



ORDINANCE NO. 28452

1 AN ORDINANCE of the City of Tacoma, Washington, providing for the issuance
2 and sale of limited tax general obligation bonds of the City in the aggregate
3 principal amount of not to exceed \$35,000,000 to finance various capital
4 improvements and acquisitions of the City, to construct, improve, rehabilitate,
5 and equip public infrastructure and public facilities of the City and to pay
6 costs of issuing the bonds; providing the form and terms of the bonds; and
7 delegating the authority to approve the final terms of the bonds.

8 WHEREAS the City Council (the "Council") of the City of Tacoma,
9 Washington (the "City") has deemed it in the best interest of the City to finance
10 various capital improvements and acquisitions of the City and to construct, improve,
11 rehabilitate, and equip public infrastructure and public facilities of the City, including
12 but not limited to, the Tacoma Dome and other facilities (the "Projects"), and

13 WHEREAS, after due consideration, the Council has determined that it is in
14 the best interest of the City to authorize the issuance and sale of one or more series
15 of limited tax general obligation bonds to pay all or a portion of the costs of the
16 Projects and to pay costs of issuance for the Bonds, and

17 WHEREAS this Council wishes to delegate authority to the City Finance
18 Director, Treasurer, and Assistant Finance Director/Controller, or their designee
19 (each, a "Designated Representative"), for a limited time, to approve the method of
20 sale and the interest rates, maturity dates, redemption terms and principal
21 maturities for the bonds within the parameters set by this ordinance, and

22 WHEREAS the Bonds shall be sold by competitive public sale as set forth
23 herein; Now, Therefore,

24 BE IT ORDAINED BY THE CITY OF TACOMA:
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Exhibit "A" Form of Bond

* This Table of Contents is provided for convenience only and is not a part of this ordinance.



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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:

“Assistant Finance Director/Controller” means the duly appointed and acting Assistant Finance Director/Controller of the City or the successor to the duties of that office.

“Beneficial Owner” means any person that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Bond Counsel” means Pacifica Law Group LLP or an attorney at law or a firm of attorneys, selected by the City, of nationally recognized standing in matters pertaining to the tax exempt nature of interest on bonds issued by states and their political subdivisions.

“Bond Fund” means one or more Limited Tax General Obligation Bond Funds created by the City for the purpose of paying and securing the payment of each series of Bonds.

“Bond Register” means the registration books maintained by the Bond Registrar for purposes of identifying ownership of the Bonds or the nominee of each owner, and such other information as the Bond Registrar shall determine.

“Bond Registrar” means, initially, the fiscal agent of the State, for the purposes of registering and authenticating the Bonds, maintaining the Bond



1 Register, effecting transfer of ownership of the Bonds and paying interest on and
2 principal of the Bonds.

3 "Bonds" mean the limited tax general obligation bonds authorized to be
4 issued in one or more series pursuant to this ordinance in the aggregate principal
5 amount of not to exceed \$35,000,000.
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7 "Certificate of Award" means the certificate for the purchase of a series of
8 Bonds awarding the Bonds to the initial purchaser for such Bonds as set forth in
9 Section 11 of this ordinance.
10

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

13 "City Attorney" means the duly appointed and acting City Attorney, including
14 anyone acting in such capacity for the position, or the successor to the duties of
15 that office.

16 "City Clerk" means the duly appointed and acting City Clerk of the City or the
17 successor to the duties of that office.
18

19 "City Manager" means the duly appointed and acting City Manager of the
20 City or the successor to the duties of that office.

21 "Closing" means the date of issuance and delivery of a series of Bonds to the
22 applicable Underwriter.
23

24 "Code" means the Internal Revenue Code of 1986 as in effect on the date of
25 issuance of the Tax-Exempt Bonds or (except as otherwise referenced herein) as it
26 may be amended to apply to obligations issued on the date of issuance of the
Tax-Exempt Bonds, together with applicable proposed, temporary and final



1 regulations promulgated, and applicable official public guidance published, under
2 the Code.

3 “Commission” means the Securities and Exchange Commission.

4 “Continuing Disclosure Certificate” means the written undertaking for the
5 benefit of the owners and Beneficial Owners of the Bonds of a series as required by
6 Section (b)(5) of the Rule.

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

10 “Designated Representatives” mean the City Finance Director, Treasurer,
11 and Assistant Finance Director/Controller, or their designee. The signature of one
12 Designated Representative shall be sufficient to bind the City.

14 “DTC” means The Depository Trust Company, New York, New York.

15 “Fair Market Value” means the price at which a willing buyer would purchase
16 an investment from a willing seller in a bona fide, arm's-length transaction, except
17 for specified investments as described in Treasury Regulation §1.148-5(d)(6),
18 including United States Treasury obligations, certificates of deposit, guaranteed
19 investment contracts, and investments for yield restricted defeasance escrows.

21 Fair Market Value is generally determined on the date on which a contract to
22 purchase or sell an investment becomes binding, and, to the extent required by the
23 applicable regulations under the Code, the term “investment” will include a hedge.

25 “Federal Tax Certificate” means the certificate executed by the Finance
26 Director setting forth the requirements of the Code for maintaining the tax
exemption of interest on any Tax-Exempt Bonds, and attachments thereto.



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

3 "Fiscal Year" means the fiscal year used by the City at any time. At the time
4 of the passage of this ordinance, the Fiscal Year is the 12-month period beginning
5 January 1 of each year.
6

7 "Government Obligations" means those obligations now or hereafter defined
8 as such in chapter 39.53 RCW constituting direct obligations of, or obligations the
9 principal of and interest on which are unconditionally guaranteed by the United
10 States of America, as such chapter may be hereafter amended or restated.
11

12 "Letter of Representations" means the blanket issuer letter of representations
13 from the City to DTC.

14 "MSRB" means the Municipal Securities Rulemaking Board or any successor
15 to its functions.

16 "Official Statement" means the disclosure documents prepared and delivered
17 in connection with the issuance of the Bonds.
18

19 "Project Fund" has the meaning set forth in Section 7.

20 "Projects" mean capital improvements and acquisitions of the City and the
21 construction, improvement, rehabilitation and equipping of public infrastructure and
22 public facilities of the City, including, but not limited to, the Tacoma Dome and other
23 facilities.
24

25 "Record Date" means the close of business for the Bond Registrar that is
26 15 days preceding any interest and/or principal payment or redemption date.



1 "Registered Owner" means the person named as the registered owner of a
2 Bond in the Bond Register. For so long as the Bonds are held in book-entry only
3 form, DTC or its nominee shall be deemed to be the sole Registered Owner.

4 "Rule" means the Commission's Rule 15c2-12 under the Securities and
5 Exchange Act of 1934, as the same may be amended from time to time.

6 "State" means the state of Washington.

7 "Taxable Bonds" means any Bonds determined to be issued on a taxable
8 basis pursuant to Section 11.

9 "Tax-Exempt Bonds" mean any Bonds determined to be issued on a tax-
10 exempt basis under the Code pursuant to Section 11.

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

13 "Underwriter" means the initial purchaser of a series of Bonds selected
14 pursuant to Section 11.

15 (b) Interpretation. In this ordinance, unless the context otherwise requires:

16 (1) The terms "hereby," "hereof," "hereto," "herein," "hereunder," and
17 any similar terms, as used in this ordinance, refer to this ordinance as a whole and
18 not to any particular article, section, subdivision or clause hereof, and the term
19 "hereafter" shall mean after, and the term "heretofore" shall mean before, the date
20 of this ordinance;

21 (2) Words of the masculine or feminine gender shall mean and
22 include correlative words of any gender and words importing the singular number
23 shall mean and include the plural number and vice versa;



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

4 (4) Any headings preceding the text of the several articles and
5 sections of this ordinance, and any table of contents or marginal notes appended to
6 copies hereof, shall be solely for convenience of reference and shall not constitute
7 a part of this ordinance, nor shall they affect its meaning, construction or effect; and
8

9 (5) All references herein to “articles,” “sections,” and other
10 subdivisions or clauses are to the corresponding articles, sections, subdivisions, or
11 clauses hereof.
12

13 Section 2. Authorization and Description of Bonds. For the purposes of
14 financing and/or reimbursing the City for costs of the Projects and paying costs of
15 issuance of the Bonds, the City is hereby authorized to issue and sell one or more
16 series of limited tax general obligation bonds in the aggregate principal amount of
17 not to exceed \$35,000,000 (the “Bonds”).
18

19 The Bonds of each series shall be designated as the “City of Tacoma,
20 Washington, Limited Tax General Obligation Bonds, [year of issue]” with other such
21 designation as set forth in the Certificate of Award and approved by a Designated
22 Representative pursuant to this ordinance. The Bonds of each series shall be dated
23 as of their date of initial delivery to the Underwriter for such series, shall be fully
24 registered as to both principal and interest, shall be in the denomination of \$5,000
25 each or any integral multiple thereof within a series and maturity, shall be numbered
26 separately in the manner and with any additional designation as the Bond Registrar



1 deems necessary for purposes of identification and control, and shall bear interest
2 payable on the dates set forth in the applicable Certificate of Award. The Bonds
3 shall bear interest at the rates and shall mature on the dates and in the principal
4 amounts set forth in the applicable Certificate of Award.

5
6 Section 3. Registration, Exchange and Payments.

7 (a) Bond Registrar/Bond Register. The City hereby specifies and adopts the
8 system of registration approved by the Washington State Finance Committee from
9 time to time through the appointment of state fiscal agencies. The City shall cause
10 a bond register to be maintained by the Bond Registrar. So long as any Bonds
11 remain outstanding, the Bond Registrar shall make all necessary provisions to
12 permit the exchange or registration or transfer of Bonds at its designated office.
13 The Bond Registrar may be removed at any time at the option of the Finance
14 Director upon prior notice to the Bond Registrar and a successor Bond Registrar
15 appointed by the Finance Director. No resignation or removal of the Bond Registrar
16 shall be effective until a successor shall have been appointed and until the
17 successor Bond Registrar shall have accepted the duties of the Bond Registrar
18 hereunder. The Bond Registrar is authorized, on behalf of the City, to authenticate
19 and deliver Bonds transferred or exchanged in accordance with the provisions of
20 such Bonds and this ordinance and to carry out all of the Bond Registrar's powers
21 and duties under this ordinance. The Bond Registrar shall be responsible for its
22 representations contained in the Certificate of Authentication of the Bonds.
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26 (b) Registered Ownership. The City and the Bond Registrar, each in its
discretion, may deem and treat the Registered Owner of each Bond as the absolute



1 owner thereof for all purposes (except as provided in the Continuing Disclosure
2 Certificate), and neither the City nor the Bond Registrar shall be affected by any
3 notice to the contrary. Payment of any such Bond shall be made only as described
4 in Section 3(g), but such Bond may be transferred as herein provided. All such
5 payments made as described in Section 3(g) shall be valid and shall satisfy and
6 discharge the liability of the City upon such Bond to the extent of the amount or
7 amounts so paid.
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9 (c) DTC Acceptance/Letters of Representations. The Bonds initially shall be
10 held by DTC acting as depository. The City has executed and delivered to DTC a
11 Blanket Issuer Letter of Representations. Neither the City nor the Bond Registrar
12 shall have any responsibility or obligation to DTC participants or the persons for
13 whom they act as nominees (or any successor depository) with respect to the
14 Bonds in respect of the accuracy of any records maintained by DTC (or any
15 successor depository) or any DTC participant, the payment by DTC (or any
16 successor depository) or any DTC participant of any amount in respect of the
17 principal of or interest on Bonds, any notice which is permitted or required to be
18 given to Registered Owners under this ordinance (except such notices as shall be
19 required to be given by the City to the Bond Registrar or to DTC (or any successor
20 depository)), or any consent given or other action taken by DTC (or any successor
21 depository) as the Registered Owner. For so long as any Bonds are held by a
22 depository, DTC or its successor depository or its nominee shall be deemed to be
23 the Registered Owner for all purposes hereunder, and all references herein to the
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1 Registered Owners shall mean DTC (or any successor depository) or its nominee
2 and shall not mean the owners of any beneficial interest in such Bonds.

3 (d) Use of Depository.

4 (1) The Bonds shall be registered initially in the name of "Cede &
5 Co.", as nominee of DTC, with one Bond of each series maturing on each of the
6 maturity dates for the Bonds in a denomination corresponding to the total principal
7 therein designated to mature on such date. Registered ownership of such Bonds,
8 or any portions thereof, may not thereafter be transferred except (A) to any
9 successor of DTC or its nominee, provided that any such successor shall be
10 qualified under any applicable laws to provide the service proposed to be provided
11 by it; (B) to any substitute depository appointed by the Finance Director pursuant to
12 subsection (2) below or such substitute depository's successor; or (C) to any
13 person as provided in subsection (4) below.

14 (2) Upon the resignation of DTC or its successor (or any substitute
15 depository or its successor) from its functions as depository or a determination by
16 the Finance Director to discontinue the system of book entry transfers through DTC
17 or its successor (or any substitute depository or its successor), the Finance Director
18 may hereafter appoint a substitute depository. Any such substitute depository shall
19 be qualified under any applicable laws to provide the services proposed to be
20 provided by it.

21 (3) In the case of any transfer pursuant to clause (A) or (B) of
22 subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding
23 Bonds of a series, together with a written request on behalf of the Finance Director,
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1 issue a single new Bond for each maturity of that series then outstanding,
2 registered in the name of such successor or such substitute depository, or their
3 nominees, as the case may be, all as specified in such written request of the
4 Finance Director.

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6 (4) In the event that (A) DTC or its successor (or substitute depository
7 or its successor) resigns from its functions as depository, and no substitute
8 depository can be obtained, or (B) the Finance Director determines that it is in the
9 best interest of the beneficial owners of the Bonds that such owners be able to
10 obtain physical Bond certificates, the ownership of such Bonds may then be
11 transferred to any person or entity as herein provided, and shall no longer be held
12 by a depository. The Finance Director shall deliver a written request to the Bond
13 Registrar, together with a supply of physical Bonds, to issue Bonds as herein
14 provided in any authorized denomination. Upon receipt by the Bond Registrar of all
15 then outstanding Bonds of a series together with a written request on behalf of the
16 Finance Director to the Bond Registrar, new Bonds of such series shall be issued in
17 the appropriate denominations and registered in the names of such persons as are
18 requested in such written request.

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21 (e) Registration of Transfer of Ownership or Exchange; Change in
22 Denominations. The transfer of any Bond may be registered and Bonds may be
23 exchanged, but no transfer of any such Bond shall be valid unless it is surrendered
24 to the Bond Registrar with the assignment form appearing on such Bond duly
25 executed by the Registered Owner or such Registered Owner's duly authorized
26 agent in a manner satisfactory to the Bond Registrar. Upon such surrender, the



1 Bond Registrar shall cancel the surrendered Bond and shall authenticate and
2 deliver, without charge to the Registered Owner or transferee therefor, a new Bond
3 (or Bonds at the option of the new Registered Owner) of the same series, date,
4 maturity, and interest rate and for the same aggregate principal amount in any
5 authorized denomination, naming as Registered Owner the person or persons listed
6 as the assignee on the assignment form appearing on the surrendered Bond, in
7 exchange for such surrendered and cancelled Bond. Any Bond may be
8 surrendered to the Bond Registrar and exchanged, without charge, for an equal
9 aggregate principal amount of Bonds of the same series, date, maturity, and
10 interest rate, in any authorized denomination. The Bond Registrar shall not be
11 obligated to register the transfer of or to exchange any Bond between the Record
12 Date and the next principal payment or redemption date.

15 (f) Bond Registrar's Ownership of Bonds. The Bond Registrar may become
16 the Registered Owner of any Bond with the same rights it would have if it were not
17 the Bond Registrar, and to the extent permitted by law, may act as depository for
18 and permit any of its officers or directors to act as a member of, or in any other
19 capacity with respect to, any committee formed to protect the right of the Registered
20 Owners or beneficial owners of Bonds.

22 (g) Place and Medium of Payment. Both principal of and interest on the
23 Bonds shall be payable in lawful money of the United States of America. Interest
24 on the Bonds shall be calculated on the basis of a year of 360 days and twelve
25 30-day months. For so long as all Bonds are held by a depository, payments of
26 principal thereof and interest thereon shall be made as provided in accordance with



1 the operational arrangements of DTC referred to in the Letter of Representations.

2 In the event that the Bonds are no longer held by a depository, interest on the
3 Bonds shall be paid by check or draft mailed to the Registered Owners at the
4 addresses for such Registered Owners appearing on the Bond Register on the
5 Record Date, or upon the written request of a Registered Owner of more than
6 \$1,000,000 of Bonds (received by the Bond Registrar at least by the Record Date),
7 such payment shall be made by the Bond Registrar by wire transfer to the account
8 within the United States designated by the Registered Owner. Principal of the
9 Bonds shall be payable upon presentation and surrender of such Bonds by the
10 Registered Owners at the designated office of the Bond Registrar.
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13 If any Bond is duly presented for payment and funds have not been provided
14 by the City on the applicable payment date, then interest will continue to accrue
15 thereafter on the unpaid principal thereof at the rate stated on the Bond until the
16 Bond is paid.
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18 Section 4. Redemption Prior to Maturity and Purchase of Bonds.

19 (a) Mandatory Redemption of Term Bonds and Optional Redemption, if any.
20 The Bonds of each series shall be subject to optional redemption on the dates, at
21 the prices and under the terms set forth in the Certificate of Award approved by a
22 Designated Representative pursuant to Section 11. The Bonds of each series shall
23 be subject to mandatory redemption to the extent, if any, set forth in the Certificate
24 of Award approved by a Designated Representative pursuant to Section 11.
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26 (b) Purchase of Bonds. The City hereby reserves the right at any time to
purchase any of the Bonds from amounts available for such purchase.



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(c) Selection of Bonds for Redemption. For as long as the Bonds are held in book entry only form, the selection of particular Bonds within a series and maturity to be redeemed shall be made in accordance with the operational arrangements then in effect at DTC. If the Bonds are no longer held by a depository, the selection of such Bonds to be redeemed and the surrender and reissuance thereof, as applicable, shall be made as provided in the following provisions of this subsection (c). If the City redeems at any one time fewer than all of the Bonds of a series having the same maturity date, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot (or in such manner determined by the Bond Registrar) in increments of \$5,000. In the case of a Bond of a denomination greater than \$5,000, the City and the Bond Registrar shall treat each Bond of that series as representing such number of separate Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Bond by \$5,000. In the event that only a portion of the principal sum of a Bond is redeemed, upon surrender of such Bond at the designated office of the Bond Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds of like series, maturity and interest rate in any of the denominations herein authorized.

(d) Notice of Redemption.

(1) Official Notice. For so long as the Bonds are held by a depository, notice of redemption shall be given in accordance with the operational arrangements of DTC as then in effect, and neither the City nor the Bond Registrar



1 shall provide any notice of redemption to any beneficial owners. The notice of
2 redemption may be conditional. Unless waived by any owner of Bonds to be
3 redeemed, official notice of any such redemption (which redemption may be
4 conditioned by the Bond Registrar on the receipt of sufficient funds for redemption
5 or otherwise) shall be given by the Bond Registrar on behalf of the City by mailing a
6 copy of an official redemption notice by first class mail at least 20 days and not
7 more than 60 days prior to the date fixed for redemption to the Registered Owner of
8 the Bond or Bonds to be redeemed at the address shown on the Bond Register or
9 at such other address as is furnished in writing by such Registered Owner to the
10 Bond Registrar.
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13 All official notices of redemption shall be dated and shall state:

- 14 (A) the redemption date,
15 (B) the redemption price,
16 (C) if fewer than all outstanding Bonds are to be redeemed,
17 the identification by maturity (and, in the case of partial redemption, the respective
18 principal amounts) of the Bonds to be redeemed,
19 (D) any conditions to redemption, and
20 (E) the place where such Bonds are to be surrendered for
21 payment of the redemption price, which place of payment shall be the principal
22 office of the Bond Registrar.
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25 On or prior to any redemption date, unless such redemption has been
26 rescinded or revoked, the City shall deposit with the Bond Registrar an amount of
money sufficient to pay the redemption price of all the Bonds of such series or



1 portions of such Bonds which are to be redeemed on that date. The City retains the
2 right to rescind any redemption notice and the related optional redemption of Bonds
3 by giving notice of rescission to the affected registered owners at any time on or
4 prior to the scheduled redemption date. Any notice of optional redemption that is so
5 rescinded shall be of no effect, and the Bonds for which the notice of optional
6 redemption has been rescinded shall remain outstanding.

8 (2) Effect of Notice; Bonds Due. If notice of redemption has been
9 given and not rescinded or revoked, or if the conditions set forth in a conditional
10 notice of redemption have been satisfied or waived, the Bonds of such series or
11 portions of Bonds to be redeemed shall, on the redemption date, become due and
12 payable at the redemption price therein specified, and from and after such date
13 such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of
14 such Bonds for redemption in accordance with said notice, such Bonds shall be
15 paid by the Bond Registrar at the redemption price. Installments of interest due on
16 or prior to the redemption date shall be payable as herein provided for payment of
17 interest. All Bonds which have been redeemed shall be canceled by the Bond
18 Registrar and shall not be reissued.

21 (3) Additional Notice. In addition to the foregoing notice, further
22 notice shall be given by the City as set out below, but no defect in said further
23 notice nor any failure to give all or any portion of such further notice shall in any
24 manner defeat the effectiveness of a call for redemption if notice thereof is given as
25 above-prescribed. Each further notice of redemption given hereunder shall contain
26 the information required above for an official notice of redemption plus (A) the



1 CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as
2 originally issued; (C) the rate of interest borne by each Bond being redeemed;
3 (D) the maturity date of each Bond being redeemed; and (E) any other descriptive
4 information needed to identify accurately the Bonds being redeemed. Each further
5 notice of redemption may be sent at least 20 days before the redemption date to
6 each party entitled to receive notice pursuant to Section 13 and with such additional
7 information as the City shall deem appropriate, but such mailings shall not be a
8 condition precedent to the redemption of such Bonds.
9

10 (4) Amendment of Notice Provisions. The foregoing notice provisions of this
11 Section 4, including, but not limited to, the information to be included in redemption
12 notices and the persons designated to receive notices, may be amended by
13 additions, deletions and changes in order to maintain compliance with duly
14 promulgated regulations and recommendations regarding notices of redemption of
15 municipal securities.
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18 Section 5. Form of Bonds. The Bonds shall be in substantially the form set
19 forth in Exhibit "A," which is incorporated herein by this reference.

20 Section 6. Execution of Bonds. The Bonds shall be executed on behalf of
21 the City with the manual or facsimile signatures of the Mayor and City Clerk of the
22 City and the seal of the City shall be impressed, imprinted, or otherwise reproduced
23 thereon.
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25 Only such Bonds as shall bear thereon a Certificate of Authentication in the
26 form provided herein, manually executed by the Bond Registrar, shall be valid or
obligatory for any purpose or entitled to the benefits of this ordinance. Such



1 Certificate of Authentication shall be conclusive evidence that the Bonds so
2 authenticated have been duly executed, authenticated and delivered hereunder and
3 are entitled to the benefits of this ordinance.

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

14 Section 7. Application of Bond Proceeds. The Finance Director is hereby
15 authorized to create a fund or account (the "Project Fund"), and subaccounts
16 therein as necessary, for the purposes set forth in this section. A portion of the
17 proceeds of the Bonds, net of any underwriting discount and fees, shall be
18 deposited in the Project Fund in the amounts specified in the closing memorandum
19 prepared in connection with the issuance of the Bonds. Such proceeds shall be
20 used to pay and/or reimburse the City for the costs of the Projects and to pay costs
21 of issuance of the Bonds. The Finance Director shall invest money in the Project
22 Fund and the subaccounts contained therein in such obligations as may now or
23 hereafter be permitted to cities of the State by law and which will mature prior to the
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1 date on which such money shall be needed, but only to the extent that the same are
2 acquired, valued, and disposed of at Fair Market Value. Upon completion of the
3 Projects, Bond proceeds (including interest earnings thereon) may be used for
4 other capital projects of the City or shall be transferred to the Bond Fund.
5

6 Section 8. Bond Fund and Provision for Tax Levy Payments. The City
7 hereby authorizes the creation of one or more funds, and accounts held therein, to
8 be used for the payment of debt service on each series of Bonds, designated as the
9 "Limited Tax General Obligation Bond Debt Service Fund" or other such designation
10 selected by the City (the "Bond Fund"). No later than the date each payment of
11 principal of or interest on the Bonds becomes due, the City shall transmit sufficient
12 funds, from the Bond Fund or from other legally available sources, to the Bond
13 Registrar for the payment of such principal or interest. Money in the Bond Fund
14 may be invested in legal investments for City funds, but only to the extent that the
15 same are acquired, valued, and disposed of at Fair Market Value.
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18 The City hereby irrevocably covenants and agrees for as long as any of the
19 Bonds are outstanding and unpaid that each year it will include in its budget and
20 levy an *ad valorem* tax upon all the property within the City subject to taxation in an
21 amount that will be sufficient, together with all other revenues and money of the City
22 legally available for such purposes, to pay the principal of and interest on the Bonds
23 when due.
24

25 The City hereby irrevocably pledges that the annual tax provided for herein
26 to be levied for the payment of such principal and interest shall be within and as a
part of the tax levy permitted to cities without a vote of the people, and that a



1 sufficient portion of each annual levy to be levied and collected by the City prior to
2 the full payment of the principal of and interest on the Bonds will be and is hereby
3 irrevocably set aside, pledged and appropriated for the payment of the principal of
4 and interest on the Bonds. The full faith, credit, and resources of the City are
5 hereby irrevocably pledged for the annual levy and collection of said taxes and for
6 the prompt payment of the principal of and interest on the Bonds when due.
7

8 Section 9. Defeasance. In the event that the City, to effect the payment,
9 retirement, or redemption of any Bond, sets aside in the Bond Fund or in another
10 special account, cash or noncallable Government Obligations, or any combination
11 of cash and/or noncallable Government Obligations, in amounts and maturities
12 which, together with the known earned income therefrom, are sufficient to redeem
13 or pay and retire such Bond in accordance with its terms and to pay when due the
14 interest and redemption premium, if any, thereon, and such cash and/or noncallable
15 Government Obligations are irrevocably set aside and pledged for such purpose,
16 then no further payments need be made into the Bond Fund for the payment of the
17 principal of and interest on such Bond. The owner of a Bond so provided for shall
18 cease to be entitled to any lien, benefit, or security of this ordinance except the right
19 to receive payment of principal, premium, if any, and interest from the Bond Fund or
20 such special account, and such Bond shall be deemed to be not outstanding under
21 this ordinance.
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25 The City shall give written notice of defeasance to the Registered Owner(s)
26 of the Bonds and to each party entitled to receive notice in accordance with the
Continuing Disclosure Certificate.



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Section 10. Tax Covenants. The City will take all actions necessary to assure the exclusion of interest on the Tax-Exempt Bonds from the gross income of the owners of the Tax-Exempt Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Tax-Exempt Bonds, including, but not limited to, the following:

(a) Private Activity Bond Limitation. The City will assure that the proceeds of the Tax-Exempt Bonds are not so used as to cause the Tax-Exempt Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(b) Limitations on Disposition of Projects. The City will not sell or otherwise transfer or dispose of (i) any personal property components of the Projects other than in the ordinary course of an established government program under Treasury Regulation 1.141-2(d)(4) or (ii) any real property components of the Projects, unless it has received an opinion of nationally recognized bond counsel to the effect that such disposition will not adversely affect the treatment of interest on the Tax-Exempt Bonds as excludable from gross income for federal income tax purposes.

(c) Federal Guarantee Prohibition. The City will not take any action or permit or suffer any action to be taken if the result of such action would be to cause any of the Tax-Exempt Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(d) Rebate Requirement. The City will take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess



1 investment earnings, if any, to the federal government, to the extent that such
2 section is applicable to the Tax-Exempt Bonds.

3 (e) No Arbitrage. The City will not take, or permit or suffer to be taken, any
4 action with respect to the proceeds of the Tax-Exempt Bonds which, if such action
5 had been reasonably expected to have been taken, or had been deliberately and
6 intentionally taken, on the date of issuance of the Tax-Exempt Bonds would have
7 caused the Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of
8 Section 148 of the Code.
9

10 (f) Registration Covenant. The City will maintain a system for recording the
11 ownership of each Tax-Exempt Bond that complies with the provisions of
12 Section 149 of the Code until all Tax-Exempt Bonds have been surrendered and
13 canceled.
14

15 (g) Record Retention. The City will retain its records of all accounting and
16 monitoring it carries out with respect to the Tax-Exempt Bonds for at least three
17 years after the Tax-Exempt Bonds mature or are redeemed (whichever is earlier);
18 however, if the Tax-Exempt Bonds are redeemed and refunded, the City will retain
19 its records of accounting and monitoring at least three years after the earlier of the
20 maturity or redemption of the obligations that refunded the Tax-Exempt Bonds.
21

22 (h) Compliance with Federal Tax Certificate. The City will comply with the
23 provisions of the Federal Tax Certificate with respect to the Tax-Exempt Bonds,
24 which are incorporated herein as if fully set forth herein. The covenants of this
25 section will survive payment in full or defeasance of the Tax-Exempt Bonds.
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Section 11. Sale of Bonds.

(a) Bond Sale. The Council has determined that it would be in the best interest of the City to delegate to the Designated Representatives, for a limited time, the authority to designate each series of Bonds as Tax-Exempt Bonds or Taxable Bonds and to approve the final interest rates, maturity dates, redemption terms, and principal maturities for each series of Bonds.

The Bonds shall be sold pursuant to a competitive public sale. A Designated Representative shall: (1) establish the date of the public sale; (2) establish the criteria by which the successful bidder(s) will be determined; (3) request that a good faith deposit 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. A Designated Representative shall cause the notice of sale to be given and provide for such other matters pertaining to the public sale as deemed necessary or desirable.

Upon the date and time established for the receipt of bids for the Bonds, a Designated Representative shall open the bids and shall cause the bids to be mathematically verified. The Bonds of each series shall be sold to the bidder offering to purchase them at the lowest true interest cost to the City; provided, however, that the Designated Representative reserves the right to reject any and all bids for the Bonds and also may waive any irregularity or informality in any bid. The Bonds of each series shall be sold to the Underwriter pursuant to the terms of a Certificate of Award.



1 Subject to the terms and conditions set forth in this Section 11, each
2 Designated Representative is hereby authorized to accept a bid for each series of
3 Bonds, to designate each series of Bonds as Tax-Exempt Bonds or Taxable Bonds
4 and to approve the final interest rates, aggregate principal amount, principal
5 maturities, and redemption rights for the Bonds in the manner provided hereafter so
6 long as:
7

8 (1) the aggregate principal amount of the Bonds does not exceed
9 \$35,000,000;

10 (2) the final maturity date for the Bonds is no later than December 1,
11 2038;

12 (3) the aggregate purchase price for the Bonds shall not be less than
13 98 percent of the aggregate stated principal amount of the Bonds, excluding any
14 original issue discount, and not greater than 130 percent;

15 (4) the true interest cost for any Tax-Exempt Bonds (in the
16 aggregate) does not exceed 5.00 percent;

17 (5) the true interest cost for any Taxable Bonds (in the aggregate)
18 does not exceed 5.00 percent; and

19 (6) the Bonds conform to all other terms of this ordinance.
20

21 Subject to the terms and conditions set forth in this section, each Designated
22 Representative is hereby authorized to select the Underwriter and execute the
23 Certificate of Award for each series of Bonds.
24

25 Following the sale of the Bonds, a Designated Representative shall provide a
26 report to the Council describing the final terms of the Bonds approved pursuant to



1 the authority delegated in this section. The authority granted to the Designated
2 Representatives by this Section 11 shall expire 180 days after the effective date of
3 this ordinance. If the Bonds have not been sold within 180 days after the effective
4 date of this ordinance, the authorization for the issuance of the Bonds shall be
5 rescinded and the Bonds shall not be issued nor their sale approved unless such
6 Bonds shall have been reauthorized by ordinance of the City Council. The
7 ordinance reauthorizing the issuance and sale of such Bonds may be in the form of
8 a new ordinance repealing this ordinance in whole or in part or may be in the form
9 of an amendatory ordinance approving the sale of the Bonds or establishing terms
10 and conditions for the authority delegated under this Section 11.
11
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13 (b) Delivery of Bonds; Documentation. Following the passage and approval
14 of this ordinance, the proper officials of the City, including the Finance Director,
15 Treasurer, Assistant Finance Director/Controller, and City Manager, are authorized
16 and directed to undertake all action necessary for the prompt execution and
17 delivery of the Bonds to the Underwriters and further to execute all closing
18 certificates and documents required to effect the closing and delivery of the Bonds
19 in accordance with the terms of this ordinance and the Certificates of Award.
20

21 Section 12. Approval of Official Statement. Each Designated
22 Representative is hereby authorized to deem final the preliminary Official Statement
23 relating to the Bonds for the purposes of the Rule. Each Designated
24 Representative is further authorized to approve for purposes of the Rule, on behalf
25 of the City, the final Official Statement relating to the issuance and sale of the
26



1 Bonds and the distribution of the final Official Statement pursuant thereto with such
2 changes, if any, as may be deemed by him or her to be appropriate.

3 Section 13. Ongoing Disclosure. The City covenants to execute and deliver
4 at the time of Closing of a series of Bonds a Continuing Disclosure Certificate.

5 Each Designated Representative is hereby authorized to execute and deliver a
6 Continuing Disclosure Certificate upon the issuance, delivery, and sale of a series
7 of Bonds with such terms and provisions as such officer shall deem appropriate and
8 in the best interests of the City.
9

10 Section 14. Lost or Destroyed Bonds. In case any Bonds shall be lost,
11 stolen, or destroyed, the Bond Registrar may authenticate and deliver a new
12 Bond(s) of like series, amount, date, tenor, and effect to the owner thereof upon the
13 owner paying the expenses and charges of the City in connection therewith and
14 upon filing with the Bond Registrar evidence satisfactory to the Bond Registrar that
15 such Bond(s) were actually lost, stolen, or destroyed and of ownership thereof, and
16 upon furnishing the City with indemnity satisfactory to both.
17
18

19 Section 15. Severability; Ratification. If any one or more of the covenants or
20 agreements provided in this ordinance to be performed on the part of the City shall
21 be declared by any court of competent jurisdiction to be contrary to law, then such
22 covenant or covenants, agreement or agreements, shall be null and void and shall
23 be deemed separable from the remaining covenants and agreements of this
24 ordinance and shall in no way affect the validity of the other provisions of this
25 ordinance or of the Bonds. All acts taken pursuant to the authority granted in this
26 ordinance but prior to its effective date are hereby ratified and confirmed.



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Section 16. Payments Due on Holidays. If an interest and/or principal payment date for the Bonds is not a business day, then payment shall be made on the next business day and no interest shall accrue for the intervening period.

Section 17. Corrections by Clerk. Upon approval of the City Attorney and Bond Counsel, 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 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 Bond

[DTC Language]

UNITED STATES OF AMERICA

No. _____ \$ _____

STATE OF WASHINGTON
CITY OF TACOMA

LIMITED TAX GENERAL OBLIGATION BOND, [YEAR OF ISSUE] [(TAXABLE)]

INTEREST RATE: % MATURITY DATE: CUSIP NO.:
REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT:

The City of Tacoma, Washington, a municipal corporation 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, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest from _____, 20__, or the most recent date to which interest has been paid or duly provided for, until payment of this bond at the Interest Rate set forth above, payable on _____, 20__, and semiannually thereafter on the first days of each succeeding ____ and _____. Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the City to DTC.

This bond is one of an authorized issue of bonds of like date and tenor, except as to number, amount, rate of interest, date of maturity and rights of redemption, in the aggregate principal amount of \$_____, and is issued pursuant to Ordinance No. _____ passed by the Council on _____, 2017 (the "Bond Ordinance") to provide the funds necessary to finance certain capital projects of the City and to pay costs of issuance of the bonds. Capitalized terms used in this bond and not otherwise defined shall have the meanings given them in the Bond Ordinance. [Simultaneously with the issuance of this bond, the City is issuing its _____ pursuant to the terms of the Bond Ordinance.]

The bonds of this issue are subject to redemption at the option of the City as provided in the Bond Ordinance and Certificate of Award.



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The City hereby irrevocably covenants and agrees with the owner of this bond that it will include in its annual budget and levy taxes annually, within and as a part of the tax levy permitted to the City without a vote of the electorate, upon all the property subject to taxation in amounts sufficient, together with other money legally available therefor, to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

[The bonds of this issue are not "private activity bonds" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). The bonds of this issue have not been designated by the City as "qualified tax exempt obligations" for investment by financial institutions under Section 265(b) of the Code.]

The pledge of tax levies for payment of principal of and interest on the bonds may be discharged prior to maturity of the bonds by making provision for the payment thereof on the terms and 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 and to have happened, been done and performed precedent to and in the issuance of this bond exist and have happened, been done and performed and that the issuance of this bond and the bonds of this issue 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 signed with the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk, and the seal of the City to be impressed or a facsimile thereof to be imprinted hereon, as of this _____ day of _____, 20_____.

[SEAL]

CITY OF TACOMA, WASHINGTON

By /s/ manual or facsimile
Mayor

ATTEST:

 /s/ manual or facsimile
City Clerk



1 The Bond Registrar's Certificate of Authentication on the Bonds shall be in
2 substantially the following form:

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CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Bond Ordinance and is one of the Limited Tax General Obligation Bonds, 20[][Taxable], of the City of Tacoma, Washington, dated _____, 20__.

WASHINGTON STATE FISCAL AGENT, as
Bond Registrar

By _____



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 "Ordinance") is a
6 true and correct copy of an Ordinance of the Council, as finally passed at a regular
7 meeting of the Council held on the 19th day of September, 2017, and duly recorded
8 in my office.

9
10 2. That said meeting was duly convened and held in all respects in
11 accordance with law, and to the extent required by law, due and proper notice of
12 such meeting was given; that a legal quorum was present throughout the meeting
13 and a legally sufficient number of members of the Council voted in the proper
14 manner for the passage of said Ordinance; that all other requirements and
15 proceedings incident to the proper passage of said Ordinance have been duly
16 fulfilled, carried out and otherwise observed, and that I am authorized to execute
17 this certificate.
18

19 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the
20 official seal of the City as of this 19th day of September, 2017.
21
22

23 _____
24 City Clerk
25 City of Tacoma, Washington
26