

Introduced by: Bob Greive

Proposed No.: 86-428

ORDINANCE NO. 7749

AN ORDINANCE providing for the issuance and sale of limited tax general obligation bonds in the principal amount of \$7,900,000 for the purpose of providing funds to pay part of the cost of certain stadium capital improvement projects; providing for the date, form, terms, maturities and covenants of those bonds; providing for the annual levy of taxes to pay the principal of and interest on the bonds; pledging certain special excise tax receipts of the county to pay the principal of and interest on the bonds; and authorizing the county executive to enter into a bond purchase contract for the sale of the bonds.

PREAMBLE:

The county is required under its agreements with the Seattle Mariners and Seattle Professional Football to provide by the first regular home game of the 1988 baseball season private spectator suites ("loges") in the King County domed stadium and kitchen facilities to service the loges.

The county finds that construction of a new public restaurant and lounge facility would be beneficial to the operation of the King County domed stadium.

Although it has been determined that interest on the bonds does not qualify for tax exemption and will be taxable, it is in the best interest of the county that \$7,900,000 par value limited tax ("councilmanic") general obligation bonds now be issued to provide the funds necessary to construct the loges and the public restaurant and lounge facilities in the King County domed stadium.

The county has determined that KCC 4.14, 4.16 and 4.18 do not apply to the sale of these bonds and that the purchaser of the bonds will not be a "contractor" as that term is used in KCC 12.16.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Authorization and Purpose of Bonds. For the strictly capital purposes of providing part of the funds for the construction, equipping and furnishing of loges in the King County domed stadium, related kitchen facilities, and a new public restaurant and lounge facility and to pay administrative and other costs relating to such construction and the costs of issuance of the bonds provided for in this ordinance, the county shall now issue and sell \$7,900,000 par value limited tax general

1 obligation bonds.

2 SECTION 2. Description of Bonds. The bonds shall
3 be designated "Limited Tax General Obligation Bonds,"
4 1986, Series D-Taxable (Stadium Facilities)" (hereinafter
5 called the "Bonds"); shall be dated as of September 1,
6 1986; shall be in the denomination of \$5,000 each or any
7 integral multiple thereof within a single maturity; shall
8 be numbered separately and in the manner and with any
9 additional designation as the Bond Registrar (the fiscal
10 agencies of the State of Washington in Seattle,
11 Washington, and New York, New York) deems necessary for
12 the purpose of identification; shall bear interest
13 payable on December 1, 1986, and semiannually thereafter
14 on each June 1 and December 1 and shall mature on
15 December 1 in years and amounts fixed in accordance with
16 section 13 of this ordinance. Both principal of and
17 interest on the Bonds shall be payable in lawful money of
18 the United States of America out of the "King County
19 Limited General Obligation Bond Redemption Fund" (the
20 "Bond Fund") at either of the fiscal agencies of the
21 State of Washington in Seattle, Washington, or New York,
22 New York. The lives of the capital facilities to be
23 acquired with proceeds of the Bonds exceed 15 years.

24 SECTION 3. Registration and Transfer of Bonds. The
25 Bonds shall be issued only in registered form as to both
26 principal and interest on books or records (the "Bond
27 Register") maintained by the Bond Registrar. Such Bond
28 Register shall contain the name and mailing address of
29 the owner of each Bond and the principal amount and the
30 certificate number of each of the Bonds held by each
31 owner.

32 Upon surrender thereof to the Bond Registrar, Bonds
33 are interchangeable for Bonds in any authorized

1 denomination of an equal aggregate principal amount and
 2 of the same interest rate and maturity. Bonds may be
 3 transferred only if endorsed in the manner provided
 4 thereon and surrendered to the Bond Registrar. Such
 5 exchange or transfer shall be without cost to the owner
 6 or transferee. The Bond Registrar shall not be obligated
 7 to transfer or exchange any Bond during the fifteen days
 8 preceding any principal payment, interest payment or
 9 redemption date.

10 SECTION 4. Redemption or Purchase of Bonds by
 11 County. The Bonds shall be issued without the right or
 12 option of the county to redeem the same prior to their
 13 respective maturity dates. The county reserves the right
 14 and option to purchase any of the Bonds on the open
 15 market at a price not in excess of par plus accrued
 16 interest to the date of purchase.

17 SECTION 5. Failure to Redeem Bonds. If any Bond is
 18 not redeemed when duly presented for payment at its
 19 maturity or call date, the county shall be obligated to
 20 pay interest at the same rate for each such Bond from
 21 that maturity or call date until such Bond shall have
 22 been paid or until sufficient money is on deposit in the
 23 Bond Fund for such payment in full and such Bond has been
 24 duly called for payment by the Bond Registrar's mailing
 25 notice thereof by first class mail, postage prepaid to
 26 the registered owner of such Bond at the registered
 27 owner's address appearing on the Bond Register at the
 28 time the notice is prepared, not less than ten nor more
 29 than thirty days prior to the date fixed for redemption.
 30 The requirements of this section shall be deemed to be
 31 complied with when notice is mailed as herein provided,
 32 whether or not it is actually received by the owner of
 33 any Bond.

SECTION 6. Form of Bonds. The Bonds shall be in substantially the following form:

No. _____

UNITED STATES OF AMERICA

STATE OF WASHINGTON

KING COUNTY

LIMITED TAX GENERAL OBLIGATION BOND,

1986, SERIES D-TAXABLE

(STADIUM FACILITIES)

Interest Rate: Maturity Date: CUSIP No.

Registered Owner:

Principal Amount: DOLLARS

KING COUNTY, WASHINGTON (the "County"), promises to pay to the Registered Owner identified above, on the Maturity Date identified above from the King County Limited General Obligation Bond Redemption Fund the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) thereon from the date of this bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above payable on December 1, 1986, and semiannually thereafter on each succeeding June 1 and December 1 until the Principal Amount is paid. Both principal of and interest on this bond are payable in lawful money of the United States of America at the fiscal agencies of the State of Washington in Seattle, Washington, and New York, New York, which shall serve as the Bond Registrar. Payment of each installment of interest shall be made to the Registered Owner hereof whose name shall appear on the registration books of the County maintained by the Bond Registrar (the "Bond Register") at the close of business on the 15th day of the calendar month next preceding the interest payment date and shall be paid by check or draft of the Bond Registrar mailed to such Registered Owner at the Registered Owner's address as it appears on the Bond Register. The interest on the bonds of this issue is not intended to be exempt from federal income taxation.

Reference is made to the additional provisions of this bond set forth on the reverse side hereof and in Ordinance _____ (the "Bond Ordinance") of the County and such additional provisions shall for all purposes have the same effect as if set forth on the front side hereof.

The County irrevocably covenants that it will levy taxes annually, within the constitutional and statutory tax limitations provided by law without a vote of the

1 electors of the County, on all of the taxable property
2 within the County, in an amount sufficient, together with
3 other money legally available and to be used therefor, to
4 pay the principal of and interest on the bonds of this
5 issue as the same shall become due, and the full faith,
6 credit and resources of the County are pledged irrevocably
7 for the annual levy and collection of such taxes
8 and for the prompt payment of that principal and interest.

6 The County also irrevocably covenants that it will
7 appropriate for the payment of the principal of and
8 interest on the bonds of this issue as the same shall
9 become due so much of the special excise tax receipts of
10 the County under the provisions of R.C.W. 67.28.180, as
11 amended, as is necessary (and available after allocation
12 of such receipts to the obligations payable therefrom)
13 for such payment without regard to the availability of
14 general property taxes, and such special excise tax
15 receipts are pledged to the payment of the bonds of this
16 issue.

12 This bond shall not be valid or become obligatory
13 for any purpose until the Certificate of Authentication
14 hereon shall have been signed by the Bond Registrar.

14 The principal of and interest on this bond shall be
15 paid only to the owner hereof registered as such on the
16 Bond Register as of the record date set forth above and
17 to no other person, and this bond may not be assigned
18 except on the Bond Register.

17 It is certified and declared that all acts, conditions
18 and things required to be done precedent to and in
19 the issuance of this bond have been done, have happened
20 and have been performed as required by law, and that the
21 total indebtedness of the County, including this bond
22 issue together with all other bond issues currently authorized
23 by the County Council, does not exceed any constitutional
24 or statutory limitations.

21 IN WITNESS WHEREOF, the County has caused this bond
22 to be signed in the corporate name of the County by the
23 facsimile signatures of its County Executive and the
24 Clerk of the County Council, and a facsimile reproduction
25 of the seal of the County Council to be imprinted hereon,
26 this first day of September, 1986.

25 KING COUNTY, WASHINGTON

26 By: _____
27 County Executive

28 ATTEST:

29 _____
30 Clerk of the Council Office of Finance Issue No. _____

31 Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This bond is one of the fully registered King County, Washington, Limited Tax General Obligation Bonds, 1986 Series D-Taxable (Stadium Facilities), described in the Bond Ordinance.

WASHINGTON STATE FISCAL AGENCY
Bond Registrar

BY _____
Authorized Officer

ADDITIONAL PROVISIONS

This bond is one of a total issue of \$7,900,000 par value of King County, Washington, Limited Tax General Obligation Bonds, 1986 Series D-Taxable (Stadium Facilities) (the "Bonds"), all of like date, tenor and effect, except as to denomination, options of redemption, maturities and interest rates, and issued by the County for the construction, equipping and furnishing of loges and related facilities in the King County domed stadium, all as described in the Bond Ordinance, and in accordance and in strict compliance with all statutes of the State of Washington applicable thereto, with the Constitution of the State of Washington and pursuant to the Bond Ordinance and all other applicable ordinances of the County.

This Bond is transferable by the Registered Owner hereof or by the Registered Owner's duly authorized agent at the Bond Registrar, but only in the manner and subject to the limitations set forth in the Bond Ordinance, and only upon the due completion of the assignment form appearing hereon and upon the surrender and cancellation of this Bond. Upon such transfer, a new Bond (or Bonds at the option of the new Registered Owner) of the same maturity and for the same aggregate principal amount will be issued to the new Registered Owner, without charge, in exchange therefor. This Bond and other Bonds may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same maturity and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to transfer or exchange any Bond during the fifteen days preceding any principal payment or redemption date.

The Bonds are issued without the right of the County to call the same prior to their respective maturity dates.

The County reserves the right and option to purchase any of the Bonds on the open market at a price not in excess of par plus accrued interest to the date of purchase.

Reference is made to the Bond Ordinance for other covenants and declarations of the County and other terms and conditions upon which this Bond has been issued, which terms and conditions, including, but not limited to, terms pertaining to defeasance, are made a part hereof by this reference. The County irrevocably and unconditionally covenants that it will keep and perform all

1 covenants of this Bond and of the Bond Ordinance.

2 The County and the Bond Registrar may deem and treat
3 the Registered Owner of this Bond as its absolute owner
4 for the purpose of receiving payment of principal hereof
5 and interest hereon and for all other purposes, and
6 neither the County nor the Bond Registrar shall be
7 affected by any notice to the contrary. "Registered
8 Owner", as used herein, means the person named as the
9 Registered Owner of this Bond on the front hereof and on
10 the Bond Register.

11 [Legal Opinion]

12 ASSIGNMENT

13 For value received, the undersigned Registered Owner
14 does sell, assign and transfer unto:

15 _____
16 (name, address and social security or other identifying
17 number of assignee) the within mentioned Bond and
18 irrevocably constitutes and appoints _____
19 _____ to transfer the same on the
20 Bond Register with full power of substitution in the
21 premises.

22 DATED: _____.

23 _____
24 Registered Owner

25 (NOTE: The signature above must correspond with the
26 name of the Registered Owner as it appears on the front
27 of this Bond in every particular, without alteration or
28 enlargement or any change whatsoever.)

29 Signature Guaranteed:

30 _____
31 (Note: Signature must be guaranteed by
32 a member firm of the New York Stock Exchange
33 or a commercial bank or trust company.)

SECTION 7. Signing and Authentication of Bonds.

The Bonds shall be signed in the corporate name of the
county by the facsimile signatures of its county
executive and the clerk of the county council and a
facsimile reproduction of the seal of the county council
shall be imprinted thereon.

Only such Bonds as shall bear thereon a Certificate
of Authentication in the form hereinbefore set forth,

1 manually executed by the Bond Registrar, shall be valid
2 or obligatory for any purpose or entitled to the benefits
3 of this ordinance. Such Certificate of Authentication
4 shall be conclusive evidence that the Bonds so
5 authenticated have been duly executed, authenticated and
6 delivered hereunder and are entitled to the benefits of
7 this ordinance.

8 In case either or both of the officers whose
9 facsimile signatures appear on the Bonds shall cease to
10 be such officer or officers of the county before the
11 Bonds so signed shall have been authenticated or
12 delivered by the Bond Registrar, or issued by the county,
13 such Bonds nevertheless may be authenticated, delivered
14 and issued and upon such authentication, delivery and
15 issue, shall be as binding upon the county as though
16 those whose facsimile signatures appear on the Bonds had
17 continued to be such officers of the county. Any Bond
18 also may be signed and attested on behalf of the county
19 by such persons as at the actual date of execution of
20 such Bond shall be proper officers of the county
21 authorized to execute bonds although on the original date
22 of such Bond such persons were not such officers of the
23 county.

24 SECTION 8. Bond Registrar. The Bond Registrar
25 shall keep, or cause to be kept, at its principal corpor-
26 ate trust office, sufficient books for the registration
27 and transfer of the Bonds which shall at all times be
28 open to inspection by the county. The Bond Registrar is
29 authorized, on behalf of the county, to authenticate and
30 deliver Bonds transferred or exchanged in accordance with
31 the provisions of such Bonds and this ordinance, to serve
32 as the county's paying agent for the Bonds and to carry
33 out all of the Bond Registrar's powers and duties under

1 this ordinance and Ordinance 6803 establishing a system
2 of registration for the county's bonds and obligations.

3 The Bond Registrar shall be responsible for its rep-
4 resentations contained in the Registrar's Certificate of
5 Authentication on the Bonds. The Bond Registrar may be-
6 come the owner of Bonds with the same rights it would
7 have if it were not the Bond Registrar and, to the extent
8 permitted by law, may act as depository for and permit
9 any of its officers or directors to act as members of, or
10 in any other capacity with respect to, any committee
11 formed to protect the rights of Bond owners.

12 SECTION 9. Stadium Loges Construction Fund. A spe-
13 cial fund of the county is created to be known as the
14 "Stadium Loges Construction Fund" (the "Construction
15 Fund"). The principal proceeds of the sale of the Bonds
16 shall be paid into that fund, and shall be expended sole-
17 ly for the construction, equipping and furnishing of
18 loges in the King County domed stadium, related kitchen
19 facilities, and other facilities approved by this or
20 other ordinance, to pay administrative costs relating to
21 such construction and the costs of issuance of the Bonds,
22 and to reimburse sources of funds expended for such costs
23 prior to the sale of the Bonds.

24 SECTION 10. Bond Fund. A special fund of the coun-
25 ty has been created known as the "King County Limited
26 General Obligation Bond Redemption Fund" (herein the
27 "Bond Fund"), which fund shall be drawn upon for the pur-
28 pose of paying the principal of and interest on the Bonds
29 and other limited tax general obligation bonds of the
30 county. The accrued interest and premium, if any,
31 received from the sale of the Bonds shall be deposited in
32 the Bond Fund. The county irrevocably covenants that it
33 will make annual levies of taxes, within the constitu-

1 tional and statutory tax limitations provided by law
2 without a vote of the electors of the county, upon all
3 the property in the county subject to taxation in an
4 amount sufficient, together with other money which may
5 become legally available and used for such purposes, to
6 pay the principal of and interest on the Bonds as such
7 principal and interest shall become due. The county
8 further irrevocably covenants that it will appropriate to
9 the Bond Fund for the payment of the principal of and
10 interest on the Bonds so much of the special excise tax
11 receipts of the county under the provisions of R.C.W.
12 67.28.180, as is necessary (and available after
13 allocation of such receipts to the obligations payable
14 therefrom) to pay the Bonds without regard to the
15 availability of general property taxes, and such special
16 excise tax receipts are hereby pledged to the payment of
17 the Bonds. Such taxes so collected shall be paid into
18 the Bond Fund and shall not be used for any other purpose
19 than the payment of the principal of and interest on the
20 Bonds. The full faith, credit and resources of the
21 county are pledged irrevocably for the annual levy and
22 collection of such taxes and the prompt payment of such
23 principal and interest.

24 If and to the extent special excise taxes received
25 by the county under the provisions of R.C.W. 67.28.180
26 are insufficient to pay when due all of the principal of
27 and interest on the Bonds, amounts necessary to make such
28 principal and interest payments on the Bonds may be lent
29 by and transferred from the Current Expense Fund or other
30 fund of the county to the Bond Fund and used for the sole
31 purpose of paying the principal of and interest on the
32 Bonds. Any and all such loans shall be repaid from
33 special excise tax receipts of the county under R.C.W.

1 67.28.180 as soon as such receipts become available for
2 that purpose.

3 SECTION 11. Defeasance. The county may issue
4 advance refunding bonds pursuant to the laws of the State
5 of Washington or use money available from any other law-
6 ful source to pay the principal of and interest on the
7 Bonds, or such portion thereof included in a refunding or
8 defeasance plan, as the same become due and payable and
9 to redeem and retire or refund all such then-outstanding
10 Bonds (hereinafter collectively called the "defeased
11 Bonds") and to pay the costs of such refunding or
12 defeasance. In the event that money and/or "government
13 obligations," as such obligations are defined in chapter
14 39.53 R.C.W., as now or hereafter amended, maturing at
15 such time or times and bearing interest thereon, in
16 amounts (together with such money, if necessary)
17 sufficient to redeem and retire or refund the defeased
18 Bonds in accordance with their terms, are set aside
19 irrevocably in a special fund for and pledged to such
20 redemption and retirement (hereinafter called the "trust
21 account") and are pledged irrevocably for such purpose,
22 then all right and interest of the owners of the defeased
23 Bonds in the covenants of this ordinance and, except as
24 hereinafter provided, in the funds and accounts obligated
25 to the payment of such defeased Bonds thereafter shall
26 cease and become void. Such owners thereafter shall have
27 the right to receive payment of the principal of and
28 interest on the defeased Bonds from the trust account,
29 and the defeased Bonds shall be deemed not to be
30 outstanding hereunder. Anything herein to the contrary
31 notwithstanding, the pledge of the full faith, credit and
32 taxing power of the county to the payment of the Bonds
33 shall remain in full force and effect after the

1 establishing and full funding of the trust account.
2 Subject to the rights of the owners of the Bonds, the
3 county may then apply any money in any other fund or
4 account established for the payment or redemption of the
5 defeased Bonds to any lawful purposes as it shall
6 determine.

7 SECTION 12. Bonds Negotiable. The Bonds shall be
8 negotiable instruments to the extent provided by R.C.W.
9 62A.8-102 and 62A.8-105.

10 SECTION 13. Sale of Bonds. The county executive is
11 authorized to enter into a bond purchase contract (the
12 "Purchase Contract") with one or more underwriters
13 whereunder the Bonds will be sold at a price of not less than 99%
14 par plus accrued interest to the date of delivery of the
15 Bonds, at a net effective interest rate of not more than
16 10% per annum, with maturities no later than December 1,
17 2006 and otherwise conforming to the terms of this
18 ordinance. The county council finds that entering into
19 the Purchase Contract will be in the county's best
20 interest, and that the provisions of chapters 4.14, 4.16,
21 4.18 and 12.16 of the King County Code do not apply to
22 such a contract.

23 SECTION 14. Temporary Bond. Pending the printing,
24 execution and delivery to the purchaser of the definitive
25 Bonds, the county may cause to be executed and delivered
26 to such purchaser a single temporary Bond in the total
27 principal amount of the Bonds. Such temporary Bond shall
28 bear the same date of issuance, interest rates, principal
29 payment dates and terms and covenants as the definitive
30 Bonds, and shall be issued as a fully registered bond in
31 the name of such purchaser, and shall be in such form as
32 acceptable to such purchaser. Such temporary Bond shall
33 be exchanged for definitive Bonds as soon as the same are

1 printed, executed and available for delivery by the
2 director of the office of finance of the county.

3 SECTION 15. Further Acts Authorized. Upon the sale
4 of the Bonds, the proper county officials are authorized
5 and directed to do everything necessary for prompt
6 printing, execution and delivery thereof, the appropriate
7 use and application of the proceeds of such sale, and the
8 execution of the certificates necessary to the delivery
9 thereof.

10 SECTION 16. Bonds Not Tax Exempt. The county does
11 not intend that the interest on the Bonds be exempt from
12 federal income taxation.

13 SECTION 17. Ratification. Any act done pursuant to
14 the authority and prior to the effective date of this
15 ordinance is ratified, confirmed and approved.

16 INTRODUCED and read for the first time this 21st
17 day of July, 1986.

18 PASSED this 2nd day of September, 1986

19 KING COUNTY COUNCIL
20 KING COUNTY, WASHINGTON

21 Audrey Truger
22 Chair

23 ATTEST:

24 Dorothy M. Owens
25 Clerk of the Council

26 APPROVED this 12th day of September, 1986

27 Jim Hill
28 King County Executive
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