

WHEREAS, pursuant to Resolution 31453 the City issued its \$50,000,000 aggregate principal amount Unlimited Tax General Obligation Improvement Bonds, 2013 using a portion of the Bond Authorization (defined below), leaving \$240,000,000 of the Bond Authorization unissued; and

WHEREAS, pursuant to Resolution 31513 the City issued its \$16,400,000 aggregate principal amount Unlimited Tax General Obligation Improvement Bonds, 2014 to obtain \$17,000,000 of sale proceeds (including principal plus net premium), using a portion of the Bond Authorization, leaving \$223,000,000 of the Bond Authorization unissued; and

WHEREAS, pursuant to Resolution 31581 the City issued its \$169,135,000 aggregate principal amount Unlimited Tax General Obligation Improvement Bonds, 2015 to obtain \$181,330,924 of sale proceeds (including principal plus net premium), using a portion of the Bond Authorization, leaving \$41,669,076 of the Bond Authorization unissued; and

WHEREAS, the Bond Ordinance (defined herein) authorizes the Director of Finance to conduct a public sale or negotiated sale of the Bonds and to recommend to the City Council for its approval by resolution the interest rates and other terms of and matters relating to the Bonds consistent with the Bond Ordinance; and

WHEREAS, pursuant to the Bond Ordinance, a preliminary official statement dated April 26, 2016, for the public sale of the Bonds, including an official notice of that sale, has been prepared and distributed, bids have been received in accordance with the notice of bond sale (as amended in accordance with its terms by a notice provided on May 2, 2016), and the proposed sale of the Bonds to Bank of America Merrill Lynch has been recommended to the City Council for its approval with the interest rates and other terms of and matters relating to the Bonds set forth in this resolution; NOW, THEREFORE,

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

Section 1. Definitions. The meanings of capitalized terms used and not otherwise defined in this resolution shall be as set forth in the Bond Ordinance. In addition, the following terms as used in this resolution shall have the following meanings:

“**2013 UTGO Bonds**” means the \$50,000,000 par value Unlimited Tax General Obligation Improvement Bonds, 2013, issued pursuant to and for the purposes provided in the Bond Ordinance and Resolution 31453.

“**2014 UTGO Bonds**” means the \$16,400,000 principal amount Unlimited Tax General Obligation Improvement Bonds, 2014, issued pursuant to and for the purposes provided in the Bond Ordinance and Resolution 31513.

“**2015 UTGO Bonds**” means the \$169,135,000 principal amount Unlimited Tax General Obligation

Improvement Bonds, 2015, issued pursuant to and for the purposes provided in the Bond Ordinance and Resolution 31581.

“**Bond Authorization**” means the authorization to issue no more than \$290,000,000 principal amount of unlimited tax general obligation bonds for the purpose of paying costs of carrying out and accomplishing the Project, pursuant to the Bond Ordinance.

“**Bond Ordinance**” means Ordinance 124125 of the City, authorizing the Bonds.

“**Bonds**” or, each a “**Bond**,” means the \$36,740,000 aggregate principal amount Unlimited Tax General Obligation Improvement Bonds, 2016, issued pursuant to and for the purposes provided in the Bond Ordinance and this resolution.

“**Issue Date**” means the date of initial issuance and delivery of a Bond to the Purchaser in exchange for the purchase of that Bond.

“**Purchaser**” means Bank of America Merrill Lynch of New York, New York.

Section 2. The Bonds. The Bonds shall be called “The City of Seattle, Washington, Unlimited Tax General Obligation Improvement Bonds, 2016,” and shall be issued in the aggregate principal amount of \$36,740,000 as the fourth and final series of the Bond Authorization. The Bonds shall be issued in Authorized Denominations and shall be dated the Issue Date. The Bonds shall bear interest from the Issue Date or from the most recent date for which interest has been paid or duly provided for, whichever is later. Interest shall be payable on the first day of each June and December, commencing June 1, 2017, at the fixed rates per annum provided below, calculated on the basis of a 360-day year of twelve 30-day months. The Bonds shall mature on December 1 of the following years and in the following amounts:

Maturities	Principal Amounts	Interest Rates	Maturities	Principal Amounts	Interest Rates
2018	\$ 680,000	5.00%	2032	\$1,285,000	4.00%
2019	715,000	5.00	2033	1,335,000	4.00
2020	750,000	5.00	2034	1,390,000	4.00
2021	790,000	5.00	2035	1,445,000	4.00
2022	830,000	5.00	2036	1,505,000	4.00
2023	870,000	5.00	2037	1,565,000	4.00
2024	915,000	5.00	2038	1,625,000	4.00

2025	960,000	5.00	2039	1,690,000	4.00
2026	1,005,000	5.00	2040	1,760,000	4.00
2027	1,055,000	4.00	2041	1,830,000	4.00
2028	1,100,000	4.00	2042	1,900,000	4.00
2029	1,140,000	4.00	2043	1,980,000	4.00
2030	1,190,000	4.00	2044	2,055,000	4.00
2031	1,235,000	4.00	2045	2,140,000	4.00

Section 3. Optional Redemption. The Bonds maturing on or before December 1, 2025, shall be issued without the right or option of the City to redeem those Bonds prior to their stated maturity dates. The City reserves the right and option to redeem the Bonds maturing on or after December 1, 2026, prior to their stated maturity dates at any time on or after June 1, 2026, as a whole or in part, at a price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

Section 5. Selection of Bonds for Redemption. If fewer than all of the Bonds are to be optionally redeemed prior to maturity, the City will select the maturity or maturities to be redeemed. If fewer than all of the bonds of a single maturity of Bonds are to be redeemed prior to maturity, then: (i) if such Bonds are in book-entry form at the time of such redemption, DTC shall select the specific Bonds in accordance with the Letter of Representations, and (ii) if such Bonds are not in book-entry form at the time of such redemption, the Bond Registrar shall select the specific Bonds for redemption by lot or in such manner as the Bond Registrar in its discretion may deem to be fair and appropriate.

The portion of any Bond of a denomination more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or any integral multiple thereof, to be selected, as the case may be, by DTC in accordance with the Letter of Representations or by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem to be fair and appropriate.

Section 6. Form of the Bonds. Each Bond shall be substantially in the form attached hereto as Exhibit A, which is incorporated herein by this reference.

Section 7. Preservation of Tax Exemption for Interest on Bonds. The City covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and that it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the City treated as proceeds of the

Bonds that will cause interest on the Bonds to be included in gross income for federal income tax purposes. The City also covenants that it will, to the extent the arbitrage rebate requirement of Section 148 of the Code is applicable to the Bonds, take all actions necessary to comply (or to be treated as having complied) with that requirement in connection with the Bonds, including the calculation and payment of any penalties that the City has elected to pay as an alternative to calculating rebatable arbitrage, and the payment of any other penalties if required under Section 148 of the Code to prevent interest on the Bonds from being included in gross income for federal income tax purposes.

Section 8. Sale and Delivery of Bonds. The City finds that the sale and delivery of the Bonds to the Purchaser at the interest rates and under the conditions set forth in the Bond Ordinance, this resolution, the Notice of Bond Sale attached hereto as Exhibit B, and the bid information attached hereto as Exhibit C (which includes: (a) a summary of the true interest cost associated with each bid, and (b) a printed version of all the electronic bids for the Bonds, including the electronic bid of the Purchaser), is in the City's best interest and therefore approves, confirms and ratifies the award of the Bonds to the Purchaser.

Section 9. Authorization of Official Statement. The Director of Finance is hereby authorized and directed to review and approve on behalf of the City a final official statement with respect to the Bonds, dated May 3, 2016, (the "Official Statement") with respect to the Bonds, substantially in the form of the preliminary official statement dated April 26, 2016 and supplemented or amended as he deems necessary or appropriate.

Section 10. Use of Bond Proceeds. The principal proceeds of the Bonds received by the City shall be deposited in such funds, accounts or subaccounts designated by the Director of Finance and used to pay costs of the Project, the costs of issuing the Bonds, and for any other purposes approved by ordinance consistent with voter authorization.

The Bond Authorization is reduced by \$41,669,076, that being the sum of: (a) \$36,740,000 (the stated principal amount of the Bonds), and (b) \$4,929,076 (the amount of the premium allocated to pay costs of the Project pursuant to this Section 10). Accordingly, the City has exhausted the remaining unissued Bond Authorization following the issuance of the Bonds.

Section 11. Undertaking to Provide Continuing Disclosure. To meet the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds, the Finance Director is authorized and directed to execute a written undertaking to provide continuing disclosure for the benefit of holders of the Bonds in substantially the form attached as Exhibit D.

Section 12. General Authorization. The Mayor and the Director of Finance and each of the other appropriate officers of the City are each authorized and directed to do everything as in their judgment may be necessary, appropriate or desirable in order to carry out the terms and provisions of, and complete the transactions contemplated by, the Bond Ordinance and this resolution.

Section 13. Severability. The provisions of this resolution are declared to be separate and severable. If a court of

competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this resolution to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this resolution in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 14. Ratification of Prior Acts. All acts taken pursuant to the authority of this resolution but prior to its effective date are ratified, approved and confirmed.

Section 15. Section Headings. Section headings in this resolution are used for convenience only and shall not constitute a substantive portion of this resolution.

ADOPTED by the City Council the 3rd day of May, 2016, and signed by me in open session in authentication of its adoption this 3rd day of May, 2016.

President of the City Council

Filed this ____ day of May, 2016.

(SEAL)

City Clerk

LIST OF EXHIBITS

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| Exhibit A | Bond Form |
| Exhibit B | Notice of Bond Sale |
| Exhibit C | Printed Version of All Electronic Bids |
| Exhibit D | Form of Undertaking to Provide Continuing Disclosure |