

**CITY OF SEATTLE**  
**ORDINANCE** 126714  
**COUNCIL BILL** 120439

AN ORDINANCE relating to contracting indebtedness; authorizing and providing for the issuance and sale of limited tax general obligation bonds to pay or reimburse all or part of the costs of various elements of the City’s capital improvement program and for other City purposes approved by ordinance and to pay the costs of issuance of the bonds; providing parameters for the bond sale terms including conditions, covenants, and other sale terms; creating the 2023 Multipurpose LTGO Bond Fund (Taxable) and the Enhanced Facility Fee Reserve Fund; and ratifying and confirming certain prior acts.

WHEREAS, The City of Seattle, Washington (the “City”), has determined that it is in its best interest that the capital projects described in this ordinance (the “Projects”) be financed by the issuance of limited tax general obligation bonds of the City in a principal amount not to exceed \$127.9 million; and

WHEREAS, the City owns the Seattle Aquarium facility located on Piers 59 and 60 along the Seattle Central Waterfront and recognizes the importance of the Seattle Aquarium (the “Aquarium”) for its national and regional standing in the areas of scientific research, marine conservation education, and civic engagement, and its value as a visitor destination. The Seattle Aquarium Society has managed aspects of Aquarium operations since the 1980s and assumed full management responsibility in 2010 under an Operations and Management Agreement, originally approved pursuant to Ordinance 123205 and amended in 2022 pursuant to Ordinance 126655; and

WHEREAS, in conjunction with the development of the Ocean Pavilion expansion of the Aquarium facility, the City and SEAS in 2019 entered into a Funding Agreement pursuant to Ordinance 126015, which was amended in 2022 pursuant to Ordinance 126655. Pursuant to the Funding Agreement, the City agreed to providing funding for up

1 to \$34 million of capital costs of the Ocean Pavilion expansion and, pursuant to  
2 Ordinance 126655, the City agreed to provide financing for an additional amount of  
3 approximately \$20 million, for which the City is to be reimbursed through an Enhanced  
4 Facility Fee payable under the Operations and Management Agreement; and

5 WHEREAS, the Ocean Pavilion is to be a City-owned asset as part of the Aquarium facility and  
6 is included in the City’s capital improvement program, and the City has therefore  
7 determined that it is in the best interest of the City to finance this additional contribution  
8 to the Ocean Pavilion expansion through the issuance of general obligation bonds as  
9 authorized herein; and

10 WHEREAS, RCW 39.36.020 authorizes the City to incur indebtedness without the assent of the  
11 voters of the City so long as such indebtedness does not result in a total nonvoted  
12 indebtedness of the City in excess of 1.5 percent of the value of taxable property within  
13 the City as computed in accordance with RCW 39.36.030; NOW, THEREFORE,

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

15 Section 1. **Definitions**. In this ordinance, the following capitalized terms shall have the  
16 meanings set forth in this section.

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

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

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

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

4           **“Bond Documents”** means, with respect to any Series of the Bonds, (a) this ordinance  
5 (including any amendatory or supplemental ordinances); (b) the authenticated bond form; and  
6 (c) the written agreement(s) setting forth the bond sale terms and additional terms, conditions, or  
7 covenants pursuant to which such Bond was issued and sold, as set forth in any one or more of  
8 the following (if any): (i) a sale resolution, (ii) a bond purchase contract (as defined in the  
9 applicable authorizing ordinance), (iii) a bond indenture, fiscal agent or paying agent agreement,  
10 or the State fiscal agency contract, and (iv) a direct purchase or continuing covenant agreement.

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

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

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

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

1           **“Bond Sale Terms”** means the terms and conditions for the sale of a Series of the Bonds  
2 approved by the Director of Finance consistent with the parameters set forth in Section 4 of this  
3 ordinance, including the maximum principal amount, date or dates, denominations, interest rate  
4 or rates (or mechanism for determining the interest rate or rates), payment dates, final maturity,  
5 redemption rights, price, and other terms, conditions, or covenants. In connection with a  
6 negotiated sale or private placement, the Bond Sale Terms shall be set forth in a Bond Purchase  
7 Contract; in connection with a competitive sale, the Bond Sale Terms shall be set forth in a  
8 Pricing Certificate.

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

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

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

19           **“Code”** means the Internal Revenue Code of 1986, or any successor thereto, as amended  
20 at any time, and regulations thereunder.

21           **“Continuing Disclosure Agreement”** means, for each Series sold in an offering subject  
22 to federal securities regulations requiring a written undertaking to provide continuing disclosure,

1 a continuing disclosure agreement entered into pursuant to Section 14 of this ordinance, in  
2 substantially the form attached to this ordinance as Exhibit B.

3 **“Director of Finance”** or **“Director”** means the City’s Director of Finance or such other  
4 officer who succeeds to substantially all of the responsibilities of that office.

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

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

8 **“Government Obligations”** means, unless otherwise limited in the Bond Documents for  
9 a particular Series of the Bonds, any government obligation as that term is defined in RCW  
10 39.53.010, as amended at any time.

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

13 **“Letter of Representations”** means the Blanket Issuer Letter of Representations  
14 between the City and DTC dated October 4, 2006, as amended at any time, or an agreement with  
15 a substitute or successor Securities Depository.

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

17 **“Omnibus Refunding Ordinance”** means Ordinance 125457, as amended at any time,  
18 authorizing the issuance of general obligation refunding bonds, or any future ordinance pursuant  
19 to which the Bonds (or any Series of the Bonds) are designated as “refundable bonds.”

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

22 **“Pricing Certificate”** means a certificate executed by the Director of Finance as of the  
23 pricing date confirming the Bond Sale Terms for the sale of a Series of the Bonds to the

1 Purchaser in a competitive sale, in accordance with the parameters set forth in Section 4 of this  
2 ordinance.

3 **“Projects”** means the various elements of the City’s capital improvement program  
4 identified in Exhibit A to this ordinance.

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

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

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

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

20 **“Rule 15c2-12”** means Rule 15c2-12 promulgated by the SEC under the Securities  
21 Exchange Act of 1934, as amended at any time.

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

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

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

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

7           **“System of Registration”** means the system of registration for the City’s bonds and  
8 other obligations established pursuant to Seattle Municipal Code Chapter 5.10 as amended at any  
9 time.

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

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

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

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

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

1           Section 2. **Authorization of Bonds.** The City is authorized to borrow money on the  
2 credit of the City and issue limited tax general obligation bonds evidencing indebtedness in the  
3 maximum principal amount stated in Section 4 of this ordinance to pay or reimburse all or part of  
4 the costs of the Projects (which costs may include capitalized interest and the financing of an  
5 Enhanced Facility Fee Reserve, if necessary); and to pay the costs of issuance of the Bonds. The  
6 Bonds may be issued in one or more Series and may be combined with other general obligation  
7 bonds (including refunding bonds) authorized separately. The Bonds shall be designated limited  
8 tax general obligation bonds, shall be numbered separately, and shall have any name, year,  
9 series, or other labels as deemed necessary or appropriate by the Director of Finance.

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



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

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

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

10           (i) **Maximum Principal Amount.** The maximum aggregate principal amount of  
11 all Series of the Bonds authorized by this ordinance may not exceed \$127.9 million.

12           (ii) **Date or Dates.** Each Bond shall be dated its Issue Date, as determined by the  
13 Director of Finance, which Issue Date may not be later than December 31, 2025.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

22 Only Bonds bearing a certificate of authentication in substantially the following form  
23 (with the designation, year, and Series of the Bonds adjusted consistent with this ordinance), and

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

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

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

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

2           (a) **Bonds Designated as Refundable Bonds.** Each Series of the Bonds is designated as  
3 a Series of “Refundable Bonds” for purposes of the Omnibus Refunding Ordinance.

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

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

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

21 (b) **Taxable Bonds; Tax Credit Subsidy Bonds**. For each Series of the Bonds issued as  
22 Taxable Bonds or as Tax Credit Subsidy Bonds, the Director of Finance is authorized to make  
23 provision in the Bonds and other Bond Documents, to execute additional written agreements, and

1 to make additional covenants on behalf of the City, all as the Director may deem necessary or  
2 appropriate in order to obtain, maintain, and administer such tax status. In the case of Tax Credit  
3 Subsidy Bonds, such additional covenants and agreements may include (without limiting the  
4 generality of the foregoing) those necessary in order for the City (i) to receive from the United  
5 States Treasury the applicable Tax Credit Subsidy Payments in respect of such Tax Credit  
6 Subsidy Bonds, and (ii) to ensure that such Series otherwise becomes and remains eligible for tax  
7 benefits under the Code.

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

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

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

6           Section 15. **Funds Created; Deposit and Use of Proceeds.** The 2023 Multipurpose  
7 LTGO Bond Fund (Tax-Exempt) was created by Ordinance 126653. The 2023 Multipurpose  
8 LTGO Bond Fund (Taxable) and the Enhanced Facility Fee Reserve Fund are each created in the  
9 City Treasury. For purposes of distinguishing among various Series of the Bonds, the Director of  
10 Finance may, if necessary or convenient, create such subfunds, accounts, or subaccounts within  
11 such funds for purposes of maintaining separate records for each Series. Unless otherwise  
12 provided in the Bond Sale Terms, the principal proceeds and net premium, if any, received from  
13 the sale and delivery of any Series of the Bonds shall be paid into or allocated to the 2023  
14 Multipurpose LTGO Bond Funds, the Enhanced Facility Fee Reserve Fund, or to such funds,  
15 subfunds, accounts, or subaccounts of the City Treasury as the Director may designate for that  
16 Series, and used for the purposes described in Section 2 of this ordinance. The Director of  
17 Finance may use the principal proceeds and net premium, if any, of any Series to pay for costs of  
18 issuance of that Series, and the Director also may incur and account for costs of issuance that are  
19 not included as part of the bond proceeds and net premium, including but not limited to any  
20 underwriter's discount.

21           The Director of Finance may (i) establish and transfer proceeds of the Bonds among  
22 funds, subfunds, accounts, or subaccounts in the City Treasury, or (ii) make or repay interfund  
23 loans pursuant to Seattle Municipal Code Section 5.06.030 to or from other City accounts or

1 funds, all on terms that the Director may deem necessary, appropriate, or desirable to carry out  
2 the purposes of this ordinance and consistent with the Bond Sale Terms. Enactment of this  
3 ordinance authorizes the transfer of amounts from the 2023 Multipurpose LTGO Bond Funds  
4 (and such other funds, subfunds, accounts, or subaccounts created for the purpose described in  
5 this section) to other funds in order to carry out the purposes of this ordinance.

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

11         Until needed to pay the Project expenses and the costs described in this ordinance, the  
12 City may invest the proceeds of any Series of the Bonds temporarily in any authorized  
13 investment, and the investment earnings shall be deposited in such funds, subfunds, accounts,  
14 and subaccounts as may be designated by the Director of Finance. Earnings subject to a federal  
15 tax or rebate requirement may be withdrawn from any such fund or account and used for those  
16 federal tax or rebate purposes.

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

22         Section 16. **General Authorization**. In addition to the specific authorizations in this  
23 ordinance, the Mayor and the Director of Finance and each other appropriate officer of the City

1 is each authorized and directed to do everything as in such official or officer's judgment may be  
2 necessary, appropriate, or desirable in order to carry out the terms and provisions of, and  
3 complete the transactions contemplated by, this ordinance. In particular and without limiting the  
4 foregoing:

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

17 (b) The Mayor and Director of Finance are independently authorized (i) to execute and  
18 deliver any and all contracts or other documents as are consistent with this ordinance and for  
19 which the City's approval is necessary or to which the City is a party (including but not limited  
20 to agreements with escrow agents; refunding or defeasance trustees; liquidity or credit support  
21 providers; bond insurers; underwriters; lenders or other financial institutions; the Bond Registrar  
22 and any other fiscal or paying agents; counterparties to interest rate swap, cap, floor, or similar  
23 agreements; and custodians); and (ii) to negotiate, execute, and deliver such other contracts or



1 documents incidental to the issuance and sale of a Series of the Bonds; the establishment of the  
2 initial interest rate or rates on a Bond; or the tender, purchase, remarketing, or redemption of a  
3 Bond, as may in such official's judgment be necessary or appropriate.

4 (c) The Director of Finance is authorized to negotiate, execute, and deliver any and all  
5 contracts or other documents in form and substance acceptable to the Director, that are necessary  
6 or desirable to effectuate the financing for the City-owned aquarium facility, consistent with  
7 Ordinances 123205, 126015, 126653, and 126655, to ensure that the proceeds of the portion of  
8 the Bonds allocated to those purposes are applied to the purposes set forth therein, consistent  
9 with this ordinance. This authorization is additional and does not limit any other authorization in  
10 this ordinance. It expressly includes the authority to set the payment schedule for the Enhanced  
11 Facility Fee and to negotiate such additional terms, conditions, or covenants as may be necessary  
12 or desirable, in the judgment of the Director of Finance, to protect the taxpayers of the City.

13 Section 17. **Severability**. The provisions of this ordinance are declared to be separate and  
14 severable. The invalidity of any clause, sentence, paragraph, subdivision, section, subsection, or  
15 portion of this ordinance, or the invalidity of its application to any person or circumstance, does  
16 not affect the validity of the remainder of this ordinance or the validity of its application to other  
17 persons or circumstances.

18 Section 18. **Ratification of Prior Acts**. Any action consistent with the authority of this  
19 ordinance taken after its passage and prior to its effective date is ratified and confirmed.

20 Section 19. **Headings**. Section headings in this ordinance are nonsubstantive.  
21

1           Section 20. **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 29th day of November, 2022,  
5 and signed by me in open session in authentication of its passage this 29th day of  
6 November, 2022.

7   
8 \_\_\_\_\_

President \_\_\_\_\_ of the City Council

9  Approved /  returned unsigned /  vetoed this 2nd day of December, 2022.

10   
11 \_\_\_\_\_

Bruce A. Harrell, Mayor

12 Filed by me this 2nd day of December, 2022.

13   
14 \_\_\_\_\_

Elizabeth M. Adkisson, Interim City Clerk

15 (Seal)  
16  
17  
18  
19

20 Attachments:

21 Exhibit A – Description of 2023 Projects

22 Exhibit B – Form of Continuing Disclosure Agreement

1  
2  
3

**EXHIBIT A**  
**DESCRIPTION OF 2023 PROJECTS**

Description	Approximate Principal Amount
Fire Station 31	\$ 17,000,000
Seattle Municipal Tower Elevator Rehab	3,167,000
Human Capital Management System	18,185,000
Drive Clean Seattle Fleet Electric Vehicle Infrastructure	3,000,000
Data and Telephone Infrastructure	15,644,000
Computing Services Architecture	5,910,000
Criminal Justice Information System Projects	12,996,000
Alaskan Way Main Corridor	713,000
Overlook Walk and East-West Connections Project	6,237,000
Aquarium Ocean Pavilion Expansion	28,338,000
Waterfront Operations and Tribal Interpretive Center	13,000,000
Issuance Costs and Pricing Adjustments	3,725,000
<b>Total</b>	<b>\$127,915,000</b>

**EXHIBIT B**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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