

CITY OF KIRKLAND, WASHINGTON

ORDINANCE NO. 2837

AN ORDINANCE of the City of Kirkland, Washington, relating to Local Improvement District No. 121; amending Ordinance No. 2772; authorizing the issuance and sale of local improvement district bond anticipation notes in Local Improvement District No. 121 pending the receipt of the proceeds of the local improvement district bonds authorized to be issued by Ordinance No. 2772; and providing for the sale of such bond anticipation notes to Boettcher & Company, Inc, of Seattle, Washington.

WHEREAS, by Ordinance No. 2772 passed by the City Council on October 17, 1983, the City ordered the improvement of certain properties within the City by the construction and installation of street, sidewalk and storm drainage improvements, all pursuant to Resolution No. R-3044 adopted September 6, 1983, and, after a public hearing thereon, established Local Improvement District No. 121, 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 a contribution from the United States Postal Service 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, pursuant to Ordinance No. 2781 the City issued its Local Improvement Bond Anticipation Notes of Local Improvement District No. 121 dated December 12, 1983, in the amount of \$300,000 (the "Outstanding Notes"), to mature on November 26, 1984, which Outstanding 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

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 obligations in the form of local improvement district bond anticipation notes for the purpose of providing the funds with which to pay and redeem the Outstanding Notes; and

WHEREAS, Boettcher & Company, Inc., of 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 KIRKLAND, WASHINGTON, DO ORDAIN as follows:

Section 1. Section 3 of Ordinance No. 2772 passed October 17, 1983, is amended to read as follows:

Section 3. The total estimated cost and expense of the improvement is declared to be \$395,000. Approximately \$67,000 of such cost and expense shall be paid by the United States Postal Service as a direct contribution to the District, and the balance of such cost and expense shall be borne by and assessed against the property specially benefited by such improvement included in the District embracing as nearly as practicable all property specially benefited by such improvement.

Section 2. The total estimated cost and expense of the improvements ordered to be carried out in Local Improvement

District No. 121 (the "District") by Ordinance No. 2772, as amended herein, anticipated to be assessed against the specially benefited properties in the District is approximately \$328,000. Local improvement district bond anticipation notes of the District (the "Notes") therefore shall be issued in the aggregate principal amount of \$325,000. The Notes shall be in the denomination of \$5,000 each or any integral multiple thereof, or may be a single note; shall be dated November 26, 1984; shall bear interest at the rate of 7.5% per annum, payable at maturity; and shall mature on November 26, 1985. Both principal of and interest on the Notes shall be payable solely out of the "Local Improvement Fund, District No. 121," created by Ordinance No. 2772, as amended, from the proceeds of local improvement district bonds authorized to be issued by such ordinance to be deposited in such fund or other short-term obligations, 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 Director of Administration and Finance in Kirkland, Washington. The City Council declares and finds that the fixing of the above interest rate is in the best interests of the City.

Section 3. The City reserves the right to redeem the Notes on June 1, 1985, and on the first day of each month thereafter, at par plus accrued interest to the date of redemption, by

giving ten days' written notice to Boettcher & Company, Inc., in Seattle, Washington. Interest on the Notes shall cease on the date fixed for redemption upon payment into the "Local Improvement Fund, District No. 121," of sufficient money to redeem the Notes, both principal and interest, in full.

Section 4. 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 Director of Administration and Finance, ex officio City Clerk, and shall have the seal of the City affixed thereto.

Section 5. 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 of its other money 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 applicable regulations promulgated thereunder.

Section 6. Boettcher & Company, Inc., of Seattle, Washington, has submitted an offer to purchase the Notes at a price of \$99.25 per each \$100 par value, 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 Boettcher & Company, Inc., of 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. 121," and used to pay and redeem the Outstanding Notes.

Section 7. 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 of the City of Kirkland, Washington, at a regular open public meeting thereof, this 12th day of November, 1984, and signed in authentication of its passage this 12th day of November, 1984.


MAYOR

AUTHENTICATED:



City Director of Administration
and Finance and ex officio
City Clerk

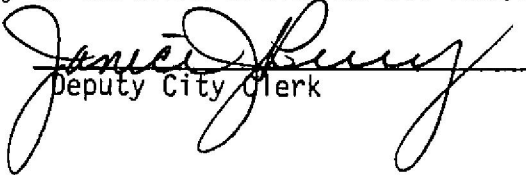
APPROVED AS TO FORM:



City Attorney

1303k

I hereby certify under penalty of perjury that the foregoing ordinance was posted on the 14th day of November, 1984, in accordance with the provisions of RCW 35.22.260 and City of Kirkland Ordinance No. 2600.



Deputy City Clerk



Boettcher & Company
Investment Bankers Since 1910

One Union Square Building
Suite 2010
600 University Street
Seattle, Washington 98101
(206) 587-5775

\$325,000

Local Improvement Bond Anticipation Notes
Series 121

City of Kirkland
King County, Washington

PURCHASE CONTRACT

City Council
City of Kirkland, Washington

Boettcher & Company, Inc. (the "Purchaser") offers to purchase from the City of Kirkland, Washington ("Seller"), all the aforementioned notes (the "Notes"), with delivery and payment at our offices in Seattle, Washington or other location mutually agreeable to Boettcher & Company and the Seller, based upon the covenants, representations and warranties set forth below. Appendix A, which is incorporated into this Purchase Contract by reference, contains a brief description of the Notes, the manner of their issuance, the purchase price to be paid, and the date of delivery and payment (the "Closing").

1. Prior to the Closing, Seller will approve an Official Statement, with such changes from the Preliminary Official Statement as Purchaser and Seller shall approve, and will adopt a Note Ordinance satisfactory in form and substance to Purchaser. Purchaser is authorized by Seller to use these documents and the information contained in them in connection with the public offering and sale of the Notes.

2. You represent and covenant to the Purchaser that:

(a) You have and will have at the Closing the power and authority to enter into and perform this Purchase Contract, to adopt the Note Ordinance and to deliver and sell the Notes to the Purchaser;

(b) this Purchase Contract and the Notes do not and will not conflict with or create a breach or default under any existing law, regulation, order or agreement to which Seller is subject;

(c) no governmental approval or authorization other than the Note Ordinance is required in connection with the sale of the Notes to the Purchaser;

(d) this Purchase Contract and the Notes (when paid for by the Purchaser) are and shall be at the time of Closing legal, valid, and binding obligations of Seller enforceable in accordance with their terms, subject only to applicable bankruptcy, insolvency or other similar laws generally affecting creditors' rights; and,

(e) both the Preliminary Official Statement, except as to matters corrected in the Final Official Statement, and the Final Official Statement are or shall be accurate and complete in all material respects as of the date issued and as of the Closing with respect to information obtained from or utilized by officers and employees of the Seller in the normal course of their duties, and with respect to information not so obtained or utilized, such Official Statements are or shall be accurate and complete in all material respects as of such dates to the knowledge and belief of such officers and employees, after due review.

3. As conditions to Purchaser's obligations hereunder:

(a) From the time of Seller's acceptance of this Purchase Contract to the date of Closing, there shall not have been any:

(i) material adverse change in the financial condition or general affairs of Seller;

(ii) event, court decision, proposed law or rule which may have the effect of changing the federal income tax incident to the Notes or the contemplated transactions; or

(iii) international or national crisis, suspension of stock exchange trading or banking moratorium materially affecting, in Purchaser's opinion, the market price of the Notes.

(b) At the Closing, Seller will deliver or make available to Purchaser:

(i) The Notes, in definitive form and duly executed;

(ii) The approving opinion of Roberts & Shefelman ("Bond Counsel"), dated the Closing Date, relating to the legality and tax-exempt status of the Notes and an opinion of Bond Counsel confirming the enforceability of this Purchase Contract.

(iii) Such additional certificates, instruments and other documents (including, without limitation, those set forth on Appendix A) as the Purchaser may deem necessary with respect to the issuance and sale of the Notes, all in form and substance satisfactory to Purchaser.

4. The seller shall pay the cost of preparing, printing and executing the Bonds, the fees and disbursements of Bond Counsel, and miscellaneous Seller expenses. Purchaser will pay all other costs incurred by Purchaser in connection with the offering and distribution of the Notes.

5. This Purchase Contract is intended to benefit only the parties hereto, and Seller's representations and warranties shall survive any investigation made by or for Purchaser, delivery and payment for the Notes, and the termination of this Purchase Contract. Should the Purchaser fail (other than for circumstances beyond its control or for reasons permitted in this Purchase Contract) to pay for the Notes at Closing, any expenses incurred shall be borne by Purchaser. Should the Seller fail to satisfy any of the foregoing conditions or covenants, or if Purchaser's obligations are terminated for any reason permitted under the Purchase Contract, then neither Purchaser nor Seller shall have any further obligations under this Purchase Contract, except that any expenses incurred shall be borne in accordance with Section 4.

6. This offer expires on the date set forth on Appendix A.

Very Truly Yours,

BOETTCHER & COMPANY, INC.

BY: Fred R. Eoff
Fred Eoff
Vice President

Doris Cooper

ACCEPTED BY:
City of Kirkland, Washington

This 13th day of November 1984

BY: Doris Cooper, Mayor

APPENDIX A

DESCRIPTION OF NOTES

- a. Purchase Price: \$99.25 per \$100, or 99.25 % plus accrued interest from November 26, 1984.
- b. Denomination: \$5,000, or multiples thereof as specified by Purchasers.
- c. Form: Bearer notes as to principal and interest.
- d. Interest Payable: At maturity on November 26, 1985.
- e. Maturity Schedule: Notes shall mature in the amounts and on the dates, and shall bear interest at the rates specified below:

<u>Maturity</u>	<u>Amount</u>	<u>Coupon</u>
November 26, 1985	\$325,000	7.50 %

- f. Redemption: The Notes are subject to redemption on June 1, 1985 or the first day of any month thereafter at par (100%) plus accrued interest to the date of redemption.
- g. Closing Date: On or about November 26, 1984
- h. Section 3 (b) iii. Bond Counsel: Roberts & Shefelman
Section 6. Offer Expires: November 15, 1984

Information Only:

Net Effective Rate 8.25%