AN ORDINANCE of the City of Kent, Washington, relating to Local Improvement District No. 308; amending Ordinance No. 2409; authorizing the issuance and sale of local improvement district bond anticipation notes in Local Improvement District No. 308 pending the receipt of the proceeds of the local improvement district bonds authorized to be issued by Ordinance No. 2363, as amended by Ordinance No. 2409; and providing for the sale of such bond anticipation notes to Peoples National Bank of Washington, Seattle, Washington.

WHEREAS, by Ordinance No. 2363 passed by the City Council and approved by the Mayor on August 2, 1982, as amended by Ordinance No. 2409 passed by the City Council and approved by the Mayor on June 20, 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 or bond anticipation notes redeemable by cash and/or by local improvement district bonds; and

WHEREAS, pursuant to Ordinance No. 2409 the City issued Local Improvement Bond Anticipation Notes of Local Improvement District No. 308 dated July 1, 1983, in the amount of $375,000 (the "Outstanding Notes"), to mature on April 1, 1984, which notes, because of delays in constructing the improvements and closing the final assessment roll of the district, must be funded by the issuance of additional bond anticipation notes and other funds of the City legally available therefor; and
WHEREAS, the City Council deems it to be in the best interest of the City that the City borrow money and issue its short-term obligation or obligations in the form of one or more local improvement district bond anticipation notes for the purpose of providing the funds with which to pay, both principal and interest, and redeem the Outstanding Notes; NOW THEREFORE,

THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DO ORDAIN as follows:

Section 1. Section 3 of Ordinance No. 2409 is amended to read as follows:

Section 3. 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 or other short-term obligation 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 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 2. For the purpose of paying, both principal and interest, and redeeming the Outstanding Notes, local improvement district bond anticipation notes of the District (the "Notes") shall be issued in the aggregate principal amount of $394,687.50. The Notes shall be numbered separately; shall be in the denomination of $5,000 or any integral multiple thereof, except Note No. 1 which shall be in the denomination of $4,687.50 or $5,000 or any integral multiple thereof plus $4,687.50; shall be dated as of their date of issue; shall mature on November 1, 1984; and shall bear interest at the rate of 7.75% per annum, payable at maturity, with full obligation on the part of the City to pay interest at the same rate from and after maturity until the Notes with interest are paid in full or until sufficient money for such payment in full is on deposit in the "Local Improvement Fund, District No. 308," created by Ordinance No. 2363, as amended by Ordinance No. 2409, and the Notes have been duly called for redemption by the City Treasurer's giving written notice to Peoples National Bank of Washington, Seattle, Washington, of such call at least ten days prior to the call date. The Notes shall not be subject to redemption prior to their maturity date. Both principal of and interest on the Notes shall be payable solely out of the "Local Improvement Fund, District No. 308," from the proceeds of local improvement district bonds authorized to be issued by Ordinance No. 2363, as amended by Ordinance No. 2409, or other short-term obligations 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 City Treasurer in Kent, Washington, or at 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 2. The Notes shall be printed or lithographed on good bond paper or may be in typewritten or multicopied form in a form consistent with this ordinance and state law. The Notes shall be signed by the City Clerk, and shall have the seal of the City affixed thereto.

Section 3. The City covenants that it will spend the proceeds of the Notes with due diligence to completion of the purpose specified herein and will make no use of the proceeds of the Notes or other funds of the City at any time during the term of the Notes which will cause the Notes to be arbitrage obligations within the meaning of Section 103(c) of the United States Internal Revenue Code of 1954, as amended, and the applicable regulations promulgated thereunder.

Section 4. Peoples National Bank of Washington, Seattle, Washington, has submitted an offer to purchase the Notes at a price of par, 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 and redeem the Outstanding Notes or reimburse the City fund used temporarily to pay and redeem such notes.

Section 5. This ordinance shall take effect from and after its passage and five days following its publication or posting as required by law.

PASSED by the City Council at a regular open public meeting thereof, this 2nd day of April, 1984.

CITY OF KENT, WASHINGTON

[Signature]
Mayor

ATTEST:

[Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
City Attorney

Approved: Apr 3, 1984
Published: Apr 6, 1984
Effective Date: Apr 11, 1984
I, MARIE JENSEN, City Clerk of the City of Kent, Washington, certify that the attached copy of Ordinance No. 2460 is a true and correct copy of the original ordinance passed on the 2nd day of April, 1984, as that ordinance appears on the Minute Book of the City.

DATED this 3rd day of April, 1984.

MARIE JENSEN, City Clerk