CITY OF KENT, WASHINGTON

ORDINANCE NO. 2461

AN ORDINANCE of the City of Kent, Washington, authorizing the issuance and sale of local improvement district bond anticipation notes in Local Improvement District No. 310 pending the receipt of the proceeds of the local improvement district bonds authorized to be issued by Ordinance No. 2431 and providing for the sale of such bond anticipation notes to Peoples National Bank of Washington, Seattle, Washington.

WHEREAS, by Ordinance No. 2431 passed by the City Council and approved by the Mayor on November 7, 1983, the City ordered the installation of certain street improvements to 72nd Avenue S. and the P-2 Drainage Channel, all pursuant to Resolution No. 974 adopted October 4, 1982, and, after a public hearing thereon, established Local Improvement District No. 310, 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 other short-term obligations redeemable by cash and/or by local improvement district bonds; 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 a part of the costs of carrying out the improvements ordered in Local Improvement District No. 310; 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. The portion of the total estimated cost and expense of the improvements ordered to be carried out in Local Improvement District No. 310 (the "District") by Ordinance No. 2431 anticipated to be assessed against the specially benefitted properties in the District is $343,932. Local improvement district bond anticipation notes of the District (the "Notes") therefore shall be issued in the aggregate principal amount of $343,932. The Notes shall be numbered from 1 upward; shall be in the denomination of $5,000 each or any integral multiple thereof except Note No. 1, which shall be in the amount of $3,932 or $5,000 or any integral multiple thereof plus $3,932. The Notes shall be dated as of the date of their issuance; shall mature 364 days thereafter; shall bear interest at the rate of 6.75% 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. 310," created by Ordinance No. 2431, 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. 310," from the proceeds of local improvement district bonds authorized to be issued by such ordinance 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

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lawful money of the United States of America at the office of
the City Treasurer in Kent, Washington. 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 City is authorized to issue additional
short-term bond anticipation notes to mature within three years
of the date of issuance of the Notes to pay and redeem the Notes
at their maturity and the City Treasurer is authorized to
negotiate with various financial institutions and/or investment
banking firms which she may select for the sale of such notes.
The notes shall be sold at a negotiated sale, shall have such
option of prior redemption, shall mature on such date and shall
bear interest at such fixed or variable rate, but in no event to
exceed 12% per annum, payable at such time or times as the City
Treasurer shall determine.

Section 3. 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 Mayor and the City Clerk, and shall have
the seal of the City affixed thereto.

Section 4. The City covenants that it will spend the
principal proceeds of the Notes with due diligence to completion
of the purposes specified in this ordinance 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 5. Peoples National Bank of Washington, Seattle,
Washington, has submitted an offer to purchase the Notes at a
price of $99 per each $100 par value, the City to furnish the
printed, typewritten or multicopied 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. 310," and used to pay a part of the cost of the improvements ordered to be carried out by Ordinance No. 2431.

Section 6. 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
By ____________
Mayor

ATTEST:

City clerk

APPROVED AS TO FORM:

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. 2461 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