

ORDINANCE NO. 877

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE NO. 829, AS AMENDED BY ORDINANCE NO. 864, RELATING TO THE ISSUANCE OF ONE OR MORE SERIES OF LIMITED TAX GENERAL OBLIGATION BOND ANTICIPATION NOTES IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$25,000,000 TO PROVIDE INTERIM FINANCING FOR A PORTION OF THE COSTS OF THE CITY'S PARKS, RECREATION AND OPEN SPACE PLAN AND COSTS OF ISSUING THE NOTES; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, on July 31, 2017, the City Council adopted the 2017-2023 Parks, Recreation & Open Space Plan (the "PROS Plan"); and

WHEREAS, on August 6, 2018, the City Council adopted Ordinance No. 829 authorizing the issuance and sale of one or more series of short-term obligations in the form of limited tax general obligation bond anticipation notes in the aggregate principal amount of not to exceed \$25,000,000 (the "Notes") for the purpose of financing the acquisition of property for park and recreational purposes and the payment of other capital expenditures described in the PROS Plan; and

WHEREAS, on June 17, 2019, the City Council adopted Ordinance No. 864 to extend the time period for the issuance of the Notes set forth in Ordinance No. 829; and

WHEREAS, the sale and issuance of the Notes is contingent on satisfaction of certain parameters relating to maximum interest rates, final maturity dates, redemption terms and principal maturities as set forth in Ordinance No. 829, as amended by Ordinance No. 864; and

WHEREAS, the City Council now desires to amend Ordinance No. 829, as amended by Ordinance No. 864, to further extend the time period for the issuance of the Notes, to allow for the issuance of Notes on a taxable basis, and other matters related thereto, as provided herein;

THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Definitions. Except as otherwise provided herein, definitions used in this Ordinance shall have the meanings set forth in Ordinance No. 829, as amended by Ordinance No. 864.

Section 2. Amendment to Section 2 of Ordinance No. 864, Amending Section 10 of Ordinance No. 829 (Sale of Notes). Section 10 (Sale of Notes) of Ordinance No. 829 and Section 2 of Ordinance No. 864 (which amended Section 10 (Sale of Notes) of Ordinance No. 829) are hereby amended to read as follows (deletions are ~~stricken~~, additions are double underlined):

Section 10. Sale of Notes.

(a) *Note Sale.* The Council has determined that it would be in the best interest of the City to delegate to the Designated Representative for a limited time the authority to determine the method of sale for the Notes in one or more series, to determine whether the Notes, or any series of Notes, are to be issued as tax-exempt obligations or as taxable obligations, and to approve the final interest rates, maturity dates, redemption terms and principal maturities for each series of Notes. Notes may be issued pursuant to this ordinance at one time or from time to time as provided herein. The Designated Representative is hereby authorized to approve the issuance, from time to time, of one or more series of Notes and to determine whether the Notes of such series shall be sold in a private placement to a Direct Purchaser or to an Underwriter through a competitive public sale or a negotiated sale, as set forth below.

(b) *Direct Purchase.* If the Designated Representative determines that the Notes of a series are to be sold by private placement, the Designated Representative shall solicit proposals to purchase the Direct Purchase Notes and to select the Direct Purchaser that submits the proposal that is in the best interest of the City. Direct Purchase Notes shall be sold to the Direct Purchaser pursuant to the terms of a Loan Agreement.

(c) *Negotiated Note Sale.* If the Designated Representative determines that the Notes of a series are to be sold by negotiated public sale, the Designated Representative shall solicit underwriting proposals and shall select the Underwriter whose proposal the Designated Representative believes is in the best interest of the City. Such Notes shall be sold to the Underwriter pursuant to the terms of a Note Purchase Contract.

(d) *Competitive Sale.* If the Designated Representative determines that the Notes of a series are to be sold at a competitive public sale, the Designated Representative shall: (1) establish the date of the public sale; (2) establish the criteria by which the successful bidder will be determined; (3) request that a good faith deposit in an amount not less than one percent of the principal amount of the offering accompany each bid; (4) cause notice of the public sale to be given; and (5) provide for such other matters pertaining to the public sale as he or she deems necessary or desirable. The Designated Representative shall cause the notice of sale to be given and provide for such other matters pertaining to the public sale as he or she deems necessary or desirable. Such Notes shall be sold to the Underwriter pursuant to the terms of a Certificate of Award.

(e) *Sale Parameters.* The Designated Representative is hereby authorized approve the method of sale and the final interest rates, aggregate principal amount, principal maturities, and redemption rights for each series of Notes in the manner provided hereafter so long as:

- (1) the aggregate principal amount (face amount) of all Notes issued pursuant to this ordinance does not exceed \$25,000,000;
- (2) the final maturity date for each series of Notes is no later than 36 months from date of issuance of such series;
- (3) the true interest cost for each series of Notes does not exceed 3.25%;
- (4) the Notes of each series are sold (in the aggregate) at a price not less than 98%; and
- (5) the coupon rate for each maturity of the Notes of each series does not exceed 5.00%.

Subject to the terms and conditions set forth in this section, the Designated Representative is hereby authorized to execute the applicable Sale Document for a series of Notes. Following the execution of the applicable Sale Document, the Designated Representative shall provide a report to the Council describing the final terms of the Notes approved pursuant to the authority delegated in this section.

The authority granted to the Designated Representative by this Section 10 shall expire on December 31, 2020. February 1, 2020. ~~one year after the effective date of this ordinance.~~ If a Sale Document for the Notes of a series has not been executed by such date, the authorization for the issuance of such series of Notes shall be rescinded, and such Notes shall not be issued nor their sale approved unless such Notes shall have been re-authorized by ordinance of the Council.

(f) *Delivery of Notes; Documentation.* The proper officials of the City, including the Administrative Services Director and the Designated Representative, are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Notes to the purchaser thereof and further to execute all closing certificates and documents required to effect the closing and delivery of the Notes in accordance with the terms of the applicable Sale Document. Such documents may include, but are not limited to, documents related to a municipal Note insurance policy delivered by an insurer to insure the payment when due of the principal of and interest on all or a portion of the Notes as provided therein, if such insurance is determined by the Designated Representative to be in the best interest of the City.

(g) *Preliminary and Final Official Statements.* The Administrative Services Director and the City Manager are each hereby authorized to deem final the preliminary Official Statement(s) relating to any Underwritten Notes for the purposes of the Rule. The Administrative Services Director and the City Manager are each further authorized to approve for purposes of the Rule, on behalf of the City, the final Official Statement(s) relating to the issuance and sale of any Underwritten Notes and the distribution of the final Official Statement pursuant thereto with such changes, if any, as may be deemed to be appropriate.


Section 3. Limitation as to Effect of Section 8 of Ordinance No. 829 (Tax Covenants). Section 8 of Ordinance No. 829 shall apply only to Notes that are issued as tax-exempt obligations, and shall have no application to Notes issued as taxable obligations.

Section 4. Ratification. Except as hereby amended, the remaining terms and conditions of Ordinance No. 829, as amended by Ordinance No. 864, are hereby ratified and confirmed in all respects. All acts taken pursuant to the authority granted in this ordinance but prior to its effective date are hereby ratified and confirmed.

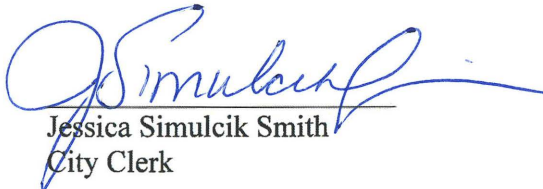
Section 5. Corrections by Clerk. Upon approval of the City Attorney and Note Counsel, and without further action of the Council, the City Clerk is hereby authorized to make necessary corrections to this ordinance, including but not limited to the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; ordinance numbering and section/subsection numbering; and other similar necessary corrections.

Section 6. Effective Date of Ordinance. This ordinance shall take effect and be in force five (5) days from and after its passage, approval, and publication, as required by law. A summary of this ordinance, consisting of the title, may be published in lieu of publishing the ordinance in its entirety.

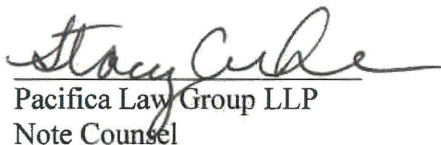
PASSED BY THE CITY COUNCIL ON JANUARY 13, 2020.


Mayor Will Hall

ATTEST:


Jessica Simulcik Smith
City Clerk

APPROVED AS TO FORM:


Pacifica Law Group LLP
Note Counsel

Date of Publication: January 16, 2020

Effective Date: January 21, 2020

ORIGINAL

CERTIFICATE

I, the undersigned, City Clerk of the City of Shoreline, Washington (the "City"), DO HEREBY CERTIFY:

1. The attached copy of Ordinance No. 877 (the "Ordinance") is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on January 13, 2020, as that ordinance appears in the minute book of the City; and the Ordinance will be in full force and effect five (5) days after its passage and publication as provided by law; and

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the City Council voted in the proper manner for the passage of said Ordinance; that all other requirements and proceedings incident to the proper passage of said Ordinance have been fully fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

3. The Ordinance has not been amended, supplemented or rescinded since its passage and is in full force and effect and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of January, 2020.

Jessica Simulcik Smith
City Clerk