerk | 11/22/2017 | submitted for
Mayor's signature | Mayor | |
| 1 | Mayor | 11/22/2017 | Signed | | |
| 1 | Mayor | 11/28/2017 | returned | City Clerk | |
| 1 | City Clerk | 11/28/2017 | attested by City Clerk | | |
| | Action Text: | The Ordinance (Ord) was attested by City Clerk. | | | |
| | Notes: | | | | |
-

CITY OF SEATTLE

ORDINANCE 125457

COUNCIL BILL 119109

AN ORDINANCE relating to contracting indebtedness; authorizing the issuance and sale, from time to time in multiple series, of limited tax general obligation refunding bonds and unlimited tax general obligation refunding bonds for the purpose of carrying out the current or advance refunding of all or part of the City's outstanding limited tax general obligation bonds, carrying out the current or advance refunding of all or part of the City's outstanding unlimited tax general obligation bonds pursuant to an approved refunding plan, and to pay the administrative costs of carrying out such refundings and the costs of issuance of the refunding bonds; providing parameters for the bond sale terms including conditions, covenants, and other sale terms; rescinding the authorization to issue any future general obligation refunding bonds under Ordinance 121651 (as previously amended by Ordinance 122286, and as previously amended and restated by Ordinance 124343); authorizing the Director of Finance to enter into agreements providing for the disposition of the refunding bond proceeds; and ratifying and confirming certain prior acts.

WHEREAS, The City of Seattle, Washington (the "City") has previously authorized and issued, and may from time to time in the future authorize and issue, limited tax general obligation bonds and unlimited tax general obligation bonds designated as refundable under this ordinance (the "Refundable Bonds"), which Refundable Bonds may be refunded in order to achieve a cost savings or other benefit to the City as permitted under chapter 39.53 RCW; and

WHEREAS, the City Council has determined it to be in the best interest of the City and its taxpayers that it authorize the issuance and sale, subject to the provisions of this ordinance, of limited tax general obligation refunding bonds and unlimited tax general obligation refunding bonds (collectively, the "Bonds"), from time to time in one or more Series, for the purpose of (a) carrying out the current or advance refunding of all or a portion of the Refundable Bonds, and (b) paying the administrative costs of such refundings and the costs of issuance of the Bonds; and

1 WHEREAS, pursuant to the authority delegated in this ordinance, the Director of Finance from
2 time to time will receive, review and adopt a plan (a “Refunding Plan”) to refund selected
3 maturities (or partial maturities) of certain series of those Refundable Bonds, which
4 selected series and maturities (or partial maturities) will be identified in the Refunding
5 Plan; and

6 WHEREAS, this ordinance will allow the Director of Finance to carry out the defeasance and
7 refunding of any Refundable Bonds in accordance with the City’s debt policies regarding
8 refundings, as such policies may be amended from time to time and as most recently
9 amended by the City Council in Resolution 30630; and

10 WHEREAS, RCW 39.53.020 authorizes the City to issue refunding bonds, and RCW 39.53.100
11 provides that, in computing applicable debt limitations, there shall be deducted from the
12 amount of outstanding indebtedness the amounts of money and investments credited to, or
13 on deposit for, general obligation bond retirement; and

14 WHEREAS, from and after the effective date of this ordinance the authority to issue general
15 obligation refunding bonds previously granted in Ordinance 121651, as amended by
16 Ordinance 122286, and as further amended and restated by Ordinance 124343 (the “Prior
17 Omnibus Refunding Ordinances”), shall sunset and be replaced by the authority granted in
18 this ordinance, such that future general obligation refunding bonds shall be issued under
19 this authority and within the parameters set forth herein without affecting the outstanding
20 bonds previously issued under the Prior Omnibus Refunding Ordinances; NOW,
21 THEREFORE,

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

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

4 **“Acquired Obligations”** means Government Obligations maturing or having guaranteed
5 redemption prices at the option of the holder at such time or times as may be required to provide
6 funds sufficient to carry out the Refunding Plan, and satisfying the requirements of the Refunded
7 Bond Documents that authorized the Refunded Bonds included in that Refunding Plan. For
8 purposes of this definition, eligible “Government Obligations” for inclusion in a Refunding Plan
9 shall be determined in accordance with the applicable Refunded Bond Documents.

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 Bond Documents for a Series.

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

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

17 **“Bond Documents”** means, with respect to any Series of the Bonds or any series of
18 Refunded Bonds, (a) with respect to a Series of the Bonds, this ordinance (including any
19 amendatory or supplemental ordinances), and with respect to a series of Refunded Bonds, the
20 applicable Refunded Bond Ordinance(s); (b) the authenticated bond form; and (c) the written
21 agreement(s) setting forth the Bond Sale Terms and additional terms, conditions, or covenants
22 pursuant to which such bond was issued and sold, as set forth in any one or more of the following
23 (if any): (i) a sale resolution, (ii) a bond purchase contract (as defined in the applicable authorizing

1 ordinance), (iii) a bond indenture or a fiscal agent or paying agent agreement (other than the State
2 fiscal agency contract), and (iv) a direct purchase or continuing covenant agreement.

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

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

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

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

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

1 **“Bonds”** means the Refunding LTGO Bonds and the Refunding UTGO Bonds issued
2 pursuant to this ordinance.

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

13 **“Code”** means the Internal Revenue Code of 1986, or any successor thereto, as it has been
14 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 substantially
22 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.

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 between
9 the City and DTC dated October 4, 2006, as it may be amended from time to time, or an agreement
10 with a substitute or successor Securities Depository.

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

12 **“Omnibus Refunding Ordinance”** means this ordinance (as it may be amended from time
13 to time), or any other ordinance of the City passed in the future pursuant to which the Bonds (or
14 any Series of the Bonds) are designated as “refundable bonds.”

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

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

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

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

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

9 **“Refundable Bonds”** means the Refundable LTGO Bonds and the Refundable UTGO
10 Bonds.

11 **“Refundable LTGO Bonds”** means those outstanding limited tax general obligation
12 bonds of the City listed in Exhibit A hereto, and all other limited tax general obligation bonds of
13 the City that the City may hereafter designate as refundable under this ordinance.

14 **“Refundable UTGO Bonds”** means those outstanding unlimited tax general obligation
15 bonds of the City listed in Exhibit A hereto, and all other unlimited tax general obligation bonds
16 of the City that the City may hereafter designate as refundable under this ordinance.

17 **“Refunded Bond Documents”** means those Bond Documents applicable to a series of
18 Refunded Bonds.

19 **“Refunded Bonds”** means, interchangeably and as applicable, the Refunded LTGO Bonds
20 and the Refunded UTGO Bonds.

21 **“Refunded LTGO Bonds”** means those Refundable LTGO Bonds identified in a
22 Refunding Plan in accordance with this ordinance.

1 **“Refunded UTGO Bonds”** means those Refundable UTGO Bonds identified in a
2 Refunding Plan in accordance with this ordinance.

3 **“Refunding Bond”** means any LTGO Refunding Bond or UTGO Refunding Bond issued
4 pursuant to this ordinance.

5 **“Refunding LTGO Bonds”** means all limited tax general obligation refunding bonds
6 issued pursuant to this ordinance.

7 **“Refunding UTGO Bonds”** means all unlimited tax general obligation refunding bonds
8 issued pursuant to this ordinance.

9 **“Refunding Plan”** means the plan approved by the Director of Finance pursuant to the
10 delegation set forth herein to accomplish the refunding of Refundable Bonds. Each Refunding Plan
11 must identify the maturities and series of Refundable Bonds to be refunded thereby, and must
12 provide for their defeasance and refunding, substantially as follows, with such additional detail
13 and adjustments to be set forth in the Refunding Trust Agreement (including, without limitation,
14 adjustments to permit a crossover refunding) as the Director of Finance may deem necessary or
15 desirable:

16 (a) The City shall issue a Series of the Bonds (which may be combined within the
17 Series with any general obligation bonds authorized hereunder or separately) and, upon receipt,
18 shall deposit the proceeds of the sale of such Series, together with such other money as may be
19 included in the plan by the Director of Finance, into a refunding escrow or trust account held by
20 the Refunding Trustee;

21 (b) Upon receipt of a certification or verification by a certified public accounting firm
22 or other financial advisor that the amounts deposited with it will be sufficient to accomplish the
23 refunding as described in such Refunding Trust Agreement, the Refunding Trustee shall invest

1 such escrow deposits in the Acquired Obligations specified therein (unless directed in the
2 Refunding Trust Agreement to hold such deposits uninvested) and shall establish a beginning cash
3 balance; and

4 (c) As further directed in the Refunding Trust Agreement, the Refunding Trustee shall
5 apply the amounts received as interest on and maturing principal of such Acquired Obligations
6 (together with any cash balance in the refunding trust account) to call, pay, and redeem those
7 Refundable Bonds on the dates and times identified in the plan, and (if so directed) to pay the
8 administrative costs of carrying out the foregoing.

9 If the Director of Finance serves as the Refunding Trustee, the Director of Finance shall
10 approve a written Refunding Plan (which need not be set forth in a Refunding Trust Agreement)
11 providing that the escrow funds are to be held separate and apart from all other funds of the City
12 and are to be applied substantially as set forth above.

13 **“Refunding Trust Agreement”** means an escrow or trust agreement between the City and
14 a Refunding Trustee, as described in Section 16(d).

15 **“Refunding Trustee”** means the Director of Finance, or a financial institution selected by
16 the Director of Finance, serving in the capacity of refunding trustee or escrow agent under a
17 Refunding Trust Agreement.

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

1 **“Registration Ordinance”** means City Ordinance 111724 establishing a system of
2 registration for the City’s bonds and other obligations pursuant to Seattle Municipal Code Chapter
3 5.10, as that chapter now exists or may hereafter be amended.

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

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

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

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

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

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

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

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

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

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

4 Section 2. **Authorization of Bonds; Findings with Respect to Refunding.**

5 (a) **Authorization.** The City is authorized to borrow money on the credit of the City
6 and issue general obligation Bonds evidencing indebtedness in the maximum principal amount
7 stated in Section 4 to carry out one or more Refunding Plans (including paying the administrative
8 costs of carrying out each such Refunding Plan); to pay the costs of issuance of the Bonds; and for
9 other City purposes approved by Ordinance. The Bonds may be issued in one or more Series and
10 may be combined with other general obligation bonds (including new money bonds) authorized
11 separately. The Bonds shall be designated limited tax or unlimited tax (as appropriate) general
12 obligation refunding bonds and shall be numbered separately, and shall have any name, year and
13 series or other label as deemed necessary or appropriate by the Director of Finance.

14 (b) **Refunding Findings.** The City Council hereby finds that the irrevocable deposit of
15 money and securities with the Refunding Trustee, verified or certified as to sufficiency in
16 accordance with a Refunding Plan approved pursuant to this ordinance, will discharge and satisfy
17 the obligations of the City as to the Refunded Bonds identified therein, including all pledges,
18 charges, trusts, covenants and agreements under the applicable Refunded Bond Documents.
19 Immediately upon such deposit, the Refunded Bonds identified in such Refunding Plan shall be
20 defeased and shall no longer be deemed to be outstanding under the applicable Refunded Bond
21 Documents.

22 Section 3. **Manner of Sale of the Bonds.** The Director of Finance may provide for the
23 sale of each Series by competitive sale, negotiated sale, limited offering, or private placement. The

1 Purchaser of each Series shall be chosen through a selection process acceptable to the Director of
2 Finance. The Director of Finance is authorized to specify a date and time of sale and a date and
3 time for the delivery of each Series; in the case of a competitive sale, to provide an official notice
4 of sale including bid parameters and other bid requirements and provide for the use of an electronic
5 bidding mechanism; to provide for and determine matters relating to the forward or delayed
6 delivery of the Bonds, if deemed desirable; and to specify other matters in his or her determination
7 necessary, appropriate, or desirable in order to carry out the sale of each Series. Each Series must
8 be sold on Bond Sale Terms consistent with the parameters set forth in Section 4.

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

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

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

18 (i) **Maximum Principal Amount.** The Bonds may be issued in one or more
19 Series and shall not exceed the following:

20 (A) **Refunding LTGO Bonds.** The aggregate principal amount of the
21 Refunding LTGO Bonds issued to carry out each Refunding Plan shall not exceed 125% of the
22 stated principal amount of those Refundable LTGO Bonds selected for refunding in that Refunding
23 Plan.

1 **(B) Refunding UTGO Bonds.** The aggregate principal amount of the
2 Refunding UTGO Bonds issued to carry out each Refunding Plan shall not exceed the amount
3 permitted by RCW 39.53.090, as it may be amended from time to time.

4 **(ii) Date or Dates.** Each Bond shall be dated its Issue Date, as determined by
5 the Director of Finance.

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

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

12 **(v) Payment Dates.** Interest shall be payable on dates acceptable to the
13 Director of Finance. Principal shall be payable on dates acceptable to the Director of Finance,
14 which shall include payment at the maturity of each Bond, in mandatory redemption installments
15 applicable to Term Bonds, and otherwise in accordance with any redemption or tender provisions
16 set forth in the Bond Documents.

17 **(vi) Final Maturity.** The final maturity of any Series of the Bonds shall be
18 determined by the Director of Finance, consistent with RCW 39.53.090, if applicable, as it may be
19 amended from time to time.

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

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

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

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

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

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

17 (A) No Series of the Bonds may be issued unless the Director of Finance
18 approves a Refunding Plan (which may be set forth in a Refunding Trust Agreement) and finds
19 that such Refunding Plan (1) is necessary to accomplish one or more of the purposes set forth in
20 RCW 39.53.020, as it may be amended from time to time; and (2) is consistent with the City's
21 debt policies then in effect (including, if applicable, a finding that the Refunding Plan will achieve
22 an acceptable level of debt service savings).

1 (B) The Bond Sale Terms for any Series may provide for bond insurance
2 or for any other credit enhancement, as the Director of Finance may find necessary or desirable.
3 The Bond Sale Terms for any Series may provide for multiple interest rate modes and may include
4 provisions for conversion from any interest rate mode to any other mode. To that end, the Bond
5 Sale Terms may include such additional terms, conditions, and covenants as may be necessary or
6 desirable, including but not limited to restrictions on investment of Bond proceeds and pledged
7 funds (including any escrow established for the defeasance of the Bonds), provisions for the
8 conversion of interest rate modes, provisions for the reimbursement of a credit enhancement
9 provider, and requirements to give notice to or obtain the consent of a credit enhancement provider.
10 The Director of Finance is authorized to execute, on behalf of the City, such additional certificates
11 and agreements as may be necessary or desirable to reflect such terms, conditions, and covenants.

12 (C) The Director of Finance may determine that any Series of the Bonds
13 may be designated or qualified as Tax-Exempt Bonds, Taxable Bonds, or Tax Credit Subsidy
14 Bonds, consistent with Section 13.

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

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

20 (b) **Transfer and Exchange of Bonds.** The Bond Registrar shall keep, or cause to be
21 kept, sufficient books for the registration and transfer of the Bonds, which shall be open to
22 inspection by the City at all times. The Bond Register shall contain the name and mailing address

1 of the Registered Owner of each Bond and the principal amount and number of each of the Bonds
2 held by each Registered Owner.

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

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

13 Bonds surrendered to the Bond Registrar may be exchanged for Bonds in any Authorized
14 Denomination of an equal aggregate principal amount and of the same Series, interest rate and
15 maturity. Bonds may be transferred only if endorsed in the manner provided thereon and
16 surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to an Owner or
17 transferee. The Bond Registrar shall not be obligated to exchange or transfer any Bond during the
18 period between the Record Date and the corresponding interest payment or principal redemption
19 date.

20 (c) **Securities Depository; Book-Entry Form.** Unless otherwise determined by the
21 Director of Finance, the Bonds initially shall be issued in Book-Entry Form and registered in the
22 name of the Securities Depository. The Bonds so registered shall be held fully immobilized in
23 Book-Entry Form by the Securities Depository in accordance with the provisions of the Letter of

1 Representations. Neither the City nor the Bond Registrar shall have any responsibility or obligation
2 to participants of the Securities Depository or the persons for whom they act as nominees with
3 respect to the Bonds regarding the accuracy of any records maintained by the Securities Depository
4 or its participants of any amount in respect of principal of or interest on the Bonds, or any notice
5 which is permitted or required to be given to Registered Owners hereunder (except such notice as
6 is required to be given by the Bond Registrar to the Securities Depository). Registered ownership
7 of a Bond initially held in Book-Entry Form, or any portion thereof, may not be transferred except:
8 (i) to any successor Securities Depository; (ii) to any substitute Securities Depository appointed
9 by the City or such substitute Securities Depository's successor; or (iii) to any person if the Bond
10 is no longer held in Book-Entry Form.

11 Upon the resignation of the Securities Depository from its functions as depository, or upon
12 a determination by the Director of Finance to discontinue utilizing the then-current Securities
13 Depository, the Director of Finance may appoint a substitute Securities Depository. If the
14 Securities Depository resigns from its functions as depository and no substitute Securities
15 Depository can be obtained, or if the Director of Finance determines not to utilize a Securities
16 Depository, then the Bonds shall no longer be held in Book-Entry Form and ownership may be
17 transferred only as provided herein.

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

22 (d) **Lost or Stolen Bonds.** In case any Bond shall be lost, stolen or destroyed, the Bond
23 Registrar may authenticate and deliver a new bond or bonds of like amount, date, tenor, and effect

1 to the Registered Owner(s) thereof upon the Registered Owner(s)' paying the expenses and charges
2 of the City in connection therewith and upon filing with the Bond Registrar evidence satisfactory
3 to the Bond Registrar that such bond or bonds were actually lost, stolen or destroyed and of
4 Registered Ownership thereof, and upon furnishing the City with indemnity satisfactory to both.

5 Section 6. Payment of Bonds.

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

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

12 (c) **Bonds Not Held In Book-Entry Form.** Interest on each Bond not held in Book-
13 Entry Form shall be payable by electronic transfer on the interest payment date, or by check or
14 draft of the Bond Registrar mailed on the interest payment date to the Registered Owner at the
15 address appearing on the Bond Register on the Record Date. The City, however, is not required to
16 make electronic transfers except pursuant to a request by a Registered Owner in writing received
17 at least ten days prior to the Record Date and at the sole expense of the Registered Owner. Principal
18 of each Bond not held in Book-Entry Form shall be payable upon presentation and surrender of
19 the Bond by the Registered Owner to the Bond Registrar.

20 Section 7. Redemption and Purchase of Bonds.

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

1 **(b) Mandatory Redemption.** All or some of the Bonds of any Series may be
2 designated as Term Bonds, subject to mandatory redemption in principal installment payments, as
3 set forth in the applicable Bond Documents. If not redeemed or purchased at the City's option prior
4 to maturity, Term Bonds (if any) must be redeemed, at a price equal to 100% of the principal
5 amount to be redeemed plus accrued interest, on the dates and in the years and principal amounts
6 as set forth in the applicable Bond Documents.

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

13 **(c) Extraordinary Redemption Provisions.** All or some of the Bonds of any Series
14 may be subject to extraordinary optional or extraordinary mandatory redemption prior to maturity,
15 upon the occurrence of an extraordinary event, at the prices, in the principal amounts, and on the
16 dates set forth in the applicable Bond Documents.

17 **(d) Selection of Bonds for Redemption; Partial Redemption.** If fewer than all of the
18 outstanding Bonds are to be redeemed at the option of the City, the Director of Finance shall select
19 the Series and maturity or maturities to be redeemed. If less than all of the principal amount of a
20 maturity of the selected Series is to be redeemed, if such Series is held in Book-Entry Form, the
21 portion of such maturity to be redeemed shall be selected for redemption by the Securities
22 Depository in accordance with the Letter of Representations, and if the Series is not then held in
23 Book-Entry Form, the portion of such maturity to be redeemed shall be selected by the Bond

1 Registrar randomly in such manner as the Bond Registrar shall determine. All or a portion of the
2 principal amount of any Bond that is to be redeemed may be redeemed in any applicable
3 Authorized Denomination. If less than all of the outstanding principal amount of any Bond is
4 redeemed, upon surrender of that Bond to the Bond Registrar there shall be issued to the Registered
5 Owner, without charge, a new Bond (or Bonds, at the option of the Registered Owner) of the same
6 Series, maturity, and interest rate in any Authorized Denomination in the aggregate principal
7 amount to remain outstanding.

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

10 Section 8. **Notice of Redemption; Rescission of Notice.** Unless otherwise set forth in
11 the applicable Bond Documents, the City must cause notice of any intended redemption of Bonds
12 to be given not less than 20 nor more than 60 days prior to the date fixed for redemption by first-
13 class mail, postage prepaid, to the Registered Owner of any Bond to be redeemed at the address
14 appearing on the Bond Register on the Record Date, and the requirements of this sentence shall be
15 deemed to have been fulfilled when notice has been mailed as so provided, whether or not it is
16 actually received by the Owner of any Bond. Interest on Bonds called for redemption shall cease
17 to accrue on the date fixed for redemption unless the Bond or Bonds called are not redeemed when
18 presented pursuant to the call.

19 In the case of an optional or extraordinary optional redemption, the notice may state that
20 the City retains the right to rescind the redemption notice and the related optional redemption of
21 Bonds by giving a notice of rescission to the affected Registered Owners at any time on or prior
22 to the scheduled optional redemption date. Any notice of optional redemption that is rescinded by

1 the Director of Finance shall be of no effect, and the Bonds for which the notice of optional
2 redemption has been rescinded shall remain outstanding.

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

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

14 Only Bonds bearing a certificate of authentication in substantially the following form (with
15 the designation, year, and Series of the Bonds adjusted consistent with this ordinance), manually
16 signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits
17 of this ordinance: “This Bond is one of the fully registered The City of Seattle, Washington,
18 [Limited/Unlimited Tax General Obligation Refunding Bonds], [Year] [Series], described in [this
19 ordinance].” The authorized signing of a certificate of authentication shall be conclusive evidence
20 that the Bond so authenticated has been duly executed, authenticated, and delivered and is entitled
21 to the benefits of this ordinance.

22 If any officer whose manual or facsimile signature appears on a Bond ceases to be an officer
23 of the City authorized to sign bonds before the Bond bearing his or her manual or facsimile

1 signature is authenticated or delivered by the Bond Registrar or issued by the City, that Bond
2 nevertheless may be authenticated, delivered, and issued and, when authenticated, issued, and
3 delivered, shall be as binding on the City as though that person had continued to be an officer of
4 the City authorized to sign bonds. Any Bond also may be signed on behalf of the City by any
5 person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign
6 bonds, although he or she did not hold the required office on the date of issuance of that Series of
7 the Bonds.

8 Section 11. **Pledge of Taxes.** For so long as any of the Refunding LTGO Bonds are
9 outstanding, the City irrevocably pledges to include in its budget and levy taxes annually within
10 the constitutional and statutory tax limitations provided by law without a vote of the electors of
11 the City on all of the taxable property within the City in an amount sufficient, together with other
12 money legally available and to be used therefor, to pay when due the principal of and interest on
13 the Refunding LTGO Bonds, and the full faith, credit, and resources of the City are pledged
14 irrevocably for the annual levy and collection of those taxes and the prompt payment of that
15 principal and interest.

16 For so long as any of the Refunding UTGO Bonds are outstanding, the City irrevocably
17 pledges to include in its budget and levy taxes annually without limitation as to rate or amount on
18 all of the taxable property within the City in an amount sufficient, together with other money
19 legally available and to be used therefor, to pay when due the principal of and interest on the
20 Refunding UTGO Bonds, and the full faith, credit, and resources of the City are pledged
21 irrevocably for the annual levy and collection of those taxes and the prompt payment of that
22 principal and interest.

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

2 (a) **Bonds Designated as Refundable Bonds.** Each Series of the Bonds issued
3 hereunder is hereby designated as a series of “Refundable Bonds” for purposes of being eligible
4 to be refunded in the future under this ordinance or any future Omnibus Refunding Ordinance.

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

22 (c) **Notice of Defeasance or Refunding.** Unless otherwise specified in the Bond
23 Documents, notice of refunding or defeasance shall be given, and selection of Bonds for any partial

1 refunding or defeasance shall be conducted, in the manner set forth in this ordinance for the
2 redemption of Bonds.

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

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

20 (b) **Taxable Bonds; Tax Credit Subsidy Bonds.** For each Series of the Bonds issued
21 as Taxable Bonds or as Tax Credit Subsidy Bonds, the Director of Finance is authorized to make
22 provision in the Bonds and other Bond Documents, to execute additional written agreements, and
23 to make additional covenants on behalf of the City, all as he or she may deem necessary or

1 appropriate in order to obtain, maintain, and administer such tax status. In the case of Tax Credit
2 Subsidy Bonds, such additional covenants and agreement may include (without limiting the
3 generality of the foregoing) those necessary in order for the City (i) to receive from the United
4 States Treasury the applicable Tax Credit Subsidy Payments in respect of such Tax Credit Subsidy
5 Bonds, and (ii) to ensure that such Series otherwise become and remain eligible for tax benefits
6 under the Code.

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

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

16 (b) **Final Official Statement.** The City approves the preparation of a final official
17 statement for each sale of one or more Series of the Bonds to be sold to the public in the form of
18 the preliminary official statement with such modifications and amendments as the Director of
19 Finance deems necessary or desirable, and further authorizes the Director of Finance to execute
20 and deliver such final official statement to the Purchaser. The City authorizes and approves the
21 distribution by the Purchaser of that final official statement to purchasers and potential purchasers
22 of the Bonds.

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

5 Section 15. **Deposit and Use of Proceeds.** Unless otherwise provided in the Bond Sale
6 Terms, the principal proceeds and net premium, if any, received from the sale and delivery of each
7 Series of the Bonds, in the amount necessary to carry out the applicable Refunding Plan, shall be
8 deposited with the Refunding Trustee and used in accordance with the provisions of this section
9 to discharge the obligations of the City relating to the Refunded Bonds identified therein. The
10 Director of Finance may use the principal proceeds and any premium to pay for costs of issuance
11 of the Bonds, and the Director of Finance also may incur and account for costs of issuance that are
12 not included as part of the bond proceeds and premium, including but not limited to any
13 underwriter's discount.

14 The Director of Finance may (i) establish and transfer proceeds of the Bonds among funds,
15 accounts, or subaccounts in the City Treasury, or (ii) make interfund loans pursuant to Seattle
16 Municipal Code Section 5.06.030 to or from other City accounts or funds, all on terms he or she
17 may deem necessary, appropriate, or desirable to carry out the purposes of this ordinance and
18 consistent with the Bond Sale Terms.

19 There previously has been created and established in the City Treasury the Bond Fund. Net
20 premium and accrued interest received from the sale and delivery of a Series of the Bonds, if any,
21 that is not necessary to carry out the Refunding Plan, shall be paid or allocated into the Bond Fund
22 prior to the first debt service payment date with respect to that Series. The Director of Finance
23 shall determine the amount, if any, from such proceeds, accrued interest or premium to be

1 deposited into specified funds, subfunds, accounts and subaccounts. Until needed to carry out the
2 applicable Refunding Plan and to pay the costs described herein, the principal proceeds of a Series
3 of the Bonds shall be held or invested (and the investment earning shall be applied) in accordance
4 with the Refunding Trust Agreement, and the money deposited with the Refunding Trustee,
5 including the Acquired Obligations and any investment earnings, shall be held irrevocably,
6 invested and applied in accordance with the provisions of the respective Refunded Bond
7 Documents, this ordinance, the Refunding Trust Agreement, chapter 39.53 RCW and other
8 applicable State law. Earnings subject to a federal tax or rebate requirement may be withdrawn
9 from any such fund or account and used for those tax or rebate purposes.

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

14 Section 16. **The Refunding Plan.**

15 (a) **Approval of Refunding Plan; Appointment of Refunding Trustee.** The Director
16 of Finance is authorized and directed to select a Refunding Trustee and execute a Refunding Trust
17 Agreement setting forth a Refunding Plan for each series of Refundable Bonds (or portion thereof)
18 to be refunded pursuant to this ordinance, in accordance with subsection (d) of this section.
19 Multiple Refunding Plans may be combined in a single Refunding Trust Agreement. The
20 Refunding Plan shall be carried out, and proceeds of the Bonds shall be applied, in accordance
21 with this ordinance, the respective Refunded Bond Documents, the Refunding Trust Agreement,
22 and the laws of the State.

1 **(b) Acquisition of Acquired Obligations.** To the extent practicable and desirable, the
2 Refunding Plan shall provide for the Refunding Trustee's purchase of Acquired Obligations,
3 bearing such interest and maturing as to principal and interest in such amounts and at such times
4 so as to provide, together with a beginning cash balance, if necessary, for the timely payment of
5 the amounts required to be paid by the Refunding Plan. The Acquired Obligations shall be listed
6 and more particularly described in a schedule attached to the Refunding Trust Agreement, but are
7 subject to substitution as set forth in subsection (c) below.

8 **(c) Substitution of Acquired Obligations.** The City reserves the right at any time to
9 substitute cash or other Government Obligations (as defined in the applicable Refunded Bond
10 Documents) for the Acquired Obligations if the City obtains a verification by a nationally
11 recognized independent certified public accounting firm reasonably acceptable to the Refunding
12 Trustee confirming that the payments of principal of and interest on the substitute obligations, if
13 paid when due, together with the cash to be held by the Refunding Trustee, will be sufficient to
14 carry out the Refunding Plan. If the applicable Series of the Bonds (or the applicable Refunded
15 Bonds) were issued as Tax-Exempt Bonds, then prior to such substitution, the City must also obtain
16 an opinion from Bond Counsel to the effect that the disposition and substitution or purchase of
17 such securities will not cause the interest on the applicable Series of the Bonds (or of the applicable
18 Refunded Bonds) issued as Tax-Exempt Bonds to be included in gross income for federal income
19 tax purposes and that such disposition and substitution or purchase is in compliance with the
20 statutes and regulations applicable to the Series of the Bonds. Any surplus money resulting from
21 the sale, transfer, other disposition or redemption of the Acquired Obligations and the substitutions
22 therefor shall be released from the trust estate and may be used for any lawful City purpose.

1 (d) **Refunding Trust Agreement.** In connection with each Series of the Bonds, the
2 Director of Finance is authorized to execute one or more Refunding Trust Agreements with one or
3 more Refunding Trustees, setting forth the duties, obligations and responsibilities of the Refunding
4 Trustee in connection with carrying out the applicable Refunding Plan. Each Refunding Trust
5 Agreement and Refunding Plan must, among other things: (1) identify the Refundable Bonds to
6 be refunded thereby; (2) contain the elements set forth in the definition of Refunding Plan set forth
7 in this ordinance, including provide for the issuance of the Series of the Bonds and describing the
8 method for carrying out the refunding of the Refunded Bonds (including authorizing and directing
9 the Refunding Trustee to use the money deposited with it to purchase the Acquired Obligations
10 (or substitute obligations) and to apply such money along with the maturing principal of and
11 interest on such obligations to make the payments required to be made by the Refunding Plan);
12 and (3) shall provide for the giving of notices of defeasance and redemption, as required under the
13 Refunded Bond Documents. The Refunding Trust Agreement may additionally provide for the
14 payment of the costs of issuance of the Series and the costs of administering the Refunding Plan
15 (including without limitation, all necessary and proper fees, compensation, and expenses of the
16 Refunding Trustee and all other costs incidental to the setting up of the escrow to accomplish the
17 Refunding Plan), and for such other related matters as the Director of Finance may deem necessary
18 or expedient.

19 Section 17. **Redemption of the Refunded Bonds.** The Director of Finance is
20 authorized on behalf of the City to take such actions as may be necessary or convenient to call the
21 Refunded Bonds for redemption. Such call for redemption of the Refunded Bonds shall identify
22 the Refunded Bonds, redemption dates and redemption prices (expressed as a percentage of the
23 stated principal amount), and shall be irrevocable after the Issue Date of the applicable Series of

1 the Bonds. The dates on which the Refunded Bonds are to be called for redemption shall be, in the
2 judgment of the Director of Finance, the earliest practical dates on which those Refunded Bonds
3 may be called for redemption. The proper City officials are authorized and directed to give or cause
4 to be given such notices as required, at the times and in the manner required pursuant to the
5 Refunded Bond Documents, in order to carry out the Refunding Plan.

6 Section 18. **Effect on Prior Omnibus Refunding Ordinance; Outstanding General**
7 **Obligation Bonds Declared Refundable.** As of the effective date of this ordinance, no additional
8 limited tax general obligation refunding bonds or unlimited tax general obligation refunding bonds
9 may be issued under Ordinance 121651, as amended by Ordinance 122286, and as amended and
10 restated by Ordinance 124343 (collectively and as amended, the “Prior Omnibus Refunding
11 Ordinance”). Passage of this ordinance shall have no effect on any outstanding bonds previously
12 issued under the authority of the Prior Omnibus Refunding Ordinance and such previously issued
13 bonds shall remain outstanding in accordance with their terms. All outstanding general obligation
14 bonds designated as “Refundable Bonds” under the Prior Omnibus Refunding Ordinance are
15 declared to be Refundable Bonds under this ordinance.

16 Section 19. **General Authorization.** In addition to the specific authorizations in this
17 ordinance, the Mayor and the Director of Finance and each of the other appropriate officers of the
18 City are each authorized and directed to do everything as in his or her judgment may be necessary,
19 appropriate, or desirable in order to carry out the terms and provisions of, and complete the
20 transactions contemplated by, this ordinance. In particular and without limiting the foregoing:

21 (a) The Director of Finance, in his or her discretion and without further action by the
22 City Council, (i) may issue requests for proposals to provide underwriting services or financing
23 facilities (including liquidity or credit support), and may execute engagement letters with

1 underwriters and other financial institutions (including providers of liquidity or credit support)
2 based on responses to such requests, (ii) may select and make decisions regarding the Bond
3 Registrar, fiscal or paying agents, and any Securities Depository for each Series of the Bonds; and
4 (iii) may take such actions on behalf of the City as are necessary or appropriate for the City to
5 designate, qualify, or maintain the tax-exempt treatment with respect to any Series issued as Tax-
6 Exempt Bonds, to receive from the United States Treasury the applicable federal credit payments
7 in respect of any Series issued as Tax Credit Subsidy Bonds, and to otherwise receive any other
8 federal tax benefits relating to any Series of the Bonds that are available to the City; and

9 (b) Each of the Mayor and the Director of Finance is separately authorized (i) to
10 execute and deliver any and all contracts or other documents as are consistent with this ordinance
11 and for which the City's approval is necessary or to which the City is a party (including but not
12 limited to agreements with escrow agents; refunding trustees; liquidity or credit support providers;
13 bond insurers; underwriters; lenders or other financial institutions; the Bond Registrar and any
14 other fiscal or paying agents; counterparties to interest rate swap, cap, floor, or similar agreements;
15 and custodians); (ii) to negotiate, execute, and deliver any and all contracts or other documents in
16 form and substance acceptable to the Mayor and Director of Finance that are necessary or desirable
17 to ensure that the proceeds of the Bonds are applied to the purposes set forth herein; and (iii) to
18 negotiate, execute, and deliver such other contracts or documents incidental to the issuance and
19 sale of a Series of the Bonds; the establishment of the initial interest rate or rates on a Bond; or the
20 tender, purchase, remarketing, or redemption of a Bond, as may in his or her judgment be necessary
21 or appropriate.

22 Section 20. **Severability.** The provisions of this ordinance are declared to be separate
23 and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal

1 periods having run, finds any provision of this ordinance to be invalid or unenforceable as to any
2 person or circumstance, such offending provision shall, if feasible, be deemed to be modified to
3 be within the limits of enforceability or validity. However, if the offending provision cannot be so
4 modified, it shall be null and void with respect to the particular person or circumstance, and all
5 other provisions of this ordinance in all other respects, and the offending provision with respect to
6 all other persons and all other circumstances, shall remain valid and enforceable.

7 Section 21. **Ratification of Prior Acts.** Any action taken after passage of this ordinance
8 but prior to its effective date that is consistent with the authority of this ordinance, is ratified,
9 approved, and confirmed.

10 Section 22. **Headings.** Section headings in this ordinance are used for convenience only
11 and shall not constitute a substantive portion of this ordinance.

1 Section 23. **Effective Date.** This ordinance shall take effect and be in force 30 days after
2 its approval by the Mayor, but if not approved and returned by the Mayor within ten days after
3 presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 20th day of NOVEMBER, 2017, and
5 signed by me in open session in authentication of its passage this 20th day of
6 NOVEMBER, 2017.

7 


8 President _____ of the City Council

9 Approved by me this 22ND day of November, 2017.

10 

11 Tim Burgess, Mayor

12 Filed by me this 28th day of NOVEMBER, 2017.

13 

14 Monica Martinez Simmons, City Clerk

15 (Seal)

16 Attachments:
17 Exhibit A – Description of Refundable LTGO and UTGO Bonds
18 Exhibit B – Form of Continuing Disclosure Agreement
19
20

EXHIBIT A

DESCRIPTION OF REFUNDABLE LTGO AND UTGO BONDS

OUTSTANDING LIMITED TAX GENERAL OBLIGATION BONDS

Issue Name	Dated Date	Original Par Amount	Bond Legislation		
			New Money Ord.	Refunding Ord.	Bond Sale Res.
Limited Tax General Obligation Improvement and Refunding Bonds, 2007	5/02/2007	\$95,550,000	Ord. 122286	Ord. 121651 (as amended by Ord. 122286)	Res. 30980
Limited Tax General Obligation Improvement and Refunding Bonds, 2008	7/02/2008	\$139,830,000	Ord. 122553 (as amended by Ord. 122696)	Ord. 121651 (as amended by Ord. 122286)	Res. 31067
Limited Tax General Obligation Improvement and Refunding Bonds, 2009	3/25/2009	\$99,860,000	Ord. 122848	--	Res. 31121
Limited Tax General Obligation Improvement Bonds, 2010A (Taxable BABs – Direct Payment)	3/31/2010	\$66,510,000	Ord. 123156	--	Res. 31191
Limited Tax General Obligation Improvement and Refunding Bonds, 2010B	3/31/2010	\$135,395,000	Ord. 123156	Ord. 121651 (as amended by Ord. 122286)	Res. 31191
Limited Tax General Obligation Improvement Bonds, 2011	3/16/2011	\$79,185,000	Ord. 123480	--	Res. 31270
Limited Tax General Obligation Improvement and Refunding Bonds, 2012	5/16/2012	\$75,590,000	Ord. 123751	Ord. 121651 (as amended by Ord. 122286)	Res. 31377
Limited Tax General Obligation Improvement Bonds, 2013A	6/04/2013	\$42,315,000	Ord. 124053	--	Res. 31452
Limited Tax General Obligation Improvement and Refunding Bonds, 2013B (Taxable)	6/04/2013	\$55,075,000	Ord. 124053	Ord. 121651 (as amended by Ord. 122286)	Res. 31452
Limited Tax General Obligation Improvement and Refunding Bonds, 2014	4/10/2014	\$62,770,000	Ord. 124341	--	Res. 31512

Ex A - Description of Refundable Limited Tax General Obligation and UTGO Bonds
 VI

Issue Name	Dated Date	Original Par Amount	Bond Legislation		
			New Money Ord.	Refunding Ord.	Bond Sale Res.
Limited Tax General Obligation Improvement and Refunding Bonds, 2015A	5/21/2015	\$160,945,000	Ord. 124637	Ord. 124343 (amending and restating Ord. 121651)	Res. 31580
Limited Tax General Obligation Improvement Bonds, 2015B (Taxable)	5/21/2015	\$169,135,000	Ord. 124637	--	Res. 31580
Limited Tax General Obligation Improvement and Refunding Bonds, 2016A	5/25/2016	\$103,660,000	Ord. 124924	Ord. 124343 (amending and restating Ord. 121651)	Res. 31665
Limited Tax General Obligation Improvement Bonds, 2016B (Taxable)	5/25/2016	\$6,070,000	Ord. 124924	--	Res. 31665
Limited Tax General Obligation Improvement Bonds, 2017A	6/14/2017	\$73,080,000	Ord. 125197	--	Res. 31751
Limited Tax General Obligation Improvement and Refunding Bonds, 2017B (Taxable)	6/14/2017	\$14,605,000	Ord. 125197	--	Res. 31751

1

2

OUTSTANDING UNLIMITED TAX GENERAL OBLIGATION BONDS

Issue Name	Dated Date	Original Par Amount	Bond Legislation		
			New Money Ord.	Refunding Ord.	Bond Sale Res.
Unlimited Tax General Obligation Refunding Bonds, 2012	5/16/2012	\$46,825,000	--	Ord. 121651 (as amended by Ord. 122286)	Res. 31376
Unlimited Tax General Obligation Improvement Bonds, 2013	6/04/2013	\$50,000,000	Ord. 124125	--	Res. 31453
Unlimited Tax General Obligation Improvement Bonds, 2014	4/10/2014	\$16,400,000	Ord. 124125	--	Res. 31513
Unlimited Tax General Obligation Improvement Bonds, 2015	5/21/2015	\$28,175,000	Ord. 124125	--	Res. 31581

Ex A - Description of Refundable L... and UTGO Bonds
V1

Issue Name	Dated Date	Original Par Amount	Bond Legislation		
			New Money Ord.	Refunding Ord.	Bond Sale Res.
Unlimited Tax General Obligation Improvement Bonds, 2016	5/25/2016	\$36,740,000	Ord. 124125	--	Res. 31666
Unlimited Tax General Obligation Refunding Bonds, 2017	6/14/2017	\$14,605,000	--	Ord. 124343 (amending and restating Ord. 121651)	Res. 31751

1

EXHIBIT B

FORM OF CONTINUING DISCLOSURE AGREEMENT

The City of Seattle, Washington (the “City”) makes the following written Undertaking for the benefit of the Owners of the City’s [Limited Tax General Obligation Bonds, 2018] [Series Designation] (the “Bonds”), for the sole purpose of assisting the Purchaser in meeting the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds. Capitalized terms used but not defined below shall have the meanings given in Ordinance [REDACTED] [and Ordinance [REDACTED]] ([together,]the “Bond Legislation”).

(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

1 their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of
2 proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB)
3 or other material notices or determinations with respect to the tax status of the Bonds, or other
4 material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the
5 Bonds, if material; (8) Bond calls (other than scheduled mandatory redemptions of Term Bonds),
6 if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property
7 securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency,
8 receivership or similar event of the City, as such “Bankruptcy Events” are defined in Rule 15c2-
9 12; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale
10 of all or substantially all of the assets of the City other than in the ordinary course of business, the
11 entry into a definitive agreement to undertake such an action or the termination of a definitive
12 agreement relating to any such actions, other than pursuant to its terms, if material; and (14)
13 appointment of a successor or additional trustee or the change of name of a trustee, if material.

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

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

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

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

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

8 (c) Amendment of Undertaking. This Undertaking is subject to amendment after the
9 primary offering of the Bonds without the consent of any Owner or holder of any Bond, or of any
10 broker, dealer, municipal securities dealer, participating underwriter, rating agency or the MSRB,
11 under the circumstances and in the manner permitted by Rule 15c2-12, including:

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

15 (ii) The undertaking, as amended, would have complied with the requirements
16 of the rule at the time of the primary offering, after taking into account any amendments or
17 interpretations of the rule, as well as any change in circumstances; and

18 (iii) The amendment does not materially impair the interests of holders, as
19 determined either by parties unaffiliated with the City (e.g., bond counsel or other counsel familiar
20 with federal securities laws), or by approving vote of bondholders pursuant to the terms of the
21 Bond Legislation at the time of the amendment.

22 The City will give notice to the MSRB of the substance (or provide a copy) of any
23 amendment to this Undertaking and a brief statement of the reasons for the amendment. If the

1 amendment changes the type of annual financial information to be provided, the annual financial
2 information containing the amended financial information will include a narrative explanation of
3 the effect of that change on the type of information to be provided.

4 (d) Beneficiaries. The Undertaking evidenced by this section shall inure to the benefit
5 of the City and any Beneficial Owner of Bonds, and shall not inure to the benefit of or create any
6 rights in any other person.

7 (e) Termination of Undertaking. The City's obligations under this Undertaking shall
8 terminate upon the legal defeasance, prior redemption, or payment in full of all of the Bonds. In
9 addition, the City's obligations under this Undertaking shall terminate if those provisions of
10 Rule 15c2-12 which require the City to comply with this Undertaking become legally inapplicable
11 in respect of the Bonds for any reason, as confirmed by an opinion of nationally recognized bond
12 counsel or other counsel familiar with federal securities laws delivered to the City, and the City
13 provides timely notice of such termination to the MSRB.

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

21 (g) Designation of Official Responsible to Administer Undertaking. The Director of
22 Finance of the City (or such other officer of the City who may in the future perform the duties of
23 that office) or his or her designee is the person designated, in accordance with the Bond

1 Legislation, to carry out the Undertaking of the City in respect of the Bonds set forth in this section
2 and in accordance with Rule 15c2-12, including, without limitation, the following actions:

3 (i) Preparing and filing the annual financial information undertaken to be
4 provided;

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

8 (iii) Determining whether any person other than the City is an “obligated
9 person” within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such
10 person an undertaking to provide any annual financial information and notice of listed events for
11 that person in accordance with Rule 15c2-12;

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

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