



ORDINANCE NO. 28304

1 AN ORDINANCE of the City of Tacoma, Washington, authorizing the sale of a
2 convention center and parking revenue refunding bond in the aggregate
3 principal amount of not to exceed \$24,000,000, for the purpose of refunding
4 a portion of the City's outstanding convention center and parking revenue
5 bonds, funding a debt service reserve, if necessary, and paying cost of
6 issuance; making certain covenants with respect to the bond; providing the
7 form and terms of the bond; and delegating the authority to approve the final
8 terms of the bond.

9 WHEREAS the City of Tacoma, Washington (the "City"), Pierce County
10 and the cities of Fife, Lakewood, and University Place previously entered into
11 an amended interlocal agreement for the creation and joint operation of the
12 Greater Tacoma Regional Convention Center Public Facilities District
13 (the "District") to facilitate the construction and operation of a regional
14 convention center (the "Convention Center") and related parking, and

15 WHEREAS the District has imposed and collects a sales and use tax,
16 which is credited against the state sales tax, and certain Convention Center
17 admission and parking taxes, and

18 WHEREAS amounts collected by the District are remitted to the City to
19 finance costs of the Convention Center (the "District Contribution"), and

20 WHEREAS the City also receives the "Parking Revenues" as hereinafter
21 defined, and

22 WHEREAS pursuant to chapter 35.41 RCW, the City is authorized to
23 issue revenue bonds secured by special fund revenues from any municipally-
24 owned public land, building, and facility, and

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WHEREAS the City issued and now has outstanding the following series of convention center and parking revenue bonds:

Series	Authorizing Ordinance	Date of Ordinance	Outstanding Principal Amount
Convention Center and Parking Revenue Bonds, Series 2004 (the "2004 Bonds")	27248	06/29/2004	\$ 19,990,000
Convention Center and Parking Revenue Refunding Bonds, Series 2010 (the "2010 Bonds")	27922	09/14/2010	5,015,000

WHEREAS the 2004 Bonds maturing on or after December 1, 2015 (the "Refunding Candidates"), are subject to optional redemption, in whole or in part, on any date on or after December 1, 2014, at a price of par plus interest accrued to the date of redemption, and

WHEREAS after due consideration it appears to this Council that all or a portion of the Refunding Candidates (the "Refunded Bonds") may be defeased and refunded by proceeds of the Convention Center and Parking Revenue Refunding Bond, Series 2015 (the "2015 Bond") authorized herein to provide debt service savings to the City and its ratepayers, and

WHEREAS the ordinances authorizing the issuance of the 2004 Bonds and the 2010 Bonds permit the issuance of additional bonds on a parity of lien with such bonds for refunding purposes if certain conditions are met, and



1 WHEREAS the Council wishes to delegate authority to the City Finance
2 Director and Treasurer, or their designees (each, a “Designated
3 Representative”) for a limited time, to select the Refunding Candidates to be
4 refunded and to approve the interest rate(s), maturity date, redemption terms,
5 and other terms for the 2015 Bond within the parameters set by this ordinance,
6
7 and

8 WHEREAS the City intends to issue a request for proposals from various
9 financial institutions to purchase the 2015 Bond, and

10 WHEREAS the Council now wishes to authorize the issuance of the 2015
11 Bond and the sale of the 2015 Bond to the successful respondent subject to the
12 terms and conditions in this ordinance,
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14 BE IT ORDAINED BY THE CITY OF TACOMA:
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Exhibit A - Form of 2015 Bond



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Section 1. Definitions and Interpretation of Terms.

(a) Definitions. As used in this ordinance, the following words shall have the following meanings:

“Acquired Obligations” means those Government Obligations, if any, to effect the defeasance and/or refunding of the Refunded Bonds.

“Adjusted District Contribution” has the meaning set forth in Section 12.

“Adjusted Net Parking Revenue” has the meaning set forth in Section 12.

“Annual Debt Service” means the amount of principal and interest required to be paid in that fiscal year on all Parity Bonds then Outstanding, calculated as follows:

(a) Interest which is to be paid from Parity Bond proceeds shall be subtracted;

(b) Parity Bonds which are subject to scheduled, noncontingent redemption or tender shall be deemed to mature on the dates and in the amounts which are subject to mandatory redemption or tender, and only the amount scheduled to be outstanding on the final maturity date shall be treated as maturing on that date;

(c) Parity Bonds which are subject to contingent redemption or tender shall be treated as maturing on their stated maturity dates;

(d) Each series of Interim Financing that bears interest at a fixed rate shall be assumed to bear interest at its stated rate prior to its final maturity date.

Each series of Interim Financing that is also commercial paper bearing interest



1 at a variable interest rate shall be assumed to bear interest at its Estimated
2 Average Interest Rate prior to its final maturity date. The principal amount of
3 each series of Interim Financing plus the interest due on that series of Interim
4 Financing at its final maturity date ("Assumed Principal") shall be assumed to
5 bear interest from the final maturity date of the series at the most recent
6 estimate of the Refunding Rate. The Assumed Principal for each series of
7 Interim Financing shall be assumed to be paid in equal semiannual payments
8 which are sufficient to fully amortize that Assumed Principal, with interest at the
9 Refunding Rate for that series, over the Refunding Amortization Period for that
10 series. The first semiannual payment shall be assumed to be due on the first
11 day of December which is at least six months after the final maturity date of the
12 series of Interim Financing and subsequent semiannual payments for that
13 series shall be assumed to be due on the following first days of June and
14 December of each year; and

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18 (e) In the case of other variable rate obligations, for the purpose of
19 calculating Annual Debt Service, the interest rate thereon shall be equal to the
20 higher of (i) the average of the SIFMA Municipal Swap Index over the 60-month
21 period immediately preceding the date of computation, or (ii) the average of the
22 SIFMA Municipal Swap Index over the 12-month period immediately preceding
23 the date of computation, in each case as determined within ten days prior to the
24 date of computation, with the principal thereof amortized to provide for
25 essentially level annual debt service of principal and interest over such period;
26



1 provided, that if on such date of calculation the interest rate on any such
2 variable interest rate debt shall then be fixed for a specified period, the interest
3 rate used for such specified period shall be such fixed interest rate.

4 "Bond Counsel" means Pacifica Law Group LLP or another law firm
5 nationally recognized in matters concerning bonds and other securities issued
6 by states and local governments, including the tax status of interest on such
7 bonds and other securities.
8

9 "Bond Register" means the registration records for the 2015 Bond
10 maintained by the Bond Registrar.
11

12 "Bond Registrar" means the Finance Director, whose duties include
13 registering and authenticating the 2015 Bond, maintaining the Bond Register,
14 transferring ownership of the 2015 Bond, and paying the principal of and
15 interest on the 2015 Bond.

16 "Call Date" means the date set forth in the Escrow Agreement for the
17 refunding of the Refunded Bonds.
18

19 "City" means the City of Tacoma, Washington, a municipal corporation
20 duly organized and existing under and by virtue of the laws of the State.

21 "City Clerk" means the duly appointed and acting City Clerk of the City or
22 the successor to the duties of that office.
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24 "City Manager" means the duly appointed and acting City Manager of the
25 City or the successor to the duties of that office.
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“Code” means the Internal Revenue Code of 1986, as amended, together with corresponding and applicable final, temporary or proposed regulations and revenue rulings issued or amended by the United States Treasury Department or the Internal Revenue Service, to the extent applicable to the 2015 Bond.

“Commitment” means the commitment of the Purchaser to purchase the 2015 Bond.

“Convention Center Project” means the design, acquisition, financing, construction and rehabilitation of the Convention Center, together with off-site improvements and related regional center (as defined in RCW 35.57.020) projects approved from time to time by resolution of the Council.

“Convention Center-Related Annual Debt Service” means the amount of Annual Debt Service attributable to Parity Bonds issued to pay costs of the Convention Center and Public Parking Projects related to the Convention Center.

“Council” means the Council of the City as the same shall be duly and regularly constituted from time to time.

“Designated Representative” means the City Finance Director and Treasurer, or their designees. The signature of one Designated Representative shall be sufficient to bind the City.

“District” means the Greater Tacoma Regional Convention Center Public Facilities District.



1 "District Contribution" means the 0.033% sales and use tax and
2 Convention Center admissions and parking taxes, if any, levied and collected
3 by or on behalf of the District pursuant to RCW 82.14.390.

4 "District Interlocal Agreement" means the Interlocal Operating Agreement
5 Between the District and the City, dated November 1, 1999, as it may be
6 amended from time to time.

8 "Escrow Agent" means the financial institution selected by the
9 Designated Representative as provided in Section 8 of this ordinance.

10 "Escrow Agreement" means the Escrow Deposit Agreement to be dated
11 as of the date of closing and delivery of the 2015 Bond.

13 "Estimated Average Interest Rate" means:

14 (a) for Parity Bonds then Outstanding during any period in which they
15 are commercial paper bearing interest at a variable interest rate:

16 (1) if the variable rate commercial paper has been Outstanding
17 for a period of 12 months or more, the weighted average rate of interest
18 applicable to such Parity Bonds during the immediately preceding 12-month
19 period; or
20

21 (2) if the variable rate commercial paper has not been
22 Outstanding for a period of 12 months or more, the higher of:

23 (i) the most current actual interest rate on the variable rate
24 commercial paper; or
25

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1 (ii) 100% of the Revenue Bond Index in the most recently
2 published edition of *The Bond Buyer* (or a comparable index reasonably
3 selected by the City if *The Bond Buyer* ceases to publish its Revenue Bond
4 Index); and

5 (b) for Parity Bonds that are commercial paper bearing interest at a
6 variable interest rate which have been authorized but not yet been issued,
7 100% of the Revenue Bond index in the most recently published edition of *The*
8 *Bond Buyer* (or a comparable index reasonably selected by the City if *The Bond*
9 *Buyer* ceases to publish a Revenue Bond index).

10 "Federal Tax Certificate" means the certificate executed by the City
11 pertaining to the tax-exemption of the 2015 Bond.

12 "Finance Director" means the duly appointed and acting Finance Director
13 of the City or the successor to the duties of that office.

14 "Future Parity Bonds" means those revenue bonds or other revenue
15 obligations that are issued by the City in the future as Parity Bonds pursuant to
16 Section 12 of this ordinance.

17 "Government Obligations" means those obligations now or hereafter
18 defined as such in chapter 39.53 RCW.

19 "Interim Financing" means one or more other Parity Bonds that mature
20 within three years after their date of issue and that are designated as an
21 "Interim Financing" in the ordinance authorizing such Interim Financing. If an
22 Interim Financing is in the form of a line of credit, the Annual Debt Service for
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1 the line of credit shall be calculated assuming that the entire amount available
2 under the line of credit is drawn on the date of closing for such line of credit. If
3 an Interim Financing is in the form of commercial paper, the Annual Debt
4 Service for the commercial paper shall be calculated assuming that the entire
5 principal amount of commercial paper authorized to be issued has been issued.
6

7 "Maximum Annual Debt Service" means the greatest Annual Debt
8 Service, calculated on all Parity Bonds that are Outstanding on the date of
9 calculation.
10

11 "Net Parking Revenues" means Parking Revenues less Operating
12 Expenses of the Parking System, except those expenses allocable to collection
13 of revenues from parking violations.
14

15 "Operating Expenses" means the expenses for operation and
16 maintenance of the Convention Center or Parking System, respectively, and
17 ordinary repairs, renewals, replacements and reconstruction and payments into
18 reasonable reserves for items of Operating Expense, the payment of which is
19 not immediately required.
20

21 "Outstanding" means all Parity Bonds issued by the City except:

22 (a) Parity Bonds canceled by the Bond Registrar or surrendered to
23 the Bond Registrar for cancellation;

24 (b) Parity Bonds paid or deemed to have been paid within the
25 meaning of the ordinance authorizing their issuance; and
26



1 (c) Parity Bonds for which replacement Parity Bonds have been
2 executed by the City and delivered by the Bond Registrar.

3 "Parity Bonds" means the 2004 Bonds, the 2010 Bonds, the 2015 Bond
4 and any Future Parity Bonds.

5 "Parking Revenues" means all parking revenues collected pursuant to
6 Ordinance No. 26546 with respect to the Parking Garage Enterprise Fund.
7
8 Parking Revenues include, but are not limited to, revenues of the City's existing
9 Parking System; revenues of on-street meters or pay stations, if approved by
10 the City Council, and advertising walls; and revenues from parking violation
11 fines.
12

13 "Parking System" means the system of public parking facilities of the
14 City, as it may be constituted from time to time, which generate Parking
15 Revenues pursuant to Ordinance 26546. The Parking System currently
16 includes the A Street Garage, the Park Plaza North garage, the Pacific Plaza
17 L.L.C. garage, the Carlton garage and lot, the Municipal garage and lot, the
18 Glass Museum parking garage, the Greater Tacoma Convention and Trade
19 Center garage and lots, the Municipal Garage and Lot, and 14th and Pacific lot
20 but excludes Urban Waters lot, the Tacoma Dome and Cheney Stadium parking
21 lots.
22

23 "Public Parking Project" means the design, acquisition, financing,
24 construction and rehabilitation, with proceeds of Parity Bonds, of the
25 Convention Center parking, "A" Street Garage expansion, South 15th (I-705)
26



1 and Hood Street surface parking and expansion and South 15th and Market
2 Street surface parking, and installation of on-street parking meters or pay
3 stations, if approved by the City Council, together with any related parking
4 projects approved from time to time by resolution of the Council.
5

6 "Purchaser" means the successful respondent to a request for proposals
7 to purchase the 2015 Bond, selected by the Designated Representative.

8 "Qualified Consultant" means an independent engineer, an independent
9 auditor, an independent financial advisor, or similar independent professional
10 consultant of recognized standing and having experience and expertise in the
11 area for which such person or firm is retained by the City for purposes of
12 performing activities specified in this ordinance.
13

14 "Qualified Insurance" means any noncancelable municipal Bond
15 Insurance policy or surety bond issued by any insurance company licensed to
16 conduct an insurance business in any state of the United States (or by a service
17 corporation acting on behalf of one or more such insurance companies)
18

19 (a) which insurance company or companies, as of the time of
20 issuance of such policy or surety bond, are rated in one of the two highest
21 Rating Categories by one or more of the Rating Agencies for unsecured debt or
22 insurance underwriting or claims paying ability, or
23

24 (b) by issuing its policies causes obligations insured thereby to be
25 rated in one of the two highest Rating Categories by one or more of the Rating
26 Agencies.



1 "Qualified Letter of Credit" means any irrevocable letter of credit issued
2 by a financial institution, which institution maintains an office, agency or branch
3 in the United States and as of the time of issuance of such letter of credit, is
4 rated in one of the two highest long-term Rating Categories by one or more of
5 the Rating Agencies.
6

7 "Rating Agency" means Fitch Ratings, Moody's Investors Service, or
8 Standard & Poor's Ratings Services.

9 "Rating Category" means the generic rating categories of a Rating
10 Agency, without regard to any refinement or gradation of such rating category
11 by a numerical modifier or otherwise.
12

13 "Refunding Amortization Period" means a period equal to the lesser of
14 twenty (20) years; or the weighted average useful life (expressed in years and
15 rounded to the next highest integer) of the assets that are financed with a series
16 of Interim Financing, as reasonably estimated by the City.
17

18 "Refunded Bonds" mean the Refunding Candidates designated as such
19 by the Designated Representative pursuant to Section 13 of this ordinance.

20 "Refunding Candidates" mean the 2004 Bonds.

21 "Refunding Rate" means the average fixed rate of interest that the
22 Finance Director reasonably estimates that a series of Parity Bonds would bear
23 if they were issued on the date of the estimate and matured over the Refunding
24 Amortization Period in substantially equal amounts of principal and interest. For
25 purposes of the rate covenant in Section 11, the Finance Director shall
26



1 determine the Refunding Rate for Interim Financings that are Outstanding on
2 April 1 of the preceding fiscal year as of that April 1, based on market interest
3 rates during the preceding 12 months. The Finance Director shall determine
4 the Refunding Rate for Interim Financings that are not Outstanding on April 1 of
5 the preceding fiscal year, including Interim Financings that are issued during the
6 fiscal year, as of the date the Interim Financings are issued. For purposes of the
7 tests for issuing Future Parity Bonds in Section 12, the Finance Director shall
8 determine the Refunding Rate for Outstanding Interim Financings and Parity
9 Bonds that are issued as Interim Financings as of the last business day of the
10 month preceding the month in which the Parity Bonds are issued, based on
11 market interest rates during the preceding 12 months.
12
13

14 "Registered Owner" means the person in whose name the 2015 Bond is
15 registered on the Bond Register.

16 "Reserve Fund" means the fund of that name created by Section 9 of this
17 ordinance.
18

19 "Reserve Fund Requirement" for the 2015 Bond shall be the amount
20 provided in the Commitment and approved by the Designated Representative.

21 "Revenue Account" means the Parking Revenue Account and District
22 Contribution Account within the Convention Center Fund created by Ordinance
23 No. 26675.
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1 "Rule" means the Securities and Exchange Commission's Rule 15c2-12
2 under the Securities Exchange Act of 1934, as the same may be amended from
3 time to time.

4 "State" means the state of Washington.

5 "Treasurer" means the duly appointed and acting Treasurer of the City or
6 the successor to the duties of that office.

7 "2004 Bond Ordinance" means Substitute Ordinance No. 27248, adopted
8 on June 29, 2004, and Resolution No. 36274, passed August 10, 2004,
9 together authorizing the issuance and sale of the 2004 Bonds.
10

11 "2010 Bond Ordinance" means Substitute Ordinance No. 27922, adopted
12 by the City Council on September 14, 2010, and Substitute Resolution
13 No. 38137 adopted by the City Council on October 26, 2010, together
14 authorizing the issuance and sale of the 2010 Bonds.
15

16 "2015 Bond" means the not to exceed \$24,000,000 aggregate principal
17 amount of City of Tacoma, Washington, Convention Center and Parking
18 Revenue Refunding Bond, Series 2015 authorized herein.
19

20 "2015 Bond Fund" means the "City of Tacoma Convention Center and
21 Parking Revenue Bond Redemption Fund, 2015," created by Section 9 of this
22 ordinance.
23

24 "2004 Bonds" means the \$32,975,000 original aggregate principal
25 amount of City of Tacoma, Washington, Convention Center and Parking
26 Revenue Bonds, Series 2004, issued pursuant to the 2004 Bond Ordinance.



1 “2010 Bonds” means the \$5,015,000 original aggregate principal amount
2 of City of Tacoma, Washington, Convention Center and Parking Revenue
3 Refunding Bonds, Series 2010, issued pursuant to the 2010 Bond Ordinance.

4 “Unrelated Annual Debt Service” means the amount of Annual Debt
5 Service attributable to Parity Bonds issued to pay costs of Public Parking
6 Projects unrelated to the Convention Center.

7 (b) Interpretation. In this ordinance, unless the context otherwise
8 requires:
9

10 (1) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder”
11 and any similar terms, as used in this ordinance, refer to this ordinance as a whole
12 and not to any particular article, section, subdivision or clause hereof, and the term
13 “hereafter” shall mean after, and the term “heretofore” shall mean before, the date
14 of this ordinance;
15

16 (2) Words of the masculine gender shall mean and include
17 correlative words of the feminine and neuter genders and words importing the
18 singular number shall mean and include the plural number and vice versa;
19

20 (3) Words importing persons shall include firms, associations,
21 partnerships (including limited partnerships), trusts, corporations and other legal
22 entities, including public bodies, as well as natural persons;
23

24 (4) Any headings preceding the text of the several articles and
25 sections of this ordinance, and any table of contents or marginal notes appended
26 to copies hereof, shall be solely for convenience of reference and shall not



1 constitute a part of this ordinance, nor shall they affect its meaning, construction or
2 effect; and

3 (5) All references herein to “articles,” “sections” and other
4 subdivisions or clauses are to the corresponding articles, sections, subdivisions or
5 clauses hereof.
6

7 Section 2. Compliance with Parity Conditions. The City hereby finds that at
8 the time of the issuance of the 2015 Bond there will be no deficiency in the bond
9 funds or the reserve funds established for the 2004 Bonds and the 2010 Bonds.
10 The City further finds that the issuance of the 2015 Bond does not require a
11 greater amount to be paid out of the District Contribution and Parking Revenues for
12 principal of and interest on such 2015 Bond over their life than is required to be
13 paid out of such District Contribution and Parking Revenues for the principal of and
14 interest on the Refunded Bonds being refunded over their life.
15

16 Section 3. Authorization of 2015 Bond. For the purposes of defeasing
17 and refunding the Refunded Bonds, funding the Reserve Fund, if necessary, and
18 paying costs of issuance of the 2015 Bond, the City is hereby authorized to issue
19 and sell its convention center and parking revenue refunding bond in the aggregate
20 principal amount of not to exceed \$24,000,000 (the “2015 Bond”).
21

22 The 2015 Bond shall be designated the “City of Tacoma, Washington,
23 Convention Center and Parking Revenue Refunding Bond, Series 2015,” or other
24 such designation as set forth in the 2015 Bond and approved by the Finance
25 Director. The 2015 Bond shall be dated as of its date of delivery, shall be fully
26



1 registered as to both principal and interest, shall be in one denomination of not to
2 exceed \$24,000,000, and shall mature on the date set forth in the Commitment
3 and approved by the Designated Representative pursuant to Section 13.

4 The 2015 Bond shall bear interest from its dated date or the most recent
5 date to which interest has been paid at the interest rate set forth in the
6 Commitment. Interest on the principal amount of the 2015 Bond shall be
7 calculated per annum on a 30/360 basis, or as otherwise provided in the 2015
8 Bond and in the Commitment. Principal of and interest on the 2015 Bond shall be
9 payable at the times and in the amounts as set forth in the Commitment and in the
10 payment schedule attached to the 2015 Bond.
11

12 The 2015 Bond shall be an obligation only of the 2015 Bond Fund and the
13 Reserve Fund created hereunder and shall be payable and secured as provided
14 herein. The 2015 Bond does not constitute an indebtedness of the City within the
15 meaning of the constitutional provisions and limitations of the State.
16

17 Section 4. Registration, Exchange and Payments.

18 (a) Bond Registrar. The Finance Director shall act as Bond Registrar.
19 The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver
20 the 2015 Bond if transferred or exchanged in accordance with the provisions of the
21 2015 Bond and this ordinance and to carry out all of the Bond Registrar's powers
22 and duties under this ordinance.
23

24 (b) Registered Ownership. The City and the Bond Registrar may deem
25 and treat the Registered Owner of the 2015 Bond as the absolute owner for all
26



1 purposes, and neither the City nor the Bond Registrar shall be affected by any
2 notice to the contrary. Payment of the 2015 Bond shall be made only as described
3 in subsection (e) below. All such payments made as described in subsection (e)
4 below shall be valid and shall satisfy the liability of the City upon the 2015 Bond to
5 the extent of the amount so paid.
6

7 (c) Transfer or Exchange of Registered Ownership. The 2015 Bond
8 shall not be transferrable without the consent of the City unless (i) the Purchaser's
9 corporate name is changed and the transfer is necessary to reflect such change;
10 (ii) the transferee is a successor in interest of the Purchaser by means of a
11 corporate merger, an exchange of stock, or a sale of assets, or (iii) the transferee
12 is an institutional investor who is an accredited investor (as defined under
13 paragraph 1, 2, 3, or 7 of Rule 501(a) of the Securities Act of 1933, and such
14 transferee executes a purchaser's letter in a form approved by the City and Bond
15 Counsel to the City. Notwithstanding the foregoing, the 2015 Bond may be
16 transferred upon satisfaction of the requirements, if any, set forth in the
17 Commitment and in the 2015 Bond.
18

19 (d) Registration Covenant. The City covenants that, until the 2015 Bond
20 has been surrendered and canceled, it will maintain a system for recording the
21 ownership of the 2015 Bond that complies with the provisions of Section 149 of the
22 Code.
23

24 (e) Place and Medium of Payment. Both principal of and interest on the
25 2015 Bond shall be payable in lawful money of the United States of America.
26



1 Principal and interest on the 2015 Bond shall be payable by check, warrant,
2 Automated Clearing House/electronic funds transfer, or by other means mutually
3 acceptable to the Purchaser and the City. Upon final payment of principal and
4 interest of the 2015 Bond, the Registered Owner shall surrender the 2015 Bond for
5 cancellation at the office of the Bond Registrar in accordance with this Section 4.
6

7 Section 5. Right of Prepayment. The City may prepay the 2015 Bond as
8 set forth in the Commitment and approved by the Designated Representative
9 pursuant to Section 13. If the 2015 Bond is prepaid in full, interest shall cease to
10 accrue on the date such prepayment occurs.
11

12 Section 6. Form of 2015 Bond. The 2015 Bond shall be in substantially the
13 form set forth in Exhibit A attached hereto and incorporated herein by this
14 reference.
15

16 Section 7. Execution of 2015 Bond. The 2015 Bond shall be executed on
17 behalf of the City with the manual or facsimile signatures of the Mayor and City
18 Clerk of the City and the seal of the City shall be impressed, imprinted or otherwise
19 reproduced thereon.
20

21 Only such 2015 Bond as shall bear thereon a Certificate of Authentication in
22 the form provided herein, manually executed by the Bond Registrar, shall be valid
23 or obligatory for any purpose or entitled to the benefits of this ordinance. Such
24 Certificate of Authentication shall be conclusive evidence that the 2015 Bond so
25 authenticated have been duly executed, authenticated and delivered hereunder
26 and are entitled to the benefits of this ordinance.



1 In case either of the officers who shall have executed the 2015 Bond shall
2 cease to be an officer or officers of the City before the 2015 Bond so signed shall
3 have been authenticated or delivered by the Bond Registrar, or issued by the City,
4 such 2015 Bond may nevertheless be authenticated, delivered and issued and
5 upon such authentication, delivery and issuance, shall be as binding upon the City
6 as though those who signed the same had continued to be such officers of the
7 City. The 2015 Bond may also be signed and attested on behalf of the City by
8 such persons who at the date of the actual execution of the 2015 Bond, are the
9 proper officers of the City, although at the original date of such 2015 Bond any
10 such person shall not have been such officer of the City.

13 Section 8. Application of Bond Proceeds; Refunding Plan.

14 (a) Refunding Plan. For the purpose of debt service savings, the City
15 proposes to defease and/or refund the Refunded Bonds as set forth herein. If the
16 Designated Representative determines that it is in the best interest of the City to
17 proceed with the refunding authorized herein, a Designated Representative shall
18 designate all or a portion of the Refunding Candidates as Refunded Bonds and
19 such designation shall be set forth in the Escrow Agreement.

21 Each Designated Representative is hereby authorized to select an Escrow
22 Agent for the purpose of carrying out the plan of refunding provided for in this
23 ordinance and in the Escrow Agreement. A portion of the proceeds of the 2015
24 Bond shall be deposited with the Escrow Agent pursuant to the Escrow Agreement
25 to be used immediately upon receipt thereof to defease the Refunded Bonds as
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1 authorized by the 2004 Bond Ordinance and to pay costs of issuance of the 2015
2 Bond. The net proceeds deposited with the Escrow Agent and any interest
3 earnings on any Acquired Obligations will provide for the payment of:

4 (1) interest on the Refunded Bonds as such becomes due on and
5 prior to the Call Date; and
6

7 (2) the redemption price (100 percent of the principal amount) of
8 the Refunded Bonds on the Call Date.

9 Such Acquired Obligations shall be purchased at a yield not greater than the
10 yield permitted by the Code and regulations relating to acquired obligations in
11 connection with refunding bond issues.
12

13 A beginning cash balance, if any, and the Acquired Obligations, if any, shall
14 be deposited irrevocably with the Escrow Agent in an amount sufficient to defease
15 the Refunded Bonds. In order to carry out the purposes of this Section 8, the
16 Finance Director is authorized and directed to execute and deliver to the Escrow
17 Agent, an Escrow Agreement.
18

19 The City hereby calls the Refunded Bonds for redemption on their Call Date
20 in accordance with the provisions of the 2004 Bond Ordinance authorizing the
21 redemption and retirement of the 2004 Bonds prior to their fixed maturities.
22

23 Said defeasance and call for redemption of the Refunded Bonds shall be
24 irrevocable after the issuance of the 2015 Bond and delivery of the proceeds of
25 such 2015 Bond and/or Acquired Obligations to the Escrow Agent.
26



1 The Escrow Agent is hereby authorized and directed to provide for the
2 giving of notices of the defeasance and/or redemption of the Refunded Bonds in
3 accordance with the applicable provisions of the 2004 Bond Ordinance. The costs
4 of publication of such notices shall be an expense of the City.
5

6 The City will take such actions as are found necessary to see that all
7 necessary and proper fees, compensation and expenses of the Escrow Agent for
8 the Refunded Bonds shall be paid when due.

9 Section 9. 2015 Bond Fund and Reserve Fund.

10 (a) 2015 Bond Fund. A special fund of the City designated the "City of
11 Tacoma Convention Center and Parking Revenue Bond Fund, Series 2015"
12 (the "2015 Bond Fund") is hereby authorized to be created in the office of the
13 Finance Director for the purpose of paying and securing the payment of the 2015
14 Bond. The 2015 Bond Fund shall be held separate and apart from all other funds
15 and accounts of the City and shall be a trust fund for the Registered Owner of the
16 2015 Bond.
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19 The 2015 Bond shall be an obligation only of the 2015 Bond Fund and the
20 Reserve Fund and shall be payable and secured as provided herein. The 2015
21 Bond does not constitute an indebtedness of the City within the meaning of the
22 constitutional and statutory provisions and limitations of the laws of the State.
23

24 The City hereby irrevocably obligates and binds itself for so long the 2015
25 Bond remains Outstanding to set aside and pay into the 2015 Bond Fund from the
26



1 District Contribution and Parking Revenues, on or prior to the respective dates on
2 which the same become due:

3 (1) such amounts as are required to pay the interest scheduled to
4 become due and redemption premium, if any, on the 2015 Bond; and

5 (2) such amounts as are required to pay principal or principal
6 being redeemed on the 2015 Bond.

7 (b) Reserve Fund. A Reserve Fund is hereby authorized to be created if
8 required under the terms of the Commitment for the purpose of securing the
9 payment of the principal of, premium, if any, and interest on the 2015 Bond.
10

11 The Reserve Fund Requirement for the 2015 Bond shall be fully funded on
12 the date of issuance of the 2015 Bond if required under the Commitment. The City
13 is hereby authorized to deposit proceeds of the 2015 Bond, available funds of the
14 City, Qualified Insurance and/or a Qualified Letter of Credit into the Reserve Fund
15 in order to satisfy the Reserve Fund Requirement at the time of issuance of the
16 2015 Bond, or a combination of the foregoing. The Reserve Fund Requirement
17 shall be maintained by deposits of cash and/or qualified investments with
18 maturities no longer than five years, a Qualified Letter of Credit or Qualified
19 Insurance, or a combination of the foregoing. To the extent that the City obtains a
20 Qualified Letter of Credit or Qualified Insurance in substitution for cash or
21 securities in the Reserve Fund, all or a portion of the money on hand in the
22 Reserve Fund shall be transferred to the fund or account, specified by the Finance
23 Director within the limitations permitted by the Federal Tax Certificate. In
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1 computing the amount on hand in the Reserve Fund, Qualified Insurance and/or a
2 Qualified Letter of Credit shall be valued at the lower of the face amount thereof
3 and the amount available to be drawn thereunder, and all other obligations
4 purchased as an investment of moneys therein shall be valued on a fair market
5 value on a marked to market basis, valued at least once annually. As used herein,
6 the term "cash" shall include U.S. currency, cash equivalents and evidences
7 thereof, including demand deposits, certified or cashier's check; and the deposit to
8 the Reserve Fund may be satisfied by the transfer of qualified investments to such
9 account. If a deficiency in the Reserve Fund Requirement shall exist as a result of
10 the foregoing valuation, such deficiency shall be made up within a year thereof.
11
12

13 If the balance on hand in the Reserve Fund is sufficient to satisfy the
14 Reserve Fund Requirement, interest earnings shall be applied as follows.
15 Whenever there is a sufficient amount in the 2015 Bond Fund and the Reserve
16 Fund to pay the principal of, premium, if any, and interest on the 2015 Bond, the
17 money in the Reserve Fund may be used to pay such principal and interest. So
18 long as the money left remaining on deposit in the Reserve Fund is equal to the
19 Reserve Fund Requirement, money in the Reserve Fund may be transferred to the
20 fund or account specified in writing by the Finance Director within the limitations
21 permitted by the Federal Tax Certificate. The City also may transfer out of the
22 Reserve Fund any money required in order to prevent the 2015 Bond from
23 becoming an "arbitrage bond" under the Code.
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1 If a deficiency in the 2015 Bond Fund shall occur, such deficiency shall be
2 made up from the Reserve Fund by the withdrawal of cash therefrom for that
3 purpose and by the sale or redemption of obligations held in the Reserve Fund, in
4 such amounts as will provide cash in the 2015 Bond Fund sufficient to make up
5 any such deficiency with respect to the 2015 Bond, and if a deficiency still exists
6 immediately prior to an interest payment date and after the withdrawal of cash, the
7 City shall then draw from any Qualified Letter of Credit or Qualified Insurance then
8 credited to the Reserve Fund for the 2015 Bond in sufficient amount to make up
9 the deficiency. Such draw shall be made at such times and under such conditions
10 as the agreement for such Qualified Letter of Credit or such Qualified Insurance
11 shall provide. Reimbursement may be made to the issuer of any Qualified Letter of
12 Credit or Qualified Insurance in accordance with the reimbursement agreement
13 related thereto, and after making necessary provision for deposits, if any, to the
14 Reserve Fund pursuant to Sections 10(a)(1) and 10(a)(2). If the City shall have
15 failed to make any payment required to be made under such reimbursement
16 agreement for the 2015 Bond, the issuer shall be entitled to exercise all remedies
17 available at law or under this ordinance; provided, however, that no acceleration of
18 the 2015 Bond shall be permitted, and no remedies that adversely affect the
19 Registered Owner of the 2015 Bond shall be permitted. Any deficiency created in
20 the Reserve Fund by reason of any such withdrawal shall be made up within one
21 year from Qualified Insurance or a Qualified Letter of Credit or out of the District
22 Contribution or Parking Revenues (or out of any other moneys on hand legally
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1 available for such purpose), in 12 equal monthly installments, after first making
2 necessary provision for all payments required to be made into the 2015 Bond Fund
3 within such year.

4 In making the payments and credits to the Reserve Fund required by this
5 ordinance, to the extent that the City has obtained Qualified Insurance or a
6 Qualified Letter of Credit for specific amounts required to be paid out of the
7 Reserve Fund such amounts so covered by Qualified Insurance or a Qualified
8 Letter of Credit shall be credited against the amounts required to be maintained in
9 the Reserve Fund to the extent that such payments and credits to be made are to
10 be made or insured by the issuer of such Qualified Insurance, or are to be made or
11 guaranteed by a Qualified Letter of Credit. In the event of termination of a
12 Qualified Letter of Credit, if the issuer of the Qualified Insurance or the Qualified
13 Letter of Credit shall be insolvent or no longer in existence or if the letter of credit
14 or insurance otherwise ceases to be a Qualified Letter of Credit or Qualified
15 Insurance, respectively, the Reserve Fund Requirement shall be satisfied
16 (A) within one year after the termination, insolvency or incapacity, but no later than
17 the date of cancellation, with other Qualified Insurance or another Qualified Letter
18 of Credit, or (B) within three years (in three equal annual installments) after the
19 termination, insolvency or incapacity, out of the District Contribution or Parking
20 Revenues (or out of other money on hand and legally available for such purpose)
21 after first making necessary provisions for all payments required to be made into
22 the 2015 Bond Fund.
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(c) Pledge and Lien. The City does hereby pledge and bind itself to set aside from the District Contribution and Parking Revenues, and to pay into the 2015 Bond Fund and the Reserve Fund the various amounts required herein to be paid into and maintained in said Funds, all within the times provided herein. Said amounts so pledged to be paid into the 2015 Bond Fund and the Reserve Fund are hereby declared to be a lien and charge upon the District Contribution and Parking Revenues superior to all other charges of any kind or nature whatsoever, except that such lien and charge on the Parking Revenues shall be subject to the prior lien and charge to pay Operating Expenses of the Parking System and except that the amounts so pledged are of equal lien to the lien and charge thereon of the 2004 Bonds and the 2010 Bonds, and equal to any lien and charge thereon which may hereafter be made to pay and secure the payment of the principal of, premium, if any, and interest on any Future Parity Bonds.

(d) Use of Excess Money. Money in the 2015 Bond Fund not needed to pay the interest or principal and interest next coming due on the 2015 Bond or to maintain required reserves therefor may be used to prepay the 2015 Bond within the limitations provided herein. Money in the 2015 Bond Fund and the Reserve Fund and money in the District Contribution Account and Parking Revenue Account of the City may be invested in any investments legal for cities, subject to the limitations set forth in the Federal Tax Certificate.



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Section 10. Payment of 2015 Bond.

(a) Revenue Account; Priority of Use of Revenue. The City has previously created two accounts within the Convention Center/Parking Fund: a Parking Revenue Account, into which shall be deposited Parking Revenues, and a District Contribution Account, into which shall be deposited the District Contribution.

(1) District Contribution Account. Amounts deposited into the District Contribution Account shall be used only for the following purposes and in the following order of priority:

First, to pay all amounts required to be made to the bond funds established for the payment of the 2004 Bonds, the 2010 Bonds and any Future Parity Bonds and to the 2015 Bond Fund with respect to the 2015 Bond taking into account, in each case, amounts on deposit therein;

Second, to make all payments, if any required to be made into the reserve funds established for the 2004 Bonds, the 2010 Bonds and any Future Parity Bonds and to into the Reserve Fund; and

Third, for any other purpose for which the District Contribution can be expended, including without limitation to pay Operating Expenses of the Convention Center.

The City covenants to use the District Contribution exclusively for the purposes authorized under RCW 82.14.390 in accordance with the District Interlocal Agreement and to account for such use accordingly. The City covenants



1 that the District Contribution will not be used with respect to Parking System
2 facilities which are not related to the Convention Center.

3 (2) Parking Revenue Account. Amounts deposited into the
4 Parking Revenue Account shall be used only for the following purposes and in the
5 following order of priority:
6

7 First, to pay Operating Expenses of the Parking System;

8 Second, to the extent necessary (taking into account amounts deposited to
9 the District Contribution Account and applied as set forth in subsection (1) above),
10 to pay all amounts required to be paid into the bond funds established for the 2004
11 Bonds, the 2010 Bonds and any Future Parity Bonds and to the 2015 Bond Fund,
12 taking into account, in each case, amounts on deposit therein;
13

14 Third, to the extent necessary (taking into account amounts deposited to the
15 District Contribution Account and applied as set forth in subsection (1) above) to
16 make all payments, if any required to be made into the reserve funds established
17 for the 2004 Bonds, the 2010 Bonds and any Future Parity Bonds and into the
18 Reserve Fund; and
19

20 Fourth, for any other lawful purpose of the City.

21 Section 11. Covenants. The City hereby covenants and agrees with the
22 Registered Owner of the 2015 Bond for as long as the 2015 Bond remains
23 outstanding as follows:
24

25 (a) Payment of 2015 Bond. The City will duly and punctually pay or
26 cause to be paid out of the 2015 Bond Fund the principal of and interest on the



1 2015 Bond at the times and places as provided in this ordinance and in the
2 Commitment and will at all times faithfully perform and observe any and all
3 covenants, undertakings and provisions contained in this ordinance and in the
4 2015 Bond.

5
6 (b) Operation and Maintenance. The City will provide for the proper
7 operation and maintenance of the Convention Center, including payment of
8 Operating Expenses, from the District Contribution, or other lawfully available
9 funds. The City will provide for the proper operation and maintenance of the
10 Parking System, including payment of Operating Expenses, from the Parking
11 Revenue, or other lawfully available funds.
12

13 (c) Rate Covenant. For each fiscal year the City will determine the
14 amount of Convention Center-Related Annual Debt Service as well as the amount
15 of Unrelated Annual Debt Service. The City will at all times establish, maintain and
16 collect rentals, tariffs, rates and charges in the operation of the Parking System for
17 as long as any Parity Bonds are Outstanding that will produce Net Parking
18 Revenues in each fiscal year equal to at least 1.50 times:
19

20 (1) the greater of (A) \$1 and (B) Convention Center-Related
21 Annual Debt Service for such fiscal year less the District Contribution for such
22 fiscal year
23

24 (2) plus Unrelated Annual Debt Service for such fiscal year.

25 Not later than 90 days after the end of each fiscal year the City shall file a certified
26 report with the City Clerk that demonstrates whether the City has complied with



1 this covenant during that fiscal year. If the report demonstrates that the City has
2 not complied with this covenant during that fiscal year, it shall not constitute a
3 default under this ordinance if: (i) within 30 days after the report is filed, the City
4 engages the services of a Qualified Consultant; and, (ii) within 60 days after the
5 report is filed, the Qualified Consultant recommends a schedule of rates and
6 charges or other actions that the Qualified Consultant reasonably projects will
7 permit the City to comply with the covenant for the then current fiscal year; and,
8 (iii) within 90 days after the report is filed the City implements the
9 recommendations of the Qualified Consultant.
10

11
12 The City shall also budget for and make due provision for the payment of
13 Operating Expenses of the Convention Center from amounts available after
14 payment of the priorities set forth under Section 10(a)(1) Second and from other
15 lawfully available funds. In fixing the amount of the District Contribution to be set
16 aside for payment into the 2015 Bond Fund, the City has had due regard for the
17 Operating Expenses of the Convention Center and amounts lawfully available to
18 pay such expenses.
19

20 (d) District Interlocal Agreement. The District Interlocal Agreement has
21 been executed and delivered by the District; and the City will enforce the
22 covenants and obligations of the District thereunder in accordance with its terms.
23 The City will make no amendments thereunder, except in compliance with the
24 provisions of Section 14 hereof. The City covenants that, so long as any Parity
25 Bonds remain Outstanding, it will not agree pursuant to the District Interlocal
26



1 Agreement that it is impossible or impractical to finance, design, develop, or
2 construct, manage or operate the Convention Center or take any other steps
3 pursuant to the District Interlocal Agreement to terminate such agreement. The
4 City further covenants to provide the match funds required by RCW 82.14.390.
5

6 (e) Disposition of Property. The City will not sell, mortgage, lease or
7 otherwise dispose of or encumber all or any portion of the Convention Center or
8 Parking System, except as follows:

9 (1) The City may sell, mortgage, lease or otherwise dispose of all
10 or substantially all of the Convention Center and Parking System if, simultaneously
11 with such sale, mortgage, lease or other disposition or encumbrance, provision is
12 made for the payment into the bond funds for the Parity Bonds then Outstanding
13 and the 2015 Bond Fund of cash or Government Obligations sufficient together
14 with interest to be earned thereon to pay the principal of and interest on all Parity
15 Bonds then Outstanding.
16
17

18 (2) Except as provided in subsection (3) below, the City will not
19 sell, mortgage, lease or otherwise dispose of or encumber any part of the useful
20 operating properties of the Convention Center or Parking System unless prior to
21 such sale, mortgage, lease or other disposition or encumbrance there shall have
22 been filed with the Finance Director a certificate of a Qualified Consultant stating
23 that such sale, mortgage, lease or other disposition or encumbrance will not impair
24 the ability of the City to comply with the rate covenant set forth in Section 11(c) of
25
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1 this ordinance; or the net proceeds of such sale, mortgage, lease or disposition are
2 applied to pay the principal of Parity Bonds then Outstanding.

3 (3) The City may sell or otherwise dispose of any of the
4 Convention Center or Parking System or any real or personal property comprising
5 a part of the same which shall have become unserviceable, inadequate, obsolete
6 or unfit to be used in the operation of the Convention Center or Parking System, as
7 applicable, or no longer necessary, material to or useful in such operation, without
8 making any deposit into the bond funds for the Parity Bonds then Outstanding or
9 the 2015 Bond Fund.
10

11 (f) Insurance. To the extent available at reasonable cost, the City shall
12 at all times maintain with responsible insurers all such insurance on the
13 Convention Center and the Parking System as is customarily maintained with
14 respect to properties of like character against accident to, loss of or damage to
15 such properties. The net proceeds of insurance against damage or destruction of
16 the Convention Center or Parking System shall be used to repair or rebuild the
17 damaged or destroyed Convention Center or Parking System, as applicable, or to
18 construct new Convention Center or Parking System facilities, as applicable, and
19 to the extent not so applied will be applied to the payment or redemption of Parity
20 Bonds then Outstanding. Insurance described in this section shall be in the form of
21 policies or contracts for insurance with insurers of good standing and shall be
22 payable to the City, or in the form of self-insurance by the City. The City shall
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1 establish such fund or funds or reserves which it deems are necessary to provide
2 for its share of any such self-insurance.

3 (g) Books and Accounts. The City will keep and maintain proper books
4 of account and accurate records of the Convention Center and the Parking
5 System, including all revenue received from any source whatsoever, and of all
6 Operating Expenses in accordance with proper and legal accounting procedures,
7 and will cause such financial statements to be audited annually. Copies of such
8 statements and of such other like statements as may be prepared from time to
9 time, whether audited or not, shall be placed on file at the City, and shall be open
10 to inspection at any reasonable time by the owners of Parity Bonds and shall be
11 mailed at the expense of the City to any owner of Parity Bonds who shall make
12 written request for the same.

15 (h) Tax Covenants. The City shall comply with the provisions of this
16 section unless, in the written opinion of Bond Counsel to the City, such compliance
17 is not required to maintain the exemption of the interest on the 2015 Bond from
18 federal income taxation.

20 The City hereby covenants that it will not make any use of the proceeds of
21 sale of the 2015 Bond or any other funds of the City which may be deemed to be
22 proceeds of such 2015 Bond pursuant to Section 148 of the Code and the
23 applicable regulations thereunder that will cause the 2015 Bond to be an “arbitrage
24 bond” within the meaning of such Section and regulations. The City will comply
25 with the requirements of Section 148 of the Code (or any successor provision
26



1 thereof applicable to the 2015 Bond) and the applicable regulations thereunder
2 throughout the term of the 2015 Bond.

3 The City further covenants that it will not take any action or permit any
4 action to be taken that would cause the 2015 Bond to constitute a “private activity
5 bond” under Section 141 of the Code.
6

7 Section 12. Future Parity Bonds.

8 (a) No Senior Lien Obligations. The City hereby further covenants
9 and agrees with the Registered Owner of the 2015 Bond for as long as it
10 remains outstanding that it will not issue any bonds having a greater priority of
11 lien upon the District Contribution and the Parking Revenues or upon the
12 Parking Revenues to pay or secure the payment of the principal of and interest
13 on the 2015 Bond than the priority of lien created on such District Contribution
14 and the Parking Revenues to pay or secure the payment of the principal of and
15 interest on the Parity Bonds.
16

17 (b) Future Parity Bonds: Conditions for Issuance. The City reserves
18 the right for:
19

20 First, the purpose of providing funds to acquire, construct,
21 maintain, install, repair or replace any equipment, additions, betterments or
22 improvements to or related to the Convention Center or the Parking System for
23 which it is authorized by law to issue revenue bonds, or
24

25 Second, the purpose of refunding any outstanding revenue
26 obligations secured by the District Contribution or the Parking Revenue,



1 to issue Future Parity Bonds and to pledge that payments will be made out of
2 the District Contribution and the Parking Revenues or out of the Parking
3 Revenues to pay and secure the payment of the principal of and interest on
4 such Future Parity Bonds on a parity with payments required herein to be made
5 out of such District Contribution and the Parking Revenues into the 2015 Bond
6 Fund and the Reserve Fund.
7

8 The City shall issue such Future Parity Bonds only upon compliance with
9 the following conditions (or in the case of refunding Future Parity Bonds upon
10 compliance with the conditions set forth in subsection (c)):
11

12 (1) At the time of the issuance of any Future Parity Bonds
13 there is no deficiency in the 2015 Bond Fund or the Reserve Fund.

14 (2) There shall be on file a certificate of the Qualified
15 Consultant regarding Adjusted Net Parking Revenue and the Adjusted District
16 Contribution calculated as follows:
17

18 Adjusted Net Parking Revenue shall be determined on the basis of a
19 period of any 12 consecutive months out of the 24 months immediately
20 preceding the date of delivery of such proposed Future Parity Bonds as
21 adjusted to take into consideration the following additional net revenue to be
22 derived by the City under the following conditions:
23

24 (i) the additional Net Parking Revenues which would
25 have been received by the City if any changes in tax rates, rentals, tariffs, rates
26 and charges adopted prior to the date of such certificate and subsequent to the



1 beginning of such 12-month period, had been in force during the full 12-month
2 period;

3 (ii) the additional Net Parking Revenues which would
4 have been received by the City from any extension or addition to the Parking
5 System, which became fully operational after the beginning of such 12-month
6 period and which has been in operation for at least three months, had such
7 extension or addition been operating for the entire period;

9 (iii) the additional Net Parking Revenue estimated by the
10 Qualified Consultant to be received by the City as a result of any additions,
11 betterments of the Parking System that are under construction at the time of
12 such certificate or will be constructed from the proceeds of the Future Parity
13 Bonds to be issued.

15 (iv) the additional Net Parking Revenues to be received
16 by the City as a result of executed leases or contracts which have been in effect
17 for at least three months, which revenues has not been included in (i), (ii), or (iii)
18 hereof.

20 The Adjusted District Contribution shall be calculated as follows. The
21 Adjusted District Contribution shall equal the total District Contribution received
22 during the fiscal year immediately preceding the issuance of the Future Parity
23 Bonds, further adjusted to reflect changes in the District's boundaries that have
24 been approved by all members to the District as if such change had occurred at
25 the commencement of the prior Fiscal Year.
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The Certificate of the Qualified Consultant shall demonstrate that Adjusted Net Parking Revenue at least equals 1.50 times:

(i) the greater of (x) \$1 and (y) Maximum Annual Debt Service to be paid on the Future Parity Bonds and all Parity Bonds then Outstanding issued in each case to pay costs of the Convention Center and Public Parking Projects related to the Convention Center, less the Adjusted District Contribution received in the prior fiscal year.

(ii) plus Maximum Annual Debt Service to be paid on the Future Parity Bonds and all Parity Bonds then Outstanding, in each case, to pay costs of Public Parking Projects unrelated to the Convention Center.

(c) Refunding Bonds. The City further reserves the right to issue Future Parity Bonds for the purpose of refunding any Parity Bonds then Outstanding without the need for the certificate required in subsection (b)(2) of this section, if the issuance of such refunding Future Parity Bonds does not require a greater amount to be paid out of the District Contribution and Parking Revenues for principal of and interest on such refunding Future Parity Bonds over their life than is required to be paid out of such District Contribution and Parking Revenues for the principal of and interest on the Parity Bonds being refunded over their life, and if the conditions required in subsection (b)(1) of this section are complied with.



1 (d) Subordinate Obligations. Nothing herein contained shall prevent
2 the City from issuing revenue bonds or revenue warrants that are a charge
3 upon the District Contribution and Parking Revenues junior or inferior to the
4 payments required by this ordinance to be made out of such District
5 Contribution and Parking Revenues into the 2015 Bond Fund and the Reserve
6 Fund. *So long as the 2004 Bonds and the 2010 Bonds remain Outstanding*, the
7 City covenants not to issue any such junior or inferior revenue bonds or
8 warrants unless the District Contribution and Parking Revenues available to pay
9 debt service on such junior or inferior revenue bonds or warrants will be at least
10 sufficient to pay the maximum annual debt service coming due on such revenue
11 bonds or warrants as well as all Parity Bonds then Outstanding payable from
12 such District Contribution and Parking Revenues.
13
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15 Section 13. Sale of 2015 Bond.

16 (a) Bond Sale. The Council has determined that it would be in the best
17 interest of the City to delegate to each Designated Representative for a limited
18 time the authority to request proposals from qualified institutional investors to
19 purchase the 2015 Bond and to approve the final terms of the 2015 Bond, as set
20 forth in the Commitment of the successful respondent. A Designated
21 Representative shall solicit proposals to purchase the 2015 Bond and is hereby
22 authorized to negotiate the final terms of the 2015 Bond with the respondents. A
23 Designated Representative shall select the Purchaser that submits the proposal
24 that is in the best interest of the City.
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1 Subject to the terms and conditions set forth in this Section 13, each
2 Designated Representative is hereby authorized to select the Refunded Bonds, to
3 select the Purchaser, to approve the principal amount, principal payment dates,
4 dated date, denominations, interest payment dates, redemption provisions and
5 interest rate or rates for the 2015 Bond, to accept the Commitment and to execute
6 the sale of the 2015 Bond to the Purchaser; provided that (1) the principal amount
7 of the 2015 Bond does not exceed \$24,000,000, (2) the final maturity of the 2015
8 Bond is no later than December 1, 2024, (3) the 2015 Bond is sold for a price that
9 results in a minimum net present value debt service savings over the Refunded
10 Bonds of at least 5.0%, (4) the true interest cost for the 2015 Bond (in the
11 aggregate) does not exceed 4.5%; and (5) the 2015 Bond conforms to all other
12 terms of this ordinance.
13
14

15 (b) Report to Council; Expiration of Authority. Following the sale of the
16 2015 Bond, the Designated Representative shall provide a report to Council
17 describing the sale and final terms of the 2015 Bond approved pursuant to the
18 authority delegated in this section. The authority granted to the Designated
19 Representative by this Section 13 shall expire on December 1, 2015. If the 2015
20 Bond has not been sold by December 1, 2015, the 2015 Bond shall not be issued
21 nor its sale approved unless such 2015 Bond shall have been re-authorized by
22 ordinance of the Council. The ordinance re-authorizing the issuance and sale of
23 such 2015 Bond may be in the form of a new ordinance repealing this ordinance in
24 whole or in part or may be in the form of an amendatory ordinance approving a
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1 Commitment or establishing terms and conditions for the authority delegated under
2 this Section 13.

3 (c) Delivery of Bond; Documentation. Upon the passage and approval of
4 this ordinance, the proper officials of the City including the City Manager and each
5 Designated Representative, are authorized and directed to undertake all action
6 necessary for the prompt execution and delivery of the 2015 Bond to the
7 Purchaser and further to execute all closing certificates, agreements, and
8 documents required to effect the closing and delivery of the 2015 Bond in
9 accordance with the terms of the Commitment.
10

11
12 Section 14. Supplements and Amendments.

13 (a) Without Bondowner Consent. The Council from time to time and
14 at any time may adopt an ordinance or ordinances amendatory and/or
15 supplemental hereof, and/or amend the District Interlocal Agreement
16 (individually, an "Amendment" or collectively, "Amendments") for any one or
17 more or all of the following purposes:
18

19 (1) To add to the covenants and agreements of the City or the
20 District herein or therein contained or other covenants and agreements
21 thereafter to be observed, which shall not adversely affect the interests of the
22 owners of any Parity Bonds in any material respect, or to surrender any right or
23 power herein or therein reserved to or conferred upon the City.
24

25 (2) To make such provisions for the purpose of curing any
26 ambiguities or of curing, correcting or supplementing any defective provision



1 contained therein or herein or in any ordinance authorizing Parity Bonds in
2 regard to matters or questions arising under such documents as the Council
3 may deem necessary or desirable and not inconsistent with such documents
4 and which shall not adversely affect the interest of the owners of Parity Bonds
5 in any material respect.

7 Any such Amendment described in this subsection (a) may be approved
8 and executed by the Council without the consent of the owners of any Parity
9 Bonds at any time Outstanding, notwithstanding any of the provisions of
10 subsection (b) of this section.

12 (b) With the consent of the owners of not less than 65% in aggregate
13 principal amount of the Parity Bonds at the time Outstanding, the Council may
14 approve an Amendment for the purpose of adding any provisions to or changing
15 in any manner or eliminating any of the provisions of this ordinance or of any
16 supplemental ordinance or the District Interlocal Agreement; provided, however,
17 that no such Amendment shall:

19 (1) Extend the fixed maturity of any Parity Bonds, or reduce
20 the rate of interest thereon, or extend the time of payments of interest from their
21 due date, or reduce the amount of the principal thereof, or reduce any premium
22 payable on the redemption thereof, without the consent of the owner of each
23 Parity Bond so affected; or
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1 (2) Reduce the aforesaid percentage of registered owners
2 required to approve any such Amendment, without the consent of the owners of
3 all of the Parity Bonds then outstanding.

4 It shall not be necessary for the consent of Parity Bond owners under
5 this subsection (b) to approve the particular form of any proposed Amendment,
6 but it shall be sufficient if such consent shall approve the substance thereof.

7 (c) Procedures. Upon the approval of any Amendment and the
8 execution and delivery thereof by the parties thereto, if applicable, pursuant to
9 the provisions of this section, this ordinance, and/or the District Interlocal
10 Agreement, as the case may be, shall be deemed to be modified and amended
11 in accordance therewith.
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14 Section 15. Ongoing Disclosure; Covenants.

15 (a) Ongoing Disclosure. The 2015 Bond is exempt from ongoing
16 disclosure requirements of the Rule.

17 (b) Covenants. The City may agree to provide the Purchaser certain
18 financial or other information and agree to such covenants as determined to be
19 necessary by the Designated Representative and as set forth in the Commitment
20 and approved by the Designated Representative pursuant to Section 13.

21 Section 16. Lost or Destroyed 2015 Bond. In case the 2015 Bond shall be
22 lost, stolen or destroyed while in the Registered Owner's possession, the Bond
23 Registrar may at the request of the Registered Owner execute and deliver a new
24 2015 Bond of like date, number and tenor to the Registered Owner thereof upon
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1 the Registered Owner's paying the expenses and charges of the City and the Bond
2 Registrar in connection therewith and upon its filing with the City written
3 certification that such 2015 Bond was actually lost, stolen or destroyed and of its
4 ownership thereof. In the case the 2015 Bond shall be lost, stolen, or destroyed
5 while in the Registered Owner's possession, the Registered Owner may elect upon
6 final payment of principal and interest of the 2015 Bond to surrender a photocopy
7 of the 2015 Bond for cancellation at the office of the Bond Registrar together with
8 written certification that such 2015 Bond was actually lost, stolen or destroyed and
9 of its ownership thereof.
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12 Section 17. Severability; Ratification. If any one or more of the covenants
13 or agreements provided in this ordinance to be performed on the part of the City
14 shall be declared by any court of competent jurisdiction to be contrary to law, then
15 such covenant or covenants, agreement or agreements, shall be null and void and
16 shall be deemed separable from the remaining covenants and agreements of this
17 ordinance and shall in no way affect the validity of the other provisions of this
18 ordinance or of the 2015 Bond. All acts taken pursuant to the authority granted in
19 this ordinance but prior to its effective date are hereby ratified and confirmed.
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Section 18. Effective Date. This ordinance shall take effect and be in force
10 days after its passage, approval and publication as required by law.

Passed: _____

Mayor

Attest:

City Clerk

Approved as to form and legality:
Pacifica Law Group LLP
Bond Counsel to the City of Tacoma

By _____



EXHIBIT A

FORM OF 2015 BOND

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The 2015 Bond shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. R-1 \$ _____

STATE OF WASHINGTON
CITY OF TACOMA

CONVENTION CENTER AND PARKING REVENUE REFUNDING BOND,
SERIES 2015

INTEREST RATE: _____%
MATURITY DATE: _____, 20[___]
REGISTERED OWNER: _____
PRINCIPAL AMOUNT: _____

The City of Tacoma, Washington, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, on or before the Maturity Date identified above, the Principal Amount identified above. This bond shall bear interest at the fixed rate stated above (the "Interest Rate"). Interest on this bond shall accrue from its dated date until paid and shall be computed per annum on the principal amount outstanding on a 30/360 basis. Principal of and accrued interest on this bond shall be payable on the dates set forth in the payment schedule attached hereto.

Both principal of and interest on this bond shall be payable in lawful money of the United States of America. Principal and interest on this bond shall be payable by check or warrant or by other means mutually acceptable to the Registered Owner and the City. Upon final payment of principal and interest of this bond, the Registered Owner shall surrender this bond for cancellation at the office of the Bond Registrar in accordance with Ordinance No. _____ of the City (the "Bond Ordinance").

This bond is issued pursuant to the Bond Ordinance to refund the City's outstanding Convention Center and Parking Revenue Bonds, Series 2004[, to fund the reserve fund,] and pay costs of issuance. Capitalized terms used in this bond have the meanings given such terms in the Bond Ordinance.

[The City may prepay this bond as provided in the Bond Ordinance and Commitment. Any such prepayment may be subject to a prepayment fee.]



1 The City hereby covenants and agrees with the Registered Owner that it
2 will keep and perform all the covenants of this bond and the Bond Ordinance.

3 The City does hereby pledge and bind itself to set aside from the District
4 Contribution and from the Parking Revenues, after payment of Operating
5 Expenses of the Parking System, and to pay into the 2015 Bond Fund the
6 various amounts required by the Bond Ordinance to be paid into and
7 maintained in said Fund, all within the times provided by the Bond Ordinance.

8 Said amounts so pledged to be paid out of the District Contribution and
9 the Parking Revenues into the 2015 Bond Fund are hereby declared to be a
10 first and prior lien and charge upon the District Contribution and the Parking
11 Revenues, subject in the case of Parking Revenues to payment of the
12 Operating Expenses of the Parking System, and equal in rank to the lien and
13 charge upon such District Contribution and the Parking Revenues of the
14 amounts required to pay and secure the payment of the outstanding Parity
15 Bonds and any revenue bonds of the City hereafter issued on a parity with the
16 outstanding Parity Bonds and this bond.

17 The City has further bound itself to provide for the proper operation and
18 maintenance of the Convention Center, including payment of Operating
19 Expenses, from the District Contribution, or other lawfully available funds. The
20 City will at all times establish, maintain and collect rentals, tariffs, rates and
21 charges in the operation of the Parking System for as long as any Parity Bonds
22 are Outstanding that will produce Net Parking Revenues in each fiscal year
23 sufficient to meet the covenants of the City provided for in the Bond Ordinance.

24 This bond is not a "private activity bond" as such term is defined in the
25 Internal Revenue Code of 1986, as amended (the "Code"). This bond has not
26 been declared as a "qualified tax exempt obligation" for purposes of Section
265(b) of the Internal Revenue Code of 1986, as amended.

This bond shall not be valid or become obligatory for any purpose or be
entitled to any security or benefit under the Bond Ordinance until the Certificate
of Authentication hereon shall have been manually signed by or on behalf of the
Bond Registrar or its duly designated agent.

This bond is issued pursuant to the Constitution and laws of the State of
Washington, and duly adopted ordinances of the City. This bond is transferable
upon compliance with the conditions set forth in the Bond Ordinance.

It is hereby certified that all acts, conditions and things required by the
Constitution and statutes of the State of Washington to exist, to have happened,
been done and performed precedent to and in the issuance of this bond exist,
have happened, been done and performed and that the issuance of this bond



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does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City may incur.

IN WITNESS WHEREOF, the City of Tacoma, Washington, has caused this bond to be executed by the manual or facsimile signature of the Mayor of the City Council and attested by the manual or facsimile signature of the Clerk, as of this _____ day of _____, 2015.

[SEAL]

CITY OF TACOMA, WASHINGTON

By _____
/s/ manual or facsimile
Mayor

ATTEST:

/s/ manual or facsimile
Clerk of the City

REGISTRATION CERTIFICATE

This bond is registered in the name of the Registered Owner on the books of the City, in the office of the Finance Director of the City (the "Bond Registrar"), as to both principal and interest, as noted in the registration blank below. All payments of principal of and interest on this bond shall be made by the City from the Bond Fund.

Date of Registration	Name and Address of Registered Owner	Signature of Bond Registrar
_____, 2015		_____ Finance Director



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PAYMENT SCHEDULE

Principal and interest on this bond shall be payable as set forth in the following schedule:

Date	Principal	Interest	Total Payment
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CLERK'S CERTIFICATE

1 I, the undersigned, the duly chosen, qualified City Clerk of the City of
2 Tacoma, Washington, and keeper of the records of the Council (herein called the
3 "Council"), DO HEREBY CERTIFY:
4

5 1. That the attached Ordinance No. ____ (herein called the
6 "Ordinance") is a true and correct copy of an Ordinance of the Council, as finally
7 passed at a regular meeting of the Council held on the ____ day of _____,
8 2015, and duly recorded in my office.

9 2. That said meeting was duly convened and held in all respects in
10 accordance with law, and to the extent required by law, due and proper notice of
11 such meeting was given; that a legal quorum was present throughout the meeting
12 and a legally sufficient number of members of the Council voted in the proper
13 manner for the passage of said Ordinance; that all other requirements and
14 proceedings incident to the proper adoption of said Ordinance have been duly
15 fulfilled, carried out and otherwise observed, and that I am authorized to execute
16 this certificate.
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19 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the
20 official seal of the City as of this ____ day of _____, 2015.
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23 _____
24 City Clerk
25 City of Tacoma, Washington
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