CITY OF KENT, WASHINGTON

ORDINANCE NO. ________

AN ORDINANCE of the City of Kent, Washington, relating to Local Improvement District No. 308; amending Ordinance No. 2363; authorizing the issuance and sale of local improvement district bond anticipation notes pending the receipt of the proceeds of the local improvement district bonds authorized to be issued by Ordinance No. 2363; and providing for the sale of such bond anticipation notes to Peoples National Bank of Seattle, Washington.

WHEREAS, by Ordinance No. 2363 passed by the City Council and approved by the Mayor on August 2, 1983, the City ordered the improvement of a portion of the City by the construction and installation of certain street, water and sewer improvements on SE 260th Street from 104th Avenue SE to 108th Avenue SE within the City, all in accordance with Resolution No. 951 of the City Council, established Local Improvement District No. 308, provided that payment for the improvement be made by special assessments upon the property in the district payable by the mode of "payment by bonds" and provided for the issuance and sale of local improvement district warrants redeemable by cash and/or by local improvement district bonds;

WHEREAS, in lieu of the revenue warrants the City Council deems it to be in the best interest of the City that the City borrow money and issue short-term obligations in anticipation of the sale of local improvement district bonds authorized by Ordinance No. 2363 for the purpose of providing the funds with which to pay part of the costs of carrying out the improvements ordered in Local Improvement District No. 308; and

WHEREAS, Peoples National Bank of Washington, Seattle, Washington, has submitted an offer to purchase such short-term bond anticipation notes on the terms and conditions hereinafter set forth; NOW THEREFORE,
THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DO ORDAIN as follows:

Section 1. Section 5 of Ordinance No. 2363 is amended to read as follows:

Section 5. Local improvement district warrants shall be issued in payment of the cost and expense of the improvements herein ordered to be assessed, such warrants to be payable out of the "Local Improvement Fund, District No. 308," hereinafter created and, until the bonds referred to in this section are issued and delivered to the purchaser thereof, to bear interest from the date thereof at a rate not in excess of 16% per annum to be hereafter fixed by the Director of Finance and to be redeemed in cash and/or by local improvement district bonds herein authorized to be issued, such interest-bearing warrants to be hereafter referred to as "revenue warrants." The City is authorized to issue local improvement district bonds for the district which shall bear interest at a rate to be hereafter fixed by ordinance, shall be payable on or before a date to be determined later by the City Council, the life of the improvement ordered being not less than the term of the bonds, and shall be issued in exchange for and in redemption of any and all revenue warrants issued hereunder and not redeemed in cash within a period of not to exceed sixty days after the first publication by the City Treasurer of notice that the assessment roll for Local Improvement District No. 308 is in her hands for collection. The bonds shall be redeemed by the collection of special assessments to be levied and assessed against property within the district, payable in annual installments, with interest at a rate to be hereafter fixed by ordinance under the mode of "payment by bonds," as defined by law and the ordinances of
the City. In the case of default in the payment of any assess-
ment when the same shall become due, there shall be added inter-
est and a penalty at a rate to be hereafter fixed by ordinance. The exact form, amount, date, interest rate and denominations of such warrants and bonds shall be hereafter fixed by ordinance of the City Council. Such warrants and bonds shall be sold in such manner as the City Council shall hereafter determine. In lieu of such "revenue warrants" the City may issue one or more local improvement district bond anticipation notes pursuant to Chapter 39.50 RCW to pay all or part of the cost and expense of the improvements pending the issuance of such local improvement district bonds.

Section 2. Section 7 of Ordinance No. 2363 is amended to read as follows:

Section 7. There is created and established in the office of the Treasurer of the City for Local Improvement District No. 308 a special fund to be known and designated as "Local Improvement Fund, District No. 308," into which fund shall be deposited the proceeds from the sale of revenue warrants or bond anticipation note or notes drawn against the fund which may be issued and sold by the City and collections pertaining to assessments, and against which fund shall be issued cash warrants to the contractor or contractors in payment for the work to be done by them in connection with the improvements, and against which fund cash warrants shall be issued in payment for all other items of expense in connection with the improvement.

Section 3. A local improvement district bond anticipation notes (the "Notes") of Local Improvement District No. 308 (the "District") shall be issued in the principal sum of $375,000. The Notes shall be numbered from 1 through 27, inclusive, shall be dated July 1, 1983; shall mature April 1, 1984; shall bear
interest at a rate of 7% per annum payable at maturity. Notes numbered 1 through 15, inclusive, shall be in the denomination of $5,000 each and Notes numbered 16 through 27, inclusive, shall be in the denomination of $25,000 each. Both principal of and interest on the Notes shall be payable solely out of the "Local Improvement Fund, District No. 308" created by Ordinance No. 2363 from the proceeds of local improvement district bonds authorized to be issued by such ordinance to be deposited in such fund and/or prepaid special benefit assessments deposited in such fund, and from the Local Improvement Guaranty Fund of the City, and shall be payable in lawful money of the United States of America at the office of the Treasurer of the City or at the either fiscal agency of the State of Washington in Seattle, Washington, or New York, New York. The City Council declares and finds that the fixing of the above interest rate is in the best interests of the City.

Section 4. The Notes shall be printed or lithographed on good bond paper or may be in typewritten form in a form consistent with this ordinance and state law. The Notes shall be signed by the Mayor, attested by the City Clerk, and shall have the seal of the City affixed thereto.

Section 5. Peoples National Bank of Washington, Seattle, Washington, has submitted an offer to purchase the Notes at a price of par, plus accrued interest from the date of the Notes to the date of their delivery to the purchaser, the City to furnish the printed or typewritten notes and the approving legal opinion of Roberts & Shefelman, municipal bond counsel of Seattle, Washington, at the City's expense. Bond counsel shall not be required to review or express any opinion concerning the completeness or accuracy of any official statement, offering circular or other sales material issued or used in connection with the Notes, and bond counsel's opinion shall so state. The
City Council, deeming that it is in the best interest of the City that such offer be accepted, accepts the same. The Notes shall, therefore, immediately upon their execution, be delivered to Peoples National Bank of Washington, Seattle, Washington, upon payment therefor in accordance with such offer.

The principal proceeds received from the sale of the Notes shall be paid into the "Local Improvement Fund, District No. 308," and used to pay a part of the costs of the improvements ordered to be carried out by Ordinance No. 2363.

Section 6. This ordinance shall take effect from and after its passage and five days following its publication as required by law.

PASSED by the City Council and APPROVED by the Mayor of the City of Kent, Washington, at a regular open public meeting thereof, this 20th day of June, 1983.

[Signature]
Mayor

ATTEST:

[Signature]
City Clerk

Approved as to form:

[Signature]
City Attorney

Published: June 24, 1983
Effective: June 29, 1983

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