

**SUBSTITUTE
ORDINANCE NO. 27249**



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AN ORDINANCE authorizing the sale of limited tax general obligation bonds, in the aggregate principal amount of not to exceed \$56,000,000, for the purpose of refinancing costs of acquiring land for and constructing the City's new regional Convention Center; providing the form and certain terms of the bonds; and authorizing ongoing disclosure in connection with the bonds.

WHEREAS the City has acquired property for and commenced construction of a new regional convention center ("Convention Center"), and

WHEREAS pursuant to RCW 67.28 and Ordinance Nos. 26065, 23934, and 19129, the City has levied a lodging tax at the rate of 7 percent, which may be used to pay the cost of developing tourism-related facilities, and

WHEREAS pursuant to Ordinance No. 26954, passed by the City Council on June 4, 2002, the City authorized its Limited Tax General Obligation Bond Anticipation Notes (Tax-Exempt Commercial Paper), Series 2B ("2002 LTGO Notes") to finance costs of the Convention Center and related support facilities, including parking facilities, and

WHEREAS the City now desires to refinance costs of the Convention Center paid from proceeds of a portion of the 2002 LTGO Notes, and

WHEREAS it appears to the City Council that it is in the best interest of the City that limited tax general obligation bonds be issued, in the aggregate principal amount of not to exceed \$56,000,000, to effect such refinancing;

Now, Therefore,



BE IT ORDAINED BY THE CITY OF TACOMA:

1 Section 1. Definitions. Unless the context otherwise requires, the
2 following terms shall have the following meanings:

3 "Arbitrage and Tax Certificate" means the Tax and Arbitrage Certificate
4 signed by the City on the date of closing of the Bonds.
5

6 "Bond Fund" means "City of Tacoma Limited Tax General Obligation
7 Bond Redemption Fund, 2004" created by Section 6.

8 "Bond Insurance Policy" means the municipal bond insurance policy
9 issued by the Insurer, if any, insuring the payment when due of the principal of
10 and interest on the Bonds as provided therein.

11 "Bond Register" means the registration records for the Bonds maintained
12 by the Bond Registrar.
13

14 "Bond Registrar" means the fiscal agency of the state of Washington, in
15 New York, New York, for the purposes of registering and authenticating the
16 Bonds, maintaining the Bond Register, effecting transfer of ownership of the
17 Bonds, and paying principal of and interest on the Bonds.
18

19 "Bonds" means the not-to-exceed \$56,000,000 principal amount of City
20 of Tacoma, Washington, Limited Tax General Obligation Bonds, 2004, issued
21 pursuant to this ordinance.

22 "City" means the City of Tacoma, Washington, a municipal corporation
23 duly organized and existing under the laws of the State of Washington.
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1 "Code" means the Internal Revenue Code of 1986, as amended,
2 together with corresponding and applicable final, temporary or proposed
3 regulations and revenue rulings issued or amended by the United States
4 Treasury Department or the Internal Revenue Service, to the extent applicable
5 to the Bonds.

6 "Commission" means the Securities and Exchange Commission.

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

11 "Council" means the general legislative authority of the City.

12 "DTC" means The Depository Trust Company of New York, as depository
13 for the Bonds, or any successor or substitute depository for the Bonds.
14

15 "Insurer" means MBIA Insurance Corporation, a stock insurance
16 company incorporated under the laws of the State of New York, and shall
17 include any successors.
18

19 "Letter of Representations" means the Blanket Letter of Representations
20 from the City to DTC.

21 "Lodging Taxes" means all lodging taxes levied and received by the City,
22 pursuant to RCW 67.28.181.

23 "MSRB" means the Municipal Securities Rulemaking Board or any
24 successor to its functions.
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1 "NRMSIR" means a nationally recognized municipal securities
2 information repository.

3 "Registered Owner" means the person in whose name a Bond is
4 registered on the Bond Register. For so long as the City utilizes the book-entry
5 system for the Bonds, DTC shall be deemed to be the Registered Owner.

6 "Rule" means the Commission's Rule 15c2-12 under the Securities
7 Exchange Act of 1934.

8 "Sale Resolution" means a resolution of the Council approving the sale of
9 the Bonds, in accordance with Section 13.

10 "SID" means a state information depository for the State of Washington
11 (if one is created).

12 "Term Bonds" means any Bonds designated by the successful bidder
13 therefor as term bonds in the bid submitted for such Bonds.

14 Section 2. Plan of Finance. That the City hereby finds and confirms that
15 the public interest, welfare, and benefit of the inhabitants of the City require that
16 the City complete the Convention Center Project, and such Convention Center
17 Project is hereby authorized. The estimated aggregate cost of the Convention
18 Center Project is \$108,412,000. The City wishes to proceed to refinance
19 \$56,000,000 of the cost of the Convention Center Project previously financed
20 with the proceeds of a portion of the 2002 LTGO Notes.

21 Section 3. Authorization of Bonds. That the City shall issue and sell the
22 Bonds in the aggregate principal amount of not to exceed \$56,000,000 to
23 refinance costs of the Convention Center Project and pay costs of issuing the
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1 Bonds. The Bonds shall be general obligations of the City; shall be designated
2 "City of Tacoma, Washington, Limited Tax General Obligation Bonds, 2004";
3 shall be dated as of their date of delivery or such other date set forth in the Sale
4 Resolution; shall be issued in fully registered form in the denomination of
5 \$5,000 or any integral multiple thereof, provided that no Bond shall represent
6 more than one maturity; shall be numbered separately and in such manner and
7 with any additional designation as the Bond Registrar deems necessary for
8 purposes of identification and control; shall bear interest (calculated based on a
9 360-day year of 12 30-day months) at the rates set forth in the Sale Resolution,
10 until the Bonds have been paid or their payment duly provided for, payable on
11 June 1, 2005, and semiannually thereafter on the first day of each June and
12 December and shall mature on December 1 of each year as established in the
13 Sale Resolution.
14

15 Section 4. Registration, Exchange, and Payments.

16 A. Registrar/Bond Register. The City hereby adopts the system
17 of registration approved by the Washington State Finance Committee, which
18 utilizes the fiscal agencies of the State of Washington in New York, New York,
19 as registrar, authenticating agent, paying agent and transfer agent (collectively,
20 the "Bond Registrar"). The Bond Registrar shall keep, or cause to be kept, at its
21 principal corporate trust office, sufficient records for the registration and transfer
22 of the Bonds ("Bond Register"), which shall be open to inspection by the City.
23 The Bond Registrar is authorized, on behalf of the City, to authenticate and
24 deliver Bonds transferred or exchanged in accordance with the provisions of
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1 such Bonds and this ordinance and to carry out all of the Bond Registrar's
2 powers and duties under this ordinance. The Bond Registrar shall be
3 responsible for its representations contained in the Certificate of Authentication
4 on the Bonds.

5 B. Registered Ownership. The City and the Bond Registrar may
6 deem and treat the Registered Owner of each Bond as the absolute owner for
7 all purposes, and neither the City nor the Bond Registrar shall be affected by
8 any notice to the contrary. Payment of any such Bond shall be made only as
9 described in Section 4.H, but such registration may be transferred as herein
10 provided. All such payments made as described in Section 4.H shall be valid
11 and shall satisfy the liability of the City upon such Bond to the extent of the
12 amount or amounts so paid.

13 C. DTC Acceptance/Letter of Representations. The Bonds shall
14 initially be held in fully immobilized form by DTC acting as depository. To
15 induce DTC to accept the Bonds as eligible for deposit at DTC, the City has
16 executed and delivered to DTC a Blanket Issuer Letter of Representations (the
17 "Letter of Representations").
18

19
20 Neither the City nor the Bond Registrar will have any responsibility or
21 obligation to DTC participants or the persons for whom they act as nominees
22 with respect to the Bonds for the accuracy of any records maintained by DTC or
23 any DTC participant, the payment by DTC or any DTC participant of any
24 amount in respect of the principal of or interest on Bonds, any notice that is
25 permitted or required to be given to Registered Owners under this ordinance
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1 (except such notices as shall be required to be given by the City to the Bond
2 Registrar or to DTC), the selection by DTC or any DTC participant of any
3 person to receive payment in the event of a partial redemption of the Bonds, or
4 any consent given or other action taken by DTC as the Registered Owner. For
5 so long as any Bonds are held in fully immobilized form hereunder, DTC or its
6 successor depository shall be deemed to be the Registered Owner for all
7 purposes, and all references in this ordinance to the Registered Owners shall
8 mean DTC or its nominee and shall not mean the owners of any beneficial
9 interest in any Bonds.

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11 D. Use of Depository.

12 1. The Bonds shall be registered initially in the name of
13 CEDE & Co., as nominee of DTC, with a single Bond for each maturity in a
14 denomination equal to the total principal amount of such maturity. Registered
15 ownership of such immobilized Bonds, or any portions thereof, may not
16 thereafter be transferred except (i) to any successor of DTC or its nominee,
17 provided that any such successor shall be qualified under any applicable laws
18 to provide the service proposed to be provided by it; (ii) to any substitute
19 depository appointed by the City pursuant to subsection 2 below or such
20 substitute depository's successor; or (iii) to any person as provided in
21 subsection 4 below.
22

23 2. Upon the resignation of DTC or its successor (or any
24 substitute depository or its successor) from its functions as depository or a
25 determination by the City to discontinue the system of book entry transfers
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1 through DTC or its successor (or any substitute depository or its successor), the
2 City may appoint a substitute depository. Any such substitute depository shall
3 be qualified under any applicable laws to provide the services proposed to be
4 provided by it.

5 3. In the case of any transfer pursuant to clause (i) or (ii) of
6 subsection 1 above, the Bond Registrar shall, upon receipt of all outstanding
7 Bonds, together with a written request on behalf of the City, issue a single new
8 Bond for each maturity then outstanding, registered in the name of such
9 successor or substitute depository, or its nominee, all as specified in such
10 written request of the City.

11 4. In the event that (i) DTC or its successor (or substitute
12 depository or its successor) resigns from its functions as depository, and no
13 substitute depository can be obtained, or (ii) the City determines that it is in the
14 best interest of the beneficial owners of the Bonds that the Bonds be provided
15 in certificated form, the ownership of such Bonds may then be transferred to
16 any person or entity as herein provided, and shall no longer be held in fully
17 immobilized form. The City shall deliver a written request to the Bond Registrar,
18 together with a supply of definitive Bonds in certificated form, to issue Bonds in
19 any authorized denomination. Upon receipt by the Bond Registrar of all then
20 outstanding Bonds, together with a written request on behalf of the City to the
21 Bond Registrar, new Bonds shall be issued in the appropriate denominations
22 and registered in the names of such persons as are provided in such written
23 request.
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1 E. Transfer or Exchange of Registered Ownership; Change in
2 Denominations. The registered ownership of any Bond may be transferred or
3 exchanged, but no transfer of any Bond shall be valid unless it is surrendered to
4 the Bond Registrar with the assignment form appearing on such Bond duly
5 executed by the Registered Owner or such Registered Owner's duly authorized
6 agent in a manner satisfactory to the Bond Registrar. Upon such surrender, the
7 Bond Registrar shall cancel the surrendered Bond and shall authenticate and
8 deliver, without charge to the Registered Owner or transferee, a new Bond (or
9 Bonds at the option of the new Registered Owner) of the same date, maturity
10 and interest rate and for the same aggregate principal amount in any authorized
11 denomination, naming as Registered Owner the person or persons listed as the
12 assignee on the assignment form appearing on the surrendered Bond, in
13 exchange for such surrendered and canceled Bond. Any Bond may be
14 surrendered to the Bond Registrar and exchanged, without charge, for an equal
15 aggregate principal amount of Bonds of the same date, maturity and interest
16 rate, in any authorized denomination. The Bond Registrar shall not be
17 obligated to transfer or exchange any Bond during a period beginning at the
18 opening of business on the 15th day of the month next preceding any interest
19 payment date and ending at the close of business on such interest payment
20 date, or, in the case of any proposed redemption of the Bonds, after the mailing
21 of notice of the call of such Bonds for redemption.
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F. Bond Registrar's Ownership of Bonds. The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the rights of the Registered Owners of the Bonds.

G. Registration Covenant. The City covenants that, until all Bonds have been surrendered and canceled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

H. Place and Medium of Payment. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. For so long as all Bonds are in fully immobilized form, payments of principal and interest shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event that the Bonds are no longer in fully immobilized form, interest on the Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Bond Registrar; provided, however, that if so requested in writing by the Registered Owner of at least



1 \$1,000,000 principal amount of Bonds, interest will be paid by wire transfer on
2 the date due to an account with a bank located within the United States.

3 Section 5. Redemption and Purchases.

4 A. Optional Redemption. The City reserves the right to redeem
5 the Bonds prior to their maturing as set forth in the Sale Resolution. If less than
6 all of the Bonds subject to optional redemption are called for redemption, then
7 the City shall choose the maturities to be redeemed. If less than a whole of a
8 maturity is called for redemption, the Bonds to be redeemed shall be chosen
9 randomly in integral multiples of \$5,000 by the Bond Registrar or, so long as the
10 Bonds are registered in the name of CEDE & Co. or its registered assign, by
11 DTC.
12

13 B. Mandatory Redemption. The Bonds designated as Term
14 Bonds in the bid of the successful bidder shall be subject to mandatory
15 redemption as set forth and as approved by the Sale Resolution.

16 C. Partial Redemption. If less than all of the principal amount of
17 any Bond is redeemed, upon surrender of such Bond at the principal office of
18 the Bond Registrar, there shall be issued to the registered owner, without
19 charge, for the then unredeemed balance of the principal amount, a new Bond
20 or Bonds, at the option of the registered owner, of like maturity and interest rate
21 in any authorized denomination.
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23 D. Notice of Redemption. Written notice of any redemption of
24 Bonds shall be given by the Bond Registrar on behalf of the City by first class
25 mail, postage prepaid, not less than 30 days nor more than 60 days before the
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1 redemption date to the registered owners of Bonds that are to be redeemed at
2 their last addresses shown on the Bond Register. So long as the Bonds are in
3 book-entry form, notice of redemption shall be given as provided in the Letter of
4 Representations. The Bond Registrar shall provide additional notice of
5 redemption (at least 30 days) to each NRMSIR and SID, if any, in accordance
6 with Section 15.

7 The requirements of this section shall be deemed complied with when
8 notice is mailed, whether or not it is actually received by the owner.

9 Each notice of redemption shall contain the following information: (1) the
10 redemption date, (2) the redemption price, (3) if less than all outstanding Bonds
11 are to be redeemed, the identification (and, in the case of partial redemption,
12 the principal amounts) of the Bonds to be redeemed, (4) that on the redemption
13 date the redemption price will become due and payable upon each Bond or
14 portion called for redemption, and that interest shall cease to accrue from the
15 redemption date, (5) that the Bonds are to be surrendered for payment at the
16 principal office of the Bond Registrar, (6) the CUSIP numbers of all Bonds being
17 redeemed, (7) the date of the Bonds, (8) the rate of interest for each Bond
18 being redeemed, (9) the date of the notice, and (10) any other information
19 needed to identify the Bonds being redeemed.
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22 Upon the payment of the redemption price of Bonds being redeemed,
23 each check or other transfer of funds issued for such purpose shall bear the
24 CUSIP number identifying, by issue and maturity, the Bonds being redeemed
25 with the proceeds of such check or other transfer.
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D. Effect of Redemption. Unless the City has revoked a notice of redemption, the City shall transfer to the Bond Registrar amounts that, in addition to other money, if any, held by the Bond Registrar, will be sufficient to redeem, on the redemption date, all the Bonds to be redeemed. From the redemption date, interest on each Bond to be redeemed shall cease to accrue.

E. Amendment of Notice Provisions. The foregoing notice provisions of this section, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

F. Purchase. The City reserves the right to purchase any of the Bonds for cancellation at any time and at any price.

Section 6. Creation of Bond Fund and Provision for Tax Levy Payments. A special fund of the City known as the "City of Tacoma Limited Tax General Obligation Bond Redemption Fund, 2004" ("Bond Fund"), is hereby authorized and directed to be created in the office of the Finance Director. The Bond Fund shall be drawn upon for the sole purpose of paying the principal of and interest on the Bonds.

The City hereby irrevocably covenants for as long as any of the Bonds are outstanding and unpaid that each year it will include in its budget and levy an ad valorem tax, within and as a part of the levy permitted to cities without a vote of the people, upon all the property within the City subject to taxation in an



1 amount which will be sufficient, together with other legally available money
2 including Lodging Taxes, to pay the principal of and interest on the Bonds when
3 due. All of such taxes and any of such other money so collected shall be paid
4 into the Bond Fund. None of the money in the Bond Fund shall be used for any
5 purpose other than the payment of the principal of and interest on the Bonds.
6 Money in the Bond Fund not needed to pay the interest or principal next coming
7 due may temporarily be deposited in such institutions or invested in such
8 obligations as may be lawful for the investment of City money. Any interest or
9 earnings from the investment of such money shall be deposited in the Bond
10 Fund.

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12 The City hereby irrevocably pledges that a sufficient portion of each
13 annual levy to be levied and collected by the City prior to the full payment of the
14 principal of and interest on the Bonds will be and is hereby irrevocably set
15 aside, pledged and appropriated for the payment of the principal of and interest
16 on the Bonds. The Lodging Taxes are also pledged to payment of principal of
17 and interest on the Bonds and the City covenants to levy the Lodging Taxes at
18 the maximum rate permitted by law so long as the Bonds remain outstanding.
19 The full faith, credit and resources of the City are hereby irrevocably pledged for
20 the annual levy and collection of such taxes and for the prompt payment of the
21 principal of and interest on the Bonds when due.
22

23 Section 7. Bonds Deemed to Be No Longer Outstanding. In the event
24 that the City, in order to effect the payment, retirement or redemption of any
25 Bond, sets aside in the Bond Fund or in another special account, held in trust
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1 by a trustee, cash or noncallable government obligations, as such obligations
2 are now or hereafter defined in RCW 39.53, or any combination of cash and/or
3 noncallable government obligations, in amounts and maturities which, together
4 with the known earned income therefrom, are sufficient to redeem or pay and
5 retire such Bond in accordance with its terms and to pay when due the interest
6 and redemption premium, if any, thereon, and such cash and/or noncallable
7 government obligations are irrevocably set aside and pledged for such purpose,
8 then no further payments need be made into the Bond Fund for the payment of
9 the principal of and interest on such Bond. The owner of a Bond so provided
10 for shall cease to be entitled to any lien, benefit or security of this ordinance
11 except the right to receive payment of principal, premium, if any, and interest
12 from such special account, and such Bond shall be deemed to be not
13 outstanding under this ordinance. In connection with any defeasance of the
14 Bonds, the Insurer shall be provided with an opinion of bond counsel that the
15 Bonds have been legally defeased under this Ordinance. In addition, the City
16 shall provide the Insurer with 15 business days' prior written notice of any
17 advance refunding of the Bonds, as well as a copy of any verification report
18 regarding the sufficiency of the escrow established to accomplish any
19 defeasance of the Bonds.
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22 The City shall provide, or cause to be provided, written notice of
23 defeasance to the owners of all Bonds so provided for within 30 days of the
24 closing date and to the SID, if any, and to each NRMSIR or to the MSRB in
25 accordance with Section 15.
26



1 Section 8. Tax Covenant. The City covenants to take all actions required
2 to maintain the tax-exempt status of interest on the Bonds under Section 103 of
3 the Code, as set forth in the Arbitrage and Tax Certificate.

4 Section 9. Lost or Destroyed Bonds. If any Bonds are lost, stolen or
5 destroyed, the Bond Registrar may authenticate and deliver a new Bond or
6 Bonds of like amount, maturity and tenor to the Registered Owner upon the
7 owner paying the expenses and charges of the Bond Registrar and the City in
8 connection with preparation and authentication of the replacement Bond or
9 Bonds and upon his or her filing with the Bond Registrar and the City evidence
10 satisfactory to both that such Bond or Bonds were actually lost, stolen or
11 destroyed and of his or her ownership, and upon furnishing the City and the
12 Bond Registrar with indemnity satisfactory to both.

13
14 Section 10. Form of the Bonds. The Bonds shall be in substantially the
15 following form:

16 STATEMENT OF INSURANCE

17 MBIA Insurance Corporation (the "Insurer") has issued a policy
18 containing the following provisions, such policy being on file at the City.

19 The Insurer, in consideration of the payment of the premium and
20 subject to the terms of this policy, hereby unconditionally and irrevocably
21 guarantees to any owner, as hereinafter defined, of the following
22 described obligations, the full and complete payment required to be made
23 by or on behalf of the City to the Bank of New York, New York, or its
24 successor (the "Paying Agent") of an amount equal to (i) the principal of
25 (either at the stated maturity or by any advancement of maturity pursuant
26 to a mandatory sinking fund payment) and interest on, the Obligations (as
that term is defined below) as such payments shall become due but shall
not be so paid (except that in the event of any acceleration of the due date
of such principal by reason of mandatory or optional redemption or
acceleration resulting from default or otherwise, other than any



1 advancement of maturity pursuant to a mandatory sinking fund payment,
2 the payments guaranteed hereby shall be made in such amounts and at
3 such times as such payments of principal would have been due had there
4 not been any such acceleration); and (ii) the reimbursement of any such
5 payment which is subsequently recovered from any owner pursuant to a
6 final judgment by a court of competent jurisdiction that such payment
7 constitutes an avoidable preference to such owner within the meaning of
8 any applicable bankruptcy law. The amounts referred to in clauses (i) and
9 (ii) of the preceding sentence shall be referred to herein collectively as the
10 "Insured Amounts." "Obligations" shall mean:

11 § _____
12 CITY OF TACOMA
13 LIMITED TAX GENERAL OBLIGATION BONDS, 2004

14 Upon receipt of telephonic or telegraphic notice, such notice
15 subsequently confirmed in writing by registered or certified mail, or upon
16 receipt of written notice by registered or certified mail, by the Insurer from
17 the Paying Agent or any owner of an Obligation the payment of an Insured
18 Amount for which is then due, that such required payment has not been
19 made, the Insurer on the due date of such payment or within one business
20 day after receipt of notice of such nonpayment, whichever is later, will
21 make a deposit of funds, in an account with U.S. Bank Trust National
22 Association, in New York, New York, or its successor, sufficient for the
23 payment of any such Insured Amounts which are then due. Upon
24 presentment and surrender of such Obligations or presentment of such
25 other proof of ownership of the Obligations, together with any appropriate
26 instruments of assignment to evidence the assignment of the Insured
Amounts due on the Obligations as are paid by the Insurer, and
appropriate instruments to effect the appointment of the Insurer as agent
for such owners of the Obligations in any legal proceeding related to
payment of Insured Amounts on the Obligations, such instruments being
in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank
Trust National Association shall disburse to such owners or the Paying
Agent payment of the Insured Amounts due on such Obligations, less any
amount held by the Paying Agent for the payment of such Insured
Amounts and legally available therefor. This policy does not insure
against loss of any prepayment premium which may at any time be
payable with respect to any Obligation.

23 As used herein, the term "owner" shall mean the registered owner
24 of any Obligation as indicated in the books maintained by the Paying
25 Agent, the City, or any designee of the City for such purpose. The term
26 owner shall not include the City or any party whose agreement with the
City constitutes the underlying security for the Obligations.



1 Any service of process on the Insurer may be made to the Insurer
2 at its offices located at 113 King Street, Armonk, New York 10504 and
such service of process shall be valid and binding.

3 This policy is non-cancellable for any reason. The premium on
4 this policy is not refundable for any reason including the payment prior to
maturity of the Obligations.

5 MBIA INSURANCE CORPORATION

6
7 UNITED STATES OF AMERICA

8 NO. _____ \$ _____

9 STATE OF WASHINGTON
10 CITY OF TACOMA, WASHINGTON
11 LIMITED TAX GENERAL OBLIGATION BOND, 2004

12 INTEREST RATE: MATURITY DATE: CUSIP NO:

13 REGISTERED OWNER:

14 PRINCIPAL AMOUNT: _____ DOLLARS

15 The City of Tacoma, Washington, a municipal corporation under the laws
16 of the State of Washington (the "City"), hereby acknowledges itself to owe and
17 for value received promises to pay to the Registered Owner identified above, or
18 registered assigns, on the Maturity Date identified above, the Principal Amount
19 specified above, unless redeemed prior thereto as provided herein, together
20 with interest on such Principal Amount from the date hereof or the most recent
21 date to which interest has been paid or duly provided for at the Interest Rate set
22 forth above payable June 1, 2005, and semiannually thereafter on each June 1
23 and December 1 until payment of the principal sum has been made or duly
24 provided for. Both principal of and interest on this bond are payable in lawful
25 money of the United States of America. For so long as the bonds of this issue
26 are held in fully immobilized form, payments of principal and interest thereon
shall be made as provided in accordance with the operational arrangements of
DTC referred to in the Blanket Issuer Letter of Representations from the City to
The Depository Trust Company. In the event that the bonds of this issue are no
longer held in fully immobilized form, interest on this bond shall be paid by
check or draft mailed to the Registered Owner at the address appearing on the
Bond Register on the 15th day of the month preceding the interest payment
date, and principal of this bond shall be payable upon presentation and



1 surrender of this bond by the Registered Owner at the principal office of the
 2 fiscal agency of the State of Washington in either Seattle, Washington, or New
 3 York, New York (collectively the "Bond Registrar"); provided, however, that if so
 4 requested in writing by the Registered Owner of at least \$1,000,000 principal
 5 amount of bonds, interest will be paid by wire transfer on the date due to an
 6 account with a bank located within the United States.

7 This bond is one of an issue of Limited Tax General Obligation Bonds of
 8 the City of like date and tenor, except as to number, interest rate and date of
 9 maturity, in the aggregate principal amount of \$ _____, issued pursuant to
 10 Ordinance No. _____ of the City, passed _____, 2004 (the "Bond
 11 Ordinance"), to refinance costs of the Convention Center Project, and
 12 Resolution No. ____ of the City, passed _____, 2004.

13 [The City has reserved the right to redeem the bonds of this issue
 14 maturing on or after December 1, _____, on or after December 1, _____, in whole
 15 or in part (maturities to be selected by the City and by lot within a maturity by
 16 the Bond Registrar or in such manner as DTC shall determine, if the Bonds are
 17 held in book-entry only form) on any date thereafter, at par plus accrued interest
 18 to the date of redemption.]

19 [Unless redeemed pursuant to the forgoing provision, the bonds stated to
 20 mature on December 1, 20____ are subject to mandatory redemption on
 21 December 1 of the following years in the following principal amounts, at a price
 22 of par:

Redemption Dates	Amounts
	\$

23 *
 24 * Maturity.]

25 Notice of any such intended redemption shall be given not less than 30
 26 nor more than 60 days prior to the redemption date by first class mail, postage
 prepaid, to the Registered Owner of any bond to be redeemed at the address
 appearing on the Bond Register. The requirements of the Bond Ordinance
 shall be deemed to be complied with when notice is mailed as herein provided,
 regardless of whether or not it is actually received by the owner of any bond.
 Interest on all such bonds so called for redemption shall cease to accrue on the
 date fixed for redemption unless such bond or bonds so called for redemption
 are not redeemed upon presentation made pursuant to such call.

If less than all of the principal sum hereof is to be redeemed, upon the
 surrender of this bond at the principal office of the Bond Registrar there shall be
 issued to the Registered Owner, without charge therefor, for the then



1 unredeemed balance of the principal sum hereof, at the option of the owner, a
2 bond or bonds of like maturity and interest rate in any of the denominations
3 authorized by the Bond Ordinance.

4 The City has irrevocably covenanted with the owner of this bond that it
5 will annually include in its budget and levy taxes, within and as a part of the tax
6 levy permitted to cities without a vote of the electorate, upon all the property
7 subject to taxation in amounts sufficient, together with other money legally
8 available therefor including Lodging Taxes, to pay the principal of and interest
9 on this bond when due. Lodging Taxes are also pledged to the payment of the
10 Bonds. The full faith, credit and resources of the City are irrevocably pledged
11 for the annual levy and collection of such taxes and the prompt payment of such
12 principal and interest.

13 The pledge of tax levies for payment of principal of and interest on the
14 bonds may be discharged prior to maturity of the bonds by making provision for
15 the payment thereof on the terms and conditions set forth in the Bond
16 Ordinance.

17 The bonds of this issue are issued in fully registered form in the
18 denomination of \$5,000 each or any integral multiple thereof, provided that no
19 bond shall represent more than one maturity. Upon surrender to the Bond
20 Registrar, bonds are interchangeable for bonds in any authorized denomination
21 of an equal aggregate principal amount and of the same interest rate and
22 maturity. This bond is transferable only on the records maintained by the Bond
23 Registrar for that purpose upon the surrender of this bond by the registered
24 owner hereof or his/her duly authorized agent and only if endorsed in the
25 manner provided hereon, and thereupon a new fully registered bond of like
26 principal amount, maturity and interest rate shall be issued to the transferee in
exchange therefor. Such exchange or transfer shall be without cost to the
registered owner or transferee. The City may deem the person in whose name
this bond is registered to be the absolute owner hereof for the purpose of
receiving payment of the principal of and interest on this bond and for any and
all other purposes whatsoever.

Reference also is made to the Bond Ordinance as more fully describing
the covenants with and the rights of Registered Owners of the bonds or
registered assigns and the meanings of capitalized terms appearing on this
bond which are defined in such ordinance.

This bond shall not be valid or become obligatory for any purpose or be
entitled to any security or benefit under the Bond Ordinance (as hereinafter
defined) until the Certificate of Authentication hereon shall have been manually
signed by the Bond Registrar.



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It is hereby certified and declared that this bond is issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and the Charter and ordinances of the City, that all acts, conditions and things required to be done precedent to and in the issuance of this bond and the bonds of this issue have happened, been done and performed, and that this bond and the bonds of this issue do not exceed any constitutional or statutory limitations.

IN WITNESS WHEREOF, the City of Tacoma, Washington, has caused this bond to be signed on behalf of the City with the manual or facsimile signature of the Mayor, to be attested by the manual or facsimile signature of the Clerk of the City, and the seal of the City to be reproduced or impressed hereon, as of this _____, 2004.

CITY OF TACOMA, WASHINGTON

By
Mayor

ATTEST:

/s/ manual or facsimile
Clerk of the City

The Certificate of Authentication for the Bonds shall be in substantially the following form and shall appear on each Bond:

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is one of the City of Tacoma, Washington, Limited Tax General Obligation Bonds, 2004, dated _____, 2004.

WASHINGTON STATE FISCAL
AGENCY, as Bond Registrar

By
Authorized Signer



ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

[Empty rectangular box for Social Security or Taxpayer Identification Number]

(Please print or typewrite name and address, including zip code of Transferee)

the within bond and all rights thereunder and does hereby irrevocably constitute and appoint _____ of _____, or its successor, as Agent to transfer said bond on the books kept by the Bond Register for registration thereof, with full power of substitution in the premises.

DATED: _____, _____.

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed pursuant to law.

NOTE: The signature on this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Section 11. Execution of the Bonds. The Bonds shall be executed on behalf of the City with the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the City Clerk, and shall have the seal of the City impressed or imprinted thereon.



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Only Bonds that bear a Certificate of Authentication in the form set forth in Section 10, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered and are entitled to the benefits of this ordinance.

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

Section 12. Application of Bond Proceeds. At the time of delivery of the Bonds, the proceeds of the Bonds shall be deposited as follows:

A. The accrued interest, if any, to the date of delivery shall be deposited to the Bond Fund and used to pay a portion of the interest on the Bonds on June 1, 2005.

B. The remaining proceeds shall be deposited into the City's Convention Center Capital Projects Fund and used to refinance costs of the



1 Convention Center Project described in Section 2 and all costs incidental
2 thereto and to the issuance of the Bonds.

3 Money remaining in the Convention Center Capital Projects Fund after
4 all of such costs have been paid or reimbursed may be used to pay costs of
5 other legally authorized capital expenditures of the City or shall be deposited in
6 the Bond Fund. Money in the Convention Center Capital Projects Fund may be
7 invested as permitted by law. All interest earned and profits derived from such
8 investments shall be retained in and become a part of the Convention Center
9 Capital Projects Fund or deposited into the Bond Fund.

10 Section 13. Sale of the Bonds. The Bonds shall be sold at a competitive
11 public sale. The Finance Director or his designee shall: (a) establish the date
12 of the public sale; (b) establish the criteria by which the successful bidder will be
13 determined; (c) request that a good faith deposit accompany each bid;
14 (d) cause notice of the public sale to be given; and (e) provide for such other
15 matters pertaining to the public sale as he deems necessary or desirable.

16 Upon the date and time established for the receipt of bids for the Bonds,
17 the Finance Director or his designee shall open the bids and shall cause the
18 bids to be mathematically verified. The Bonds shall be sold to the bidder
19 offering to purchase them at the lowest true interest cost to the City; provided,
20 however, that the City may reserve the right to reject any and all bids for the
21 Bonds and also may waive any irregularity or informality in any bid. The final
22 maturity amounts and interest rates for the Bonds shall be approved by the Sale
23 Resolution.
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Section 14. Official Statement. The City authorizes the Finance Director to approve the preliminary official statement and authorizes the distribution of the preliminary official statement in connection with the offering of the Bonds. Pursuant to the Rule, the Finance Director may deem the preliminary official statement as final as of its date except for the omission of information dependent upon the pricing of the Bonds and the completion of the purchase contract. The City agrees to cooperate with the winning bidder for the Bonds to deliver or cause to be delivered, within seven business days from the date of the sale of the Bonds and in sufficient time to accompany any confirmation that requests payment from any customer of the winning bidder, copies of a final official statement in sufficient quantity to comply with paragraph (b)(4) of the Rule and the rules of the MSRB. Following the sale of the Bonds in accordance with Section 13, the City authorizes the use the official statement, substantially in the form of the preliminary official statement, in connection with the sale of the Bonds. The City Manager and the Finance Director are hereby authorized to review and approve on behalf of the City the final Official Statement for the Bonds with such additions and changes as may be deemed necessary or advisable to them.

Section 15. Ongoing Disclosure.

A. Contract/Undertaking. This section constitutes the City's written undertaking for the benefit of the owners of the Bonds as required by Section (b)(5) of the Rule.



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B. Financial Statements/Operating Data. The City agrees to

provide or cause to be provided to each NRMSIR and to the SID, if any, in each case as designated by the Commission in accordance with the Rule, the following annual financial information and operating data for the prior fiscal year (commencing in 2005 for the fiscal year ended December 31, 2004):

1. Annual financial statements, which statements may or may not be audited, showing ending fund balances for the City's general fund prepared in accordance with the Budget Accounting and Reporting System prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any successor statute) and generally of the type included in the official statement for the Bonds under the table "Comparative Statement of General Fund Revenues and Expenditures";

2. The assessed valuation of taxable property in the City;

3. Ad valorem taxes due and percentage of taxes collected;

4. Property tax levy rate per \$1,000 of assessed valuation;

5. Lodging tax rates and collections; and

6. Outstanding general obligation debt of the City.

Items 2-6 shall be required only to the extent that such information is not included in the annual financial statements.



1 The information and data described above shall be provided on or before
2 nine months after the end of the City's fiscal year. The City's current fiscal year
3 ends December 31. The City may adjust such fiscal year by providing written
4 notice of the change of fiscal year to each then existing NRMSIR and the SID, if
5 any. In lieu of providing such annual financial information and operating data,
6 the City may cross-reference to other documents provided to the NRMSIR, the
7 SID or to the Commission and, if such document is a final official statement
8 within the meaning of the Rule, available from the MSRB.

9 If not provided as part of the annual financial information discussed
10 above, the City shall provide the City's audited annual financial statement
11 prepared in accordance with the Budget Accounting and Reporting System
12 prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any
13 successor statute) when and if available to each then existing NRMSIR and the
14 SID, if any.
15

16 C. Material Events. The City agrees to provide or cause to be
17 provided, in a timely manner, to the SID, if any, and to each NRMSIR or to the
18 MSRB notice of the occurrence of any of the following events with respect to
19 the Bonds, if material:
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- 21 • Principal and interest payment delinquencies;
- 22 • Non-payment related defaults;
- 23 • Unscheduled draws on debt service reserves reflecting
24 financial difficulties;
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- Unscheduled draws on credit enhancements reflecting financial difficulties;
- Substitution of credit or liquidity providers, or their failure to perform;
- Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- Modifications to the rights of Bond owners;
- Bond calls (optional, contingent or unscheduled Bond calls other than scheduled sinking fund redemptions for which notice is given pursuant to Exchange Act Release 34-23856);
- Defeasances;
- Release, substitution or sale of property securing repayment of the Bonds; and
- Rating changes.

Solely for purposes of disclosure, and not intending to modify this undertaking, the City advises that no debt service reserves or property secure payment of the Bonds.

D. Notification Upon Failure to Provide Financial Data. The City agrees to provide or cause to be provided, in a timely manner, to each NRMSIR or to the MSRB and to the SID, if any, notice of its failure to provide the annual



1 financial information described in Subsection B above on or prior to the date set
2 forth in Subsection B above.

3 E. Termination/Modification. The City's obligations to provide
4 annual financial information and notices of material events shall terminate upon
5 the legal defeasance, prior redemption or payment in full of all of the Bonds.
6 Any provision of this section shall be null and void if the City (1) obtains an
7 opinion of nationally recognized bond counsel to the effect that the portion of
8 the Rule that requires that provision is invalid, has been repealed retroactively
9 or otherwise does not apply to the Bonds and (2) notifies each NRMSIR and the
10 SID, if any, of such opinion and the cancellation of this section.
11

12 The City may amend this section with an opinion of nationally recognized
13 bond counsel in accordance with the Rule. In the event of any amendment of
14 this section, the City shall describe such amendment in the next annual report,
15 and shall include a narrative explanation of the reason for the amendment and
16 its impact on the type (or in the case of a change of accounting principles, on
17 the presentation) of financial information or operating data being presented by
18 the City. In addition, if the amendment relates to the accounting principles to be
19 followed in preparing financial statements, (i) notice of such change shall be
20 given in the same manner as for a material event under Subsection (c), and
21 (ii) the annual report for the year in which the change is made shall present a
22 comparison (in narrative form and also, if feasible, in quantitative form) between
23 the financial statements as prepared on the basis of the new accounting
24 principles and those prepared on the basis of the former accounting principles.
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F. Bond Owner's Remedies Under This Section. The right of any

bond owner or beneficial owner of Bonds to enforce the provisions of this section shall be limited to a right to obtain specific enforcement of the City's obligations under this section, and any failure by the City to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds. For purposes of this section, "beneficial owner" means any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds, including persons holding Bonds through nominees or depositories.

Section 16. Bond Insurance.

(a) Acceptance of Insurance. The Council hereby approves the commitment of the Insurer to provide a bond insurance policy guaranteeing the payment when due of principal of and interest on the Bonds (the "Bond Insurance Policy"). The Council further authorizes and directs all proper officers, agents, attorneys and employees of the City to cooperate with the Insurer in preparing such additional agreements, certificates, and other documentation on behalf of the City as shall be necessary or advisable in providing for the Bond Insurance Policy.

(b) Payments Under the Bond Insurance Policy.

(1) In the event that, on the second business day, and again on the business day, prior to the payment date on the Bonds, the Bond Registrar has not received sufficient money to pay all principal of and interest on the Bonds due on the second following or following, as the case may be,



1 business day, the Bond Registrar shall immediately notify the Insurer or its
2 designee on the same business day by telephone or telegraph, confirmed in
3 writing by registered or certified mail, of the amount of the deficiency.

4 (2) If the deficiency is made up in whole or in part prior to or on
5 the payment date, the Bond Registrar shall so notify the Insurer or its designee.

6 (3) In addition, if the Bond Registrar has notice that any
7 bondowner has been required to disgorge payments of principal or interest on
8 the Bonds to a trustee in bankruptcy or creditors or others pursuant to a final
9 judgment by a court of competent jurisdiction that such payment constitutes an
10 avoidable preference to such bondowner within the meaning of any applicable
11 bankruptcy laws, then the Bond Registrar shall notify the Insurer or its designee
12 of such fact by telephone or telegraphic notice, confirmed in writing by
13 registered or certified mail.

14 (4) The Bond Registrar is hereby irrevocably designated,
15 appointed, directed and authorized to act as attorney-in-fact for owners of the
16 Bonds as follows:

17 a. If and to the extent there is a deficiency in amounts
18 required to pay interest on the Bonds, the Bond Registrar shall (i) execute and
19 deliver to U.S. Bank Trust National Association, or its successors under the
20 Bond Insurance Policy (the "Insurance Paying Agent"), in form satisfactory to
21 the Insurance Paying Agent, an instrument appointing the Insurer as agent for
22 such owners in any legal proceeding related to the payment of such interest
23 and an assignment to the Insurer of the claims for interest to which such
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1 deficiency relates and which are paid by the Insurer, (ii) receive as designee of
2 the respective owners (and not as Bond Registrar) in accordance with the tenor
3 of the Bond Insurance Policy payment from the Insurance Paying Agent with
4 respect to the claims for interest so assigned, and (iii) disburse the same to
5 such respective owners; and

6 b. If and to the extent of a deficiency in amounts
7 required to pay principal of the Bonds, the Bond Registrar shall (i) execute and
8 deliver to the Insurance Paying Agent in form satisfactory to the Insurance
9 Paying Agent an instrument appointing the Insurer as agent for such owner in
10 any legal proceeding relating to the payment of such principal and an
11 assignment to the Insurer of any of the Bonds surrendered to the Insurance
12 Paying Agent of so much of the principal amount thereof as has not previously
13 been paid or for which moneys are not held by the Bond Registrar and available
14 for such payment (but such assignment shall be delivered only if payment from
15 the Insurance Paying Agent is received), (ii) receive as designee of the
16 respective owners (and not as Bond Registrar) in accordance with the tenor of
17 the Bond Insurance Policy payment therefor from the Insurance Paying Agent,
18 and (iii) disburse the same to such owner.

19 (5) Payments with respect to claims for interest on and
20 principal of Bonds disbursed by the Bond Registrar from proceeds of the Bond
21 Insurance Policy shall not be considered to discharge the obligation of the City
22 with respect to such Bonds, and the Insurer shall become the owner of such
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1 unpaid Bonds and claims for the interest in accordance with the tenor of the
2 assignment made to it under the provisions of this subsection or otherwise.

3 (6) Irrespective of whether any such assignment is executed
4 and delivered, the City and the Bond Registrar hereby agree for the benefit of
5 the Insurer that:

6 a. They recognize that to the extent the Insurer makes
7 payments, directly or indirectly (as by paying through the Bond Registrar), on
8 account of principal of or interest on the Bonds, the Insurer will be subrogated
9 to the rights of such owners to receive the amount of such principal and interest
10 from the City, with interest thereon as provided and solely from the sources
11 stated in this Ordinance and the Bonds; and

12 b. They will accordingly pay to the Insurer the amount
13 of such principal and interest (including principal and interest recovered under
14 subparagraph (ii) of the first paragraph of the Bond Insurance Policy, which
15 principal and interest shall be deemed past due and not to have been paid),
16 with interest thereon as provided in this Ordinance and the Bonds, but only from
17 the sources and in the manner provided herein for the payment of principal of
18 and interest on the Bonds to owners, and will otherwise treat the Insurer as the
19 owner of such rights to the amount of such principal and interest.
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22 (c) Rights of Insurer.

23 (1) The Insurer shall receive copies of the City's audited
24 financial statements and annual budget.
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(2) Copies of any amendment made to the documents executed in connection with the issuance of the Bonds, which are consented to by the Insurer, shall be sent to Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc.

(3) The Insurer shall receive notice of the resignation or renewal of the Bond Registrar and the appointment of a successor, other than the designated state fiscal agent.

(4) Any notices required to be given by any party under this Ordinance shall also be given to the Insurer and sent by registered or certified mail addressed to: MBIA Insurance Corporation, 113 King Street, Armonk, New York 10504, Attention: Insured Portfolio Management.

(5) The City agrees to reimburse the Insurer immediately and unconditionally upon demand, to the extent permitted by law, for all reasonable expenses, including reasonable attorneys' fees and expenses, incurred by the Insurer in connection with (i) enforcement by the Insurer of the City's obligations, or the preservation or defense of any rights of the Insurer, under this Ordinance and any other document executed in connection with the issuance of the Bonds, and (ii) any consent, amendment, waiver or other action with respect to this Ordinance or any related document, whether or not granted or approved, together with interest on all such expenses from and including the date incurred to the date of payment at Citibank's Prime Rate plus 3% or the maximum interest rate permitted by law, whichever is less. In addition, the



1 Insurer reserves the right to charge a reasonable fee in connection with its
2 review of any such consent, amendment or waiver, whether or not granted or
3 approved.

4 (6) The City agrees not to use the Insurer's name in any
5 published document including, without limitation, a press release or
6 presentation, announcement or forum without the Insurer's prior consent;
7 *provided* that the City may use the Insurer's name in any general or particular
8 factual statement to the effect that the Insurer insures certain outstanding City
9 bonds. In the event that the City is advised by counsel that it has a legal
10 obligation to disclose the Insurer's name in any press release, public
11 announcement or other published document, the City shall provide the Insurer
12 with at least three (3) business days' prior written notice of its intent to use the
13 Insurer's name together with a copy of the proposed use of the Insurer's name
14 and of any description of a transaction with the Insurer and shall obtain the
15 Insurer's prior consent as to the form and substance of the proposed use of the
16 Insurer's name and any such description. The foregoing shall not apply to any
17 request for public records duly received by the City pursuant to RCW Ch. 42.17,
18 and the City shall not be obligated to notify the Insurer of its intent to comply
19 with any public disclosure request.

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22 (7) The City shall not enter into any agreement nor shall it
23 consent to or participate in any arrangement pursuant to which Bonds are
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1 tendered or purchased for any purpose other than the redemption and
2 cancellation or legal defeasance of such Bonds without the prior consent of the
3 Insurer.

4 The provisions of this section and any other provision with respect to the
5 Insurer herein shall be in effect only so long as the Bond Insurance Policy is in
6 full force and effect.

7 (c) Additional Requirements. Additional requirements of the Insurer
8 or any Ratings Agency, if any, shall be addressed in the Sale Resolution. The
9 City may add to the covenants set forth herein or modify procedures set forth
10 herein in the Sale Resolution, if necessary to meet the requirements of the
11 Bond Insurer or any Ratings Agency.

12
13 Section 17. General Authorization; Ratification of Prior Acts. The City
14 Manager, the Finance Director and other appropriate officers of the City are
15 authorized to take any actions and to execute documents as in their judgment
16 may be necessary or desirable in order to carry out the terms of, and complete
17 the transactions contemplated by, this ordinance. All acts taken pursuant to the
18 authority of this ordinance but prior to its effective date are hereby ratified.

19
20 Section 18. Severability. If any provision in this ordinance is declared by
21 any court of competent jurisdiction to be contrary to law, then such provision
22 shall be null and void and shall be deemed separable from the remaining
23 provisions of this ordinance and shall in no way affect the validity of the other
24 provisions of this ordinance or of the Bonds.



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Section 19. Effective Date. This ordinance shall take effect and be in force 10 days after its publication as provided by law and the City's Charter.

Passed JUN 29 2004

Chris Brown
Mayor

Attest:

Doris Soum
City Clerk

Approved as to form and legality:

PRESTON GATES & ELLIS LLP
Bond Counsel to the City of Tacoma

Jay Reich
By



CERTIFICATE

1
2 I, the undersigned, Clerk of the City of Tacoma, Washington ("City"), DO
3 HEREBY CERTIFY:

4 1. That the attached ^{Substitute} Ordinance No. 27249 ("Ordinance"), is a
5 true and correct copy of an ordinance of the City, as finally adopted at a
6 meeting of the City Council of the City ("City") held on the 29 day of June
7 2004, and duly recorded in my office.

8
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
11 of such meeting was given; that a quorum of the Council was present
12 throughout the meeting and a legally sufficient number of members of the
13 Council voted in the proper manner for the adoption of the Ordinance; that all
14 other requirements and proceedings incident to the proper adoption of the
15 Ordinance have been duly fulfilled, carried out and otherwise observed, and
16 that I am authorized to execute this certificate.
17

18 IN WITNESS WHEREOF, I have hereunto set my hand this 22 day of
19 July, 2004.
20

21 Doris Sorum
22 City Clerk
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REQUEST FOR ORDINANCE OR RESOLUTION

CITY CLERK USE

Request #:	1073
Ordinance #:	27249
Resolution #:	

1. DATE: June 7, 2004

2. REQUESTING DEPARTMENT/DIVISION/PROGRAM Finance/Administration	3. CONTACT PERSON (for questions): Steven A. Marcotte	PHONE/EXTENSION 5802
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4. PREPARATION OF AN ORDINANCE IS REQUESTED FOR THE CITY COUNCIL MEETING OF TUES., June 22, 2004

5. SUMMARY TITLE/RECOMMENDATION: (A concise sentence, as it will appear on the Council Agenda)

Authorizing the sale of limited tax general obligation bonds in an amount not to exceed \$56,000,000 for the purpose of refinancing costs of acquiring land for and constructing the City's new regional Convention Center; providing for the form and certain terms of the bonds; and authorizing ongoing disclosure in connection with the bonds.

(The ordinance will be prepared by Preston Gates Ellis)

6. BACKGROUND INFORMATION/GENERAL DISCUSSION: (Why is this request necessary? Are there legal requirements? What are the viable alternatives? Who has been involved in the process?)

The Greater Tacoma Convention center will host state, regional and national conventions and is projected to bring in over 250,000 visitors annually into downtown Tacoma. The convention center will increase occupancy of area hotels and motels, increase customers for retail and service establishments and generate new civic and economic benefits for the citizens of Tacoma.

The City Council passed Ordinance Nos. 26675, 26830 and 26954 authorizing the City to proceed with Tax-Exempt and Taxable Commercial Paper which provided short-term financing for the Convention Center construction and downtown Tacoma parking facilities expansion project. Ordinance No. 26954 authorized the execution of a commitment letter with the Bank of America in the amount of \$120,700,000 for this project.

7. FINANCIAL IMPACT: (Future impact on the budget.)

The LTGO bonds will be repaid primarily by hotel/motel tax dollars and the revenue bonds will be repaid primarily by Convention Center Public Facilities District sales-tax credit dollars.

8. LIST ALL MATERIAL AVAILABLE AS BACKUP INFORMATION FOR THE REQUEST AND INDICATE WHERE FILED:

Source Documents/Backup Material	Location of Document
Ordinance Nos. 26675, 26830 and 26954 Preliminary Official Statement	City Clerk's Office City Clerk's Office

9. FUNDING SOURCE: (Enter amount of funding from each source)

Fund Number & Name:	State \$	City \$	Other	Total Amount
4165-CCCAP Convention Center Capital Projects Fund			\$56,000,000	\$56,000,000

If expenditure, is it budgeted? Yes No Where? Cost Center Acct #

10. ATTORNEY CONTACT: (Enter Name of Attorney that you've been working with)
Jay Reich and Steve Victor

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11. Department Director/Utility Division Approval 	Director of Finance Approval 	City Manager/Director Utilities Approval
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27249

Ordinance No. _____

First Reading of Ordinance: JUN 22 2004

Final Reading of Ordinance: JUN 29 2004

Passed: JUN 29 2004

Roll Call Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Ms. Anderson	/			
Mr. Evans	/			
Mr. Ladenburg	/			
Mr. Lonergan	/			
Mr. Manthou	/			
Mr. Phelps	/			
Mr. Stenger	/			
Mr. Talbert	/			
Mayor Baarsma	/			

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Ms. Anderson				
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Mr. Manthou				
Mr. Phelps				
Mr. Stenger				
Mr. Talbert				
Mayor Baarsma				