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ORDINANCE NO. 7055

AN ORDINANCE providing for the issuance and sale of a limited tax levy general obligation bond anticipation note of the county in the principal amount of \$620,000 to provide funds for the acquisition of real property as an addition to Cougar Mountain Regional Wildland Park; fixing the interest rate, terms, price, and covenants of such note; providing for the disposition of the proceeds of sale of such note; and confirming the sale of said note.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Definitions. As used in this ordinance, the following words shall have the following meanings:

A. "Bonds" means the limited tax levy general obligation bonds which the county intends to issue for the purposes set forth in Section 3 of this ordinance.

B. "county" means King County, Washington, a political subdivision of the State of Washington duly organized and existing under and by virtue of the Constitution and laws of the State.

C. "council" means the general legislative authority of the county as the same shall be duly and regularly constituted from time to time.

D. "director" means the director of the office of finance of the county or any successor to his/her functions and duties.

E. "Note Fund" means the "King County, Washington, General Obligation Bond Anticipation Note Fund, 1984," created by Section 6 of this ordinance.

F. "Note" means the limited tax levy general obligation bond anticipation note of the county in the principal amount of

1 \$620,000 to be issued pursuant to this ordinance to provide short  
2 term financing for the purposes set forth in the recitals of this  
3 ordinance.

4 G. "Project" means the acquisition of real property for  
5 addition to Cougar Mountain Regional Wildland Park, as set  
6 described in Section 2 hereof.

7 SECTION 2. Description of the Project. The county has  
8 acquired and is acquiring certain additional real property for  
9 Cougar Mountain Regional Wildland Park, Cougar Mountain Capital  
10 Improvement Project No. 030074, as authorized by Ordinance No.  
11 6597 of the county as amended by Ordinance No. 6945. The esti-  
12 mated cost of acquiring such property and paying all costs  
13 incidental thereto and to the issuance of the Bonds and the Note  
14 is hereby declared to be as nearly as may be the sum of  
15 \$1,119,941, of which approximately \$499,941 shall be provided  
16 from undesignated 1984 proceeds of the Conservation Futures Tax  
17 and approximately \$620,000 shall be provided from the proceeds of  
18 the Bonds and the Note.

19 SECTION 3. Intent to Issue Bonds. The county intends to  
20 issue its nonvoted limited tax levy general obligation bonds in  
21 principal amount sufficient to pay the principal of and interest  
22 on the Note, to pay part of the costs of the Project and all  
23 costs incidental thereto and to the issuance of the Note and  
24 Bonds.

25 The Bonds to be issued shall be entitled "King County,  
26 Washington, Limited Tax Levy General Obligation Bonds, 198\_\_."  
27 The Bonds shall be general obligations of the county; the county  
28 shall pledge the full faith and credit of the county for the  
29 repayment thereof and shall covenant to levy within and as a part  
30 of the levy permitted the county without a vote of the people  
31 taxes sufficient to pay the principal of, premium, if any, and  
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1 interest on the Bonds. The Bonds shall be in such denomina-  
2 tion(s) and form; shall be dated, and bear interest at such rate  
3 or rates; shall be in such amounts; shall be payable at such  
4 place or places; shall have such option of payment prior to  
5 maturity; and may be combined with any subsequently authorized  
6 general obligation bonds and issued as a single combined issue as  
7 deemed by the council to be in the best interests of the county.

8 SECTION 4. Authorization of the Note. In anticipation of  
9 the issuance of the Bonds, the county shall issue a short term  
10 obligation in the form of a limited tax levy general obligation  
11 bond anticipation note in the principal amount of \$620,000. Said  
12 short term obligation shall be designated the "King County,  
13 Washington, General Obligation Bond Anticipation Note, 1984" (the  
14 "Note"), shall be dated as of the date of delivery thereof to the  
15 purchaser, shall be issued in bearer form in the denomination of  
16 \$620,000, shall be numbered N-1, and shall mature on June 1,  
17 1985. Interest on the Note shall be calculated on the basis of a  
18 365-day year and the actual number of days elapsed. The Note  
19 shall bear interest at a rate equal to 66% of the publicly  
20 announced Prime Rate of Rainier National Bank, Seattle,  
21 Washington (the "Prime Rate") in effect on the date of delivery  
22 of the Note to the purchaser thereof, which interest rate shall  
23 be adjusted on the three month anniversary of the date of pur-  
24 chase of the Note and every three months thereafter to a rate  
25 equal to 66% of the Prime Rate in effect on such adjustment date.  
26 Interest shall be payable at the end of each three month period  
27 from the date of purchase and upon maturity or redemption of the  
28 Note.

29 Principal of the Note shall be payable in lawful money of  
30 the United States of America upon surrender of the Note at the  
31 office of finance of the county in Seattle, Washington.  
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1           SECTION 5. Prior Redemption. The county reserves the right  
2 to prepay and redeem the Note prior to its scheduled maturity, at  
3 par plus accrued interest to the date of redemption, at any time  
4 upon seven days' notice to the purchaser.

5           SECTION 6. Application of Note Proceeds. There has been  
6 established in the office of finance a fund entitled the "Parks,  
7 Recreation and Open Space Capital Improvement Project Fund" (the  
8 "CIP Fund") into which the proceeds of the Note shall be  
9 deposited. Such Note proceeds shall be used solely for the  
10 payment of the costs of the Project, and costs incidental  
11 thereto.

12           Proceeds of the Note not needed for immediate expenditure  
13 shall be invested by the director of the office of finance  
14 according to the first paragraph of RCW 36.29.020 to the extent  
15 advised by the director of the department of planning and com-  
16 munity development. After payment to the current expense fund  
17 of the maximum investment service fee authorized by state law,  
18 any interest or profit received from such investments shall be  
19 deposited into the CIP Fund to be applied to the costs of the  
20 Project and costs incidental thereto. In determining the extent  
21 to which Note proceeds shall be invested according to the first  
22 paragraph of RCW 36.29.020, the director of the department of  
23 planning and community development shall, prospectively, attempt  
24 to maximize earnings on those proceeds while taking into consid-  
25 eration the need to maintain sufficient cash liquidity in the CIP  
26 Fund to meet current expenditure requirements. The director of  
27 the department of planning and community development shall  
28 periodically advise the director of the office of finance of the  
29 amount and maximum maturity appropriate for each such investment,  
30 and such director of the office of finance shall select the  
31 investments and their maturities.

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1           If any Note proceeds shall remain after completion of the  
2 Project and the payment of all costs incidental thereto, the  
3 county shall apply any such proceeds to any other public purpose  
4 as shall be determined by the council by ordinance.

5           SECTION 7. Note Fund. A special fund of the county to be  
6 known as the "King County General Obligation Bond Anticipation  
7 Note Fund, 1984" (the "Note Fund") is hereby authorized to be  
8 created by the director. The Note Fund shall be drawn upon for  
9 the sole purpose of paying the principal of and interest on the  
10 Note. The county hereby covenants that it will issue the Bonds,  
11 additional bond anticipation notes or a combination thereof,  
12 which will provide proceeds sufficient, together with other  
13 legally available money of the county, if any, to pay the prin-  
14 cipal of and interest on the Note as required herein. The county  
15 further covenants that simultaneously with the receipt of the  
16 proceeds of sale of the Bonds it will pay into the Note Fund  
17 money sufficient to pay the principal of and interest on the Note  
18 then outstanding and will apply said money to the payment of the  
19 Note in accordance with its terms.

20           The county further covenants that for so long as the Note is  
21 outstanding it will include in its budget and make annual levies  
22 of ad valorem taxes, within and as a part of the tax levy permit-  
23 ted to counties without a vote of the people, upon all the  
24 taxable property within the county subject to taxation, in  
25 amounts which, with other moneys (including proceeds of any  
26 additional bond anticipation notes or the Bonds herein authorized  
27 to be issued) legally available therefor, will be sufficient to  
28 pay the principal of and interest on the Note as the same shall  
29 become due. The full faith, credit and resources of the county  
30 are hereby irrevocably pledged for the annual levy and collection  
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1 of such taxes and for the prompt payment of such principal and  
2 interest as the same shall become due. .

3 SECTION 8. Form of Note. The Note shall be in substan-  
4 tially the following form:

5 UNITED STATES OF AMERICA

6 NO. N-1

\$620,000

7 STATE OF WASHINGTON

8 KING COUNTY

9 GENERAL OBLIGATION BOND ANTICIPATION NOTE, 1984

10 King County, Washington (the "County"), a municipal corpora-  
11 tion organized and existing under and by virtue of the Constitu-  
12 tion and laws of the State of Washington, hereby acknowledges  
13 itself to owe and for value received promises to pay to bearer on  
14 June 1, 1985, solely from the sources hereinafter mentioned,

15 SIX HUNDRED TWENTY THOUSAND DOLLARS

16 together with interest as set forth herein. This Note bears  
17 interest at a rate equal to 66% of the publicly announced Prime  
18 Rate of Rainier National Bank, Seattle, Washington (the "Prime  
19 Rate") in effect on the date of delivery of the Note to the  
20 purchaser thereof, which interest rate shall be adjusted on the  
21 three month anniversary of the date of purchase of the Note and  
22 every three months thereafter to a rate equal to 66% of the Prime  
23 Rate in effect on such adjustment date. Interest shall be  
24 payable at the end of each three month period from the date of  
25 purchase and upon maturity or redemption of the Note. Interest  
26 on this Note shall be calculated on the basis of a 365-day year  
27 and actual number of days elapsed.

28 Principal of this Note is payable in lawful money of the  
29 United States of America, but only upon surrender hereof at the  
30 office of finance of the county at Seattle, Washington.

31 The county has reserved the right to prepay and redeem the  
32 Note prior to its scheduled maturity, at par plus accrued  
interest to the date of redemption, at any time upon seven days'  
notice to the purchaser.

This Note is issued pursuant to duly passed and approved  
ordinances of the county, including Ordinance No. 7055 (the  
"Note Ordinance") passed December 10, 1984, for the purpose of  
financing the acquisition of property for addition to Cougar  
Mountain Regional Wildland Park, all in conformity with the  
Constitution and laws of the State of Washington and ordinances  
of the county.

The county does hereby pledge and bind itself to pay into  
the King County General Obligation Bond Anticipation Note Fund,  
1984 (the "Note Fund") created by the Note Ordinance, the various  
amounts required by the Note Ordinance to be paid into and

1 maintained in said Fund, all within the times provided by the  
2 Note Ordinance.

3 The county does hereby further pledge and bind itself to  
4 issue the Bonds (as defined in the Note Ordinance) or additional  
5 bond anticipation notes or a combination of the foregoing in an  
6 amount sufficient, with other money of the county, if any,  
7 legally available for such purpose, to pay the principal of and  
8 interest on this Note upon its maturity. The county has further  
9 covenanted that for so long as the Note is outstanding it will  
10 include in its budget and make annual levies of ad valorem taxes,  
11 within and as a part of the tax levy permitted to counties  
12 without a vote of the people, upon all the taxable property  
13 within the county subject to taxation, in amounts which, with  
14 other monies (including proceeds of any additional bond anticipa-  
15 tion notes or the Bonds) legally available therefor, will be  
16 sufficient to pay the principal of and interest on this Note as  
17 the same shall become due. The full faith, credit and resources  
18 of the county are hereby irrevocably pledged for the annual levy  
19 and collection of such taxes and for the prompt payment of such  
20 principal and interest as the same shall become due.

21 It is hereby certified and declared that this Note is issued  
22 pursuant to and in strict compliance with the Constitution and  
23 laws of the State of Washington and duly adopted ordinances of  
24 the county, and that all acts, conditions and things required to  
25 have happened, been done and performed precedent to and in the  
26 issuance hereof have happened, been done, and performed, and that  
27 the total indebtedness of the county, including this Note, does  
28 not exceed any constitutional or statutory limitation.

29 IN WITNESS WHEREOF, King County, Washington, has caused this  
30 Note to be signed with the manual or facsimile signature of its  
31 county executive, to be attested by the manual or facsimile  
32 signature of the clerk of the county council (at least one of  
which signatures shall be manual) and the corporate seal of the  
county to be impressed or imprinted hereon, as of this \_\_\_\_\_ day  
of \_\_\_\_\_.

KING COUNTY, WASHINGTON

By \_\_\_\_\_  
County Executive

ATTEST:

By \_\_\_\_\_  
Clerk of County Council

[SEAL]

SECTION 9. Execution of the Note. The Note shall be  
executed on behalf of the county by the manual or facsimile  
signature of the county executive, shall be attested by the  
manual or facsimile signature of the clerk of the county council

1 (at least one of which signatures shall be manual) and shall have  
2 the corporate seal of the county impressed or imprinted thereon.

3 SECTION 10. General Authorization. Upon the sale of the  
4 Note, the appropriate county officials, agents and representa-  
5 tions are hereby authorized and directed to do everything neces-  
6 sary for the prompt issuance, execution and delivery of the Note  
7 and for the proper use and the application of the proceeds of the  
8 sale thereof as provided in this ordinance.

9 SECTION 11. Sale of Note. The Note shall be sold to  
10 Rainier National Bank, Seattle, Washington, upon the terms and  
11 conditions contained herein and on the offer of such bank to  
12 purchase the Note dated October 11, 1984, at a price of 100% of  
13 the par amount of the Note, and the terms of such offer are  
14 hereby in all respects accepted, approved and confirmed. Such  
15 offer is attached as Exhibit A hereto and incorporated herein by  
16 this reference.

17 SECTION 12. Lost or Destroyed Note. In case the Note shall  
18 be lost, stolen, or destroyed, the county may execute and the  
19 director of the office of finance may deliver a new Note or Notes  
20 of like amount, date, number, and tenor to the holder thereof  
21 upon the holder's paying the expenses and charges of the county  
22 in connection therewith, and upon his/her filing with the direc-  
23 tor of the office of finance evidence satisfactory to said  
24 director that such Note was actually lost, stolen, or destroyed  
25 and of his/her ownership thereof, and upon furnishing the county  
26 with indemnity satisfactory to said director.

27 SECTION 13. Note Not an Arbitrage Bond. The county cove-  
28 nants and agrees with the holder of the Note that no part of the  
29 proceeds of the Note or any other funds of the county shall at  
30 any time be used directly or indirectly to acquire securities or  
31 obligations, the acquisition of which would cause the Note to  
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1 become an "arbitrage bond" as defined in Section 103(c) of the  
 2 Internal Revenue Code of 1954, as amended, and the applicable  
 3 regulations promulgated thereunder, or to use or permit the use  
 4 of the proceeds of the Note in a manner which would cause any  
 5 Note to become an "industrial development bond" as defined in  
 6 Section 103(b) of the Internal Revenue Code of 1954, as amended.  
 7 The county further covenants that it will not negotiate any  
 8 renewal or extension of the Note at a time or in a manner which  
 9 would require the Note to be fully registered pursuant to Section  
 10 103(j) of the Internal Revenue Code of 1954, as amended.

11 SECTION 14. Severability. If any one or more of the cove-  
 12 nants or agreements provided in this ordinance to be performed on  
 13 the part of the county shall be declared by any court of compe-  
 14 tent jurisdiction to be contrary to law, then such covenant or  
 15 covenants, agreement or agreements, shall be null and void and  
 16 shall be separable from the remaining covenants and agreements in  
 17 this ordinance and shall in no way affect the validity of the  
 18 other provisions of this ordinance or of the Note.

19 INTRODUCED AND READ for the first time this 13th day of  
 20 November, 1984.

21 PASSED at a regular meeting of the County Council of King  
 22 County, Washington, this 10th day of December 1984.

23 KING COUNTY, WASHINGTON  
 24 By [Signature]  
 25 Chairman of the County Council

26 ATTEST:  
 27 [Signature]  
 28 Clerk of the Council

29 APPROVED this 18th day of December, 1984  
 30 [Signature]  
 31 King County Executive  
 32