



# KING COUNTY

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

## Signature Report

September 22, 2015

### Ordinance 18112

Proposed No. 2015-0284.1

Sponsors McDermott

1 AN ORDINANCE authorizing the issuance and sale of one  
2 or more series of limited tax general obligation bonds of the  
3 county in an aggregate principal amount not to exceed  
4 \$37,500,000 to refinance for savings a portion of the  
5 county's obligations under the lease transaction entered into  
6 by the county with CDP-King County III for the acquisition  
7 and construction of King Street Center; providing for the  
8 use of the bond proceeds to refund a portion of the lease  
9 revenue bonds issued by CDP-King County III and to pay  
10 costs of issuing the bonds; pledging the annual levy of  
11 taxes to pay principal of and interest on the bonds; and  
12 approving certain matters related thereto.

13 PREAMBLE:

14 As authorized by Ordinance 12754, adopted by the county council on May  
15 27, 1997, the county entered into a lease dated June 12, 1997, and  
16 amended on March 8, 2007, with CDP-King County III, a Washington  
17 nonprofit corporation ("CDP"), for King Street Center (the "Lease"). To  
18 finance the costs of acquiring, constructing and equipping King Street  
19 Center, CDP issued its Lease Revenue Bonds (King Street Center Project),

20 1997, in the original aggregate principal amount of \$78,275,000 (the  
21 "1997 CDP Bonds"). As authorized by Ordinance 15451, adopted by the  
22 county council on May 9, 2006, the county approved a plan for  
23 refinancing a portion of the 1997 CDP Bonds through the issuance by  
24 CDP of its Lease Revenue Refunding Bonds (King Street Center Project),  
25 2007 (the "2007 CDP Bonds").

26 As provided in Section 4 of the Lease, the county is obligated to pay  
27 Monthly Rent (as defined in the Lease), which was applied by CDP to pay  
28 the principal of or interest on the 1997 CDP Bonds until their retirement  
29 and which is applied by CDP to pay the principal of and interest on the  
30 2007 CDP Bonds.

31 The 2007 CDP Bonds were issued pursuant to the Indenture of Trust,  
32 dated as of June 1, 1997, by and between CDP, as issuer, and Mellon  
33 Bank, F.S.B., as trustee, as amended by the First Supplemental Indenture  
34 of Trust, dated March 8, 2007, between CDP, as issuer, and The Bank of  
35 New York Trust Company, N.A., as successor trustee (together the  
36 "Indenture"). The 1997 CDP Bonds and the 2007 CDP Bonds satisfied,  
37 and the 2007 CDP Bonds continue to satisfy, the requirements of Revenue  
38 Ruling 63-20 and Revenue Procedure 82-26 of the U.S. Treasury  
39 (collectively, the "Rulings"). The 1997 CDP Bonds are no longer  
40 outstanding and the 2007 CDP Bonds maturing on and after June 1, 2018,  
41 are subject to optional redemption prior to their stated maturity on any  
42 regularly scheduled interest payment date on and after June 1, 2017

43 according to the terms of the Indenture at a redemption price of 100  
44 percent of the par amount, plus accrued interest, if any, to the date of  
45 redemption.

46 The county may have opportunities to refinance portions of its Monthly  
47 Rent obligation under the Lease in connection with the outstanding 2007  
48 CDP Bonds and thereby realize savings to the county. To that end, it is  
49 deemed necessary and advisable that the county issue one or more series  
50 of its limited tax general obligation bonds in a principal amount not to  
51 exceed \$37,500,000 (the "Bonds"), on the terms and conditions set forth in  
52 this ordinance.

53 BE ORDAINED BY THE COUNCIL OF KING COUNTY:

54 **SECTION 1. Definitions; Interpretation.**

55 A. Definitions. The following terms as used in this ordinance have the following  
56 meanings for all purposes of this ordinance, unless some other meaning is plainly  
57 intended.

58 "Bond Account" means, with respect to each series of the Bonds, the bond  
59 redemption account established therefor pursuant to section 9 of this ordinance.

60 "Bonds" means the limited tax general obligation bonds of the county in an  
61 aggregate principal amount not to exceed \$37,500,000, authorized by this ordinance to be  
62 issued in one or more series to obtain funds to refinance for savings the county's  
63 obligations under the Lease and to pay the costs and expenses incurred in issuing those  
64 bonds.

65 "CDP" means CDP-King County III, a Washington nonprofit corporation.

66 "Code" means the federal Internal Revenue Code of 1986, as amended, together  
67 with corresponding and applicable final, temporary or proposed regulations and revenue  
68 rulings issued or amended with respect thereto by the United States Treasury Department  
69 or the Internal Revenue Service.

70 "Costs of Issuance Account" means the CDP Lease Revenue Refunding Costs of  
71 Issuance Account authorized to be established for each series of Bonds pursuant to  
72 section 16 of this ordinance.

73 "DTC" means The Depository Trust Company, New York, New York.

74 "Escrow Agent" means each corporate trustee chosen pursuant to section 16 of  
75 this ordinance to serve as escrow agent in connection with the refunding of the 2007 CDP  
76 Bonds.

77 "Finance Director" means the Director of the Finance and Business Operations  
78 Division of the Department of Executive Services of the county or any other county  
79 officer who succeeds to the duties now delegated to that office or the designee of that  
80 officer.

81 "Government Obligations" means those obligations now or hereafter defined as  
82 such in chapter 39.53 RCW, as now in existence or hereafter amended or restated.

83 "Indenture" means the Indenture of Trust, dated as of June 1, 1997, by and  
84 between CDP, as issuer, and Mellon Bank, F.S.B., as trustee, as amended by the First  
85 Supplemental Indenture of Trust, dated March 8, 2007, between CDP, as issuer, and The  
86 Bank of New York Trust Company, N.A., as successor trustee.

87 "King Street Center Transfer" means the actions necessary, following the  
88 refunding and defeasance of all outstanding 2007 CDP Bonds pursuant to the

89 requirements of Section 9.02 of the Indenture, to discharge the lien of the Indenture,  
90 thereby terminating the Lease and vesting in the county unencumbered fee title to, and  
91 exclusive possession of, the Premises, as defined below, as required under the Rulings.

92 "Lease" means the Lease Agreement dated June 12, 1997, as amended on  
93 March 8, 2007, by and between CDP, as landlord, and the county, as tenant, as it  
94 may from time to time be supplemented, modified or amended.

95 "Letter of Representations" means the Blanket Issuer Letter of Representations  
96 given by the county to DTC, as amended from time to time.

97 "MSRB" means the Municipal Securities Rulemaking Board or any successor to  
98 its functions.

99 "Premises" means the administrative building now known as the King Street  
100 Center and related improvements, which were acquired, designed, constructed and  
101 equipped for the county by CDP and paid for with the proceeds of the 1997 CDP Bonds.

102 "Rebate Amount" means the amount, if any determined to be payable to the  
103 United States of America with respect to a specified series of Bonds that are issued as  
104 Tax-Exempt Bonds in accordance with Section 148(f) of the Code.

105 "Refunding Account" means the CDP Lease Revenue Bonds Refunding Account  
106 authorized to be established for each series of Bonds pursuant to section 16 of this  
107 ordinance.

108 "Register" means the registration books maintained by the Registrar for purposes  
109 of identifying ownership of the Bonds.

110 "Registered Owner" means any person or entity who is the registered owner of  
111 any Bond.

112 "Registrar" means the fiscal agency of the State of Washington appointed from  
113 time to time by the Washington State Finance Committee pursuant to chapter 43.80  
114 RCW.

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

117 "Rulings" means, collectively, Revenue Ruling 63-20 and Revenue Procedure 82-  
118 26 of the U.S. Treasury.

119 "Sale Motion" means a motion of the county council adopted at the time of sale of  
120 a series of Bonds that establishes terms for that series of Bonds, the plan for refunding  
121 2007 CDP Bonds thereby, and, as applicable, the plan for amending the Lease and related  
122 documents to reflect the savings associated with the defeasance and redemption of all or a  
123 portion of the 2007 CDP Bonds (and other related matters) or the plan for effecting the  
124 King Street Center Transfer, as provided in sections 13 and 16 of this ordinance.

125 "Savings Target" means the minimum savings for a refunding as set forth in the  
126 county's Debt Management Policy adopted by Motion 12660 of the county council as it  
127 may be amended and updated from time to time, calculated by taking into account the  
128 Monthly Rent to be paid by the County under the Lease compared to the debt service to  
129 be paid on the Bonds.

130 "Tax Certificate" means the Federal Tax Certificate regarding certain federal tax  
131 matters authorized by section 11.B. of this ordinance to be executed on behalf of the  
132 county upon the issuance of each series of Bonds issued as Tax-Exempt Bonds.

133 "Tax-Exempt Bonds" means Bonds the interest on which the county intends to be  
134 excludable from gross income for federal income tax purposes, as provided in section 11  
135 of this ordinance and so designated pursuant to section 13 of this ordinance.

136 "Undertaking" means an undertaking for ongoing disclosure to be entered into by  
137 the county for each series of Bonds, if and to the extent required by the Rule, as  
138 authorized by the Sale Motion.

139 "1997 CDP Bonds" means the \$78,275,000 original aggregate principal amount  
140 CDP-King County III Lease Revenue Bonds, 1997 (King Street Center Project), dated  
141 June 1, 1997.

142 "2007 CDP Bonds" means the \$62,400,000 original aggregate principal amount  
143 CDP-King County III Lease Revenue Refunding Bonds, 2007 (King Street Center  
144 Project), dated March 8, 2007.

145 B. Rules of Interpretation. As used in this ordinance, unless the context  
146 otherwise requires:

147 1. The terms "hereby", "hereof", "hereto", "hereunder" and any similar  
148 terms refer to this ordinance as a whole or not to any particular section, subdivision or  
149 clause of this ordinance.

150 2. Unless the context otherwise indicates, words expressed in the singular  
151 may include the plural and vice versa, and the use of the neuter, masculine, or feminine  
152 gender is for convenience only and is deemed to mean and include the neuter, masculine,  
153 or feminine gender, as appropriate.

154 3. Any headings preceding the text of the various sections and subsections  
155 of this ordinance, and any table of contents or marginal notes appended to copies of this

156 ordinance, are solely for convenience of reference and do not constitute a part of this  
157 ordinance, nor shall they affect its meaning, construction or effect.

158 4. All references in this ordinance to "sections", "subsections" and other  
159 subdivisions, paragraphs or clauses are to the corresponding sections, subsections,  
160 subdivisions, paragraphs or clauses of this ordinance as originally enacted.

161 SECTION 2. Findings. The county council hereby finds that the issuance of one  
162 or more series of limited tax general obligation bonds of the county to refund a portion of  
163 the 2007 CDP Bonds will effect a savings to the county by refinancing the county's  
164 Monthly Rent obligations under the Lease and is in the best interest of the county and its  
165 residents.

166 SECTION 3. Authorization of Bonds. The county council approves and  
167 authorizes the incurring of indebtedness by the issuance of one or more series of the  
168 Bonds of the county in an aggregate principal amount not to exceed \$37,500,000 to  
169 provide funds sufficient to redeem all or a portion of the 2007 CDP Bonds prior to their  
170 scheduled maturity and to pay the costs and expenses of issuing each series of the Bonds,  
171 and, if applicable, costs of the King Street Center Transfer. Costs of issuance for a series  
172 of Bonds shall include, but not be limited to, any costs associated with amending the  
173 Lease and related documents as necessary to reflect the savings associated with the  
174 defeasance and redemption of all or a portion of the 2007 CDP Bonds.

175 The Bonds may be issued and sold in one or more series, as provided in section  
176 13 of this ordinance, so long as the aggregate principal amount of the Bonds does not  
177 exceed \$37,500,000 and the Savings Target for each series of Bonds is met. Each series  
178 of the Bonds will be designated "King County, Washington, Limited Tax General

179 Obligation Refunding Bonds," with the year and the applicable series designation. The  
180 Bonds will be fully registered as to both principal and interest, will be in the  
181 denomination of \$5,000 each or any integral multiple thereof within a series and maturity  
182 (but no Bond shall represent more than one maturity within a series), will be numbered  
183 separately in such manner and with any additional designation as the Registrar deems  
184 necessary for purposes of identification, and will be dated as of such date and mature on  
185 the dates, in the years and the amounts established as provided in section 13 of this  
186 ordinance.

187           **SECTION 4. Registration; Exchange and Payments.**

188           A. Registrar/Register. In accordance with K.C.C. 4.84, the county hereby adopts  
189 for the Bonds the system of registration specified and approved by the Washington State  
190 Finance Committee, as registrar, authenticating agent, paying agent, and transfer agent  
191 (collectively, the "Registrar"). The Registrar will keep, or cause to be kept, at its  
192 principal corporate trust office, sufficient books for the registration and transfer of the  
193 Bonds, which will at all times be open to inspection by the county. The Registrar is  
194 authorized, on behalf of the county, to authenticate and deliver the Bonds transferred or  
195 exchanged in accordance with the provisions of those Bonds and this ordinance and to  
196 carry out all of the Registrar's powers and duties under this ordinance.

197           The Registrar will be responsible for its representations contained in the  
198 Certificate of Authentication on the Bonds. The Registrar may become the Registered  
199 Owner of Bonds with the same rights it would have if it were not the Registrar, and to the  
200 extent permitted by law may act as depository for and permit any of its officers or

201 directors to act as a member of, or in any other capacity with respect to, any committee  
202 formed to protect the rights of Registered Owners.

203       B. Registered Ownership. The county and the Registrar, each in its discretion,  
204 may deem and treat the Registered Owner of each Bond as the absolute owner thereof for  
205 all purposes, and neither the county nor the Registrar will be affected by any notice to the  
206 contrary. Payment of any Bond will be made only as described in section 4.H. of his  
207 ordinance, but registration of any Bond may be transferred as herein provided. All  
208 payments made as described in section 4.H. of this ordinance will be valid and will  
209 satisfy and discharge the liability of the county upon such Bond to the extent of the  
210 amount or amounts so paid. The county and the Registrar are entitled to treat the person  
211 in whose name any Bond is registered as the absolute owner thereof for all purposes of  
212 this ordinance and any applicable laws, notwithstanding any notice to the contrary  
213 received by the Registrar or the county.

214       C. DTC Acceptance/Letter of Representations. The Bonds will initially be held  
215 in fully immobilized form by DTC acting as depository. To induce DTC to accept the  
216 Bonds as eligible for deposit at DTC, the county has heretofore executed and delivered to  
217 DTC a Letter of Representations.

218       Neither the county nor the Registrar will have any responsibility or obligation to  
219 DTC participants or the persons for whom they act as nominees with respect to the Bonds  
220 regarding the accuracy of any records maintained by DTC or any DTC participant, the  
221 payment by DTC or any DTC participant of any amount in respect of the principal of or  
222 interest on the Bonds, any notice that is permitted or required to be given to Registered  
223 Owners under this ordinance (except those notices that are required to be given by the

224 county to the Registrar or to DTC), or any consent given or other action taken by DTC as  
225 the Registered Owner. For so long as any Bonds are held in fully immobilized form  
226 hereunder, DTC or its successor depository will be deemed to be the Registered Owner  
227 for all purposes hereunder, and all references herein to the Registered Owners will mean  
228 DTC or its nominee and will not mean the owners of any beneficial interest in the Bonds.

229 D. Use of Depository.

230 1. The Bonds shall be registered initially in the name of "Cede & Co.", as  
231 nominee of DTC, with one Bond of each series maturing on each of the maturity dates for  
232 the Bonds of that series in a denomination corresponding to the total principal therein  
233 designated to mature on such date. Registered ownership of such Bonds, or any portions  
234 thereof, may not thereafter be transferred except (i) to any successor of DTC or its  
235 nominee, provided that any such successor shall be qualified under any applicable laws to  
236 provide the service proposed to be provided by it; (ii) to any substitute depository  
237 appointed by the county pursuant to subsection (2) below or such substitute depository's  
238 successor; or (iii) to any person as provided in subsection (4) below.

239 2. Upon the resignation of DTC or its successor (or any substitute  
240 depository or its successor) from its functions as depository or a determination by the  
241 county to discontinue the system of book entry transfers through DTC or its successor (or  
242 any substitute depository or its successor), the county may hereafter appoint a substitute  
243 depository. Any such substitute depository shall be qualified under any applicable laws  
244 to provide the services proposed to be provided by it.

245 3. In the case of any transfer pursuant to clause (i) or (ii) of subsection (1)  
246 above, the Registrar shall, upon receipt of all outstanding Bonds, together with a written

247 request on behalf of the county, issue a single new Bond for each series and maturity then  
248 outstanding, registered in the name of such successor or such substitute depository, or  
249 their nominees, as the case may be, all as specified in such written request of the county.

250           4. In the event that (i) DTC or its successor (or substitute depository or its  
251 successor) resigns from its functions as depository, and no substitute depository can be  
252 obtained, or (ii) the county determines that it is in the best interest of the beneficial  
253 owners of the Bonds that such owners be able to obtain physical bond certificates, the  
254 ownership of such Bonds may then be transferred to any person or entity as herein  
255 provided, and shall no longer be held by a depository. The county shall deliver a written  
256 request to the Registrar, together with a supply of physical Bonds, to issue Bonds as  
257 herein provided in any authorized denomination. Upon receipt by the Registrar of all  
258 then outstanding Bonds together with a written request on behalf of the county to the  
259 Registrar, new Bonds shall be issued in the appropriate denominations and registered in  
260 the names of such persons as are requested in such written request.

261           E. Registration of Transfer of Ownership or Exchange; Change in  
262 Denominations. The transfer of any Bond may be registered and Bonds may be  
263 exchanged, but no transfer of any such Bond shall be valid unless it is surrendered to the  
264 Registrar with the assignment form appearing on such Bond duly executed by the  
265 Registered Owner or such Registered Owner's duly authorized agent in a manner  
266 satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the  
267 surrendered Bond and shall authenticate and deliver, without charge to the Registered  
268 Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered  
269 Owner) of the same series, date, maturity, and interest rate and for the same aggregate

270 principal amount in any authorized denomination, naming as Registered Owner the  
271 person or persons listed as the assignee on the assignment form appearing on the  
272 surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may  
273 be surrendered to the Registrar and exchanged, without charge, for an equal aggregate  
274 principal amount of Bonds of the same series, date, maturity, and interest rate, in any  
275 authorized denomination. The Registrar shall not be obligated to register the transfer of  
276 or to exchange any Bond during the 15 days preceding any principal payment or  
277 redemption date.

278 F. Registrar's Ownership of Bonds. The Registrar may become the Registered  
279 Owner of any Bond with the same rights it would have if it were not the Registrar, and to  
280 the extent permitted by law, may act as depository for and permit any of its officers or  
281 directors to act as a member of, or in any other capacity with respect to, any committee  
282 formed to protect the right of the Registered Owners or beneficial owners of Bonds.

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

286 H. Place and Medium of Payment. Both principal of and interest on the Bonds  
287 shall be payable in lawful money of the United States of America. Interest on each series  
288 of Bonds shall be calculated on the basis of a year of 360 days and twelve 30 day months.  
289 For so long as all Bonds are held by a depository, payments of principal thereof and  
290 interest thereon shall be made as provided in accordance with the operational  
291 arrangements of DTC referred to in the Letter of Representations. In the event that the  
292 Bonds are no longer held by a depository, interest on the Bonds shall be paid by check or

293 draft mailed to the Registered Owners at the addresses for such Registered Owners  
294 appearing on the Register on the fifteenth day of the month preceding the interest  
295 payment date (the "Record Date"), or upon the written request of a Registered Owner of  
296 more than \$1,000,000 of a series of Bonds (received by the Registrar on or before the  
297 Record Date), such payment shall be made by the Registrar by wire transfer to the  
298 account within the United States designated by the Registered Owner. Principal of the  
299 Bonds shall be payable upon presentation and surrender of such Bonds by the Registered  
300 Owners at the principal office of the Registrar.

301 **SECTION 5. Redemption of Bonds; Purchases.**

302 A. Optional Redemption. The county may reserve the right to redeem  
303 outstanding Bonds prior to maturity on the dates, at the prices and subject to the  
304 redemption terms established as provided in section 13 of this ordinance and ratified and  
305 confirmed by a Sale Motion. Portions of the principal amount of any Bond, in  
306 increments of \$5,000 or any integral multiple of \$5,000 within a series, may be  
307 redeemed.

308 If less than all of the Bonds subject to optional redemption are called for  
309 redemption, the county may choose the maturities to be redeemed. If less than a whole of  
310 a maturity within a series is called for redemption, the Bonds to be redeemed will be  
311 chosen randomly or by a method to be established in connection with the sale of each  
312 series of the Bonds in accordance with section 13 of this ordinance.

313 B. Mandatory Redemption of Term Bonds. If the Bonds of any series are  
314 designated as term bonds in accordance with the provisions of section 13 of this  
315 ordinance, a mandatory redemption schedule to amortize the principal of those term

316 bonds (in increments of \$5,000 or any integral multiple of \$5,000 within a series) will be  
317 set forth in the Sale Motion.

318       Payments of principal of any term bonds under any such mandatory redemption  
319 schedule will be made from the applicable Bond Account. If more than the required  
320 principal amount of the term bonds of a series of Bonds is retired by purchase or optional  
321 redemption in any given year, the county may credit those excess purchase amounts or  
322 excess optional redemption amounts to the mandatory redemption schedule for that series  
323 of Bonds in any manner that the county determines.

324       C. Partial Redemption. If less than all of the principal amount of any Bond is  
325 redeemed, upon surrender of that Bond at the principal office of the Registrar there will  
326 be issued to the Registered Owner, without charge therefor, for the then unredeemed  
327 balance of the principal amount thereof, a new Bond or Bonds, at the option of the  
328 Registered Owner, of like series, maturity and interest rate in any denomination  
329 authorized by this ordinance.

330       D. Purchase of Bonds. The county reserves the right to purchase any or all of the  
331 Bonds at any time at any price.

332       SECTION 6. Notice and Effect of Redemption.

333       A. Official Notice. For so long as the Bonds are held by a depository, notice of  
334 redemption shall be given in accordance with the operational arrangements of DTC as  
335 then in effect, and neither the county nor the Registrar will provide any notice of  
336 redemption to any beneficial owners. Thereafter (if the Bonds are no longer held by a  
337 depository), notice of redemption shall be given in the manner provided in this ordinance.  
338 The notice of redemption may be conditional. Unless waived by any owner of Bonds to

339 be redeemed, official notice of any such redemption (which redemption may be  
340 conditioned by the Registrar on the receipt of sufficient funds for redemption or  
341 otherwise) shall be given by the Registrar on behalf of the county by mailing a copy of an  
342 official redemption notice by first class mail at least 20 days and not more than 60 days  
343 prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be  
344 redeemed at the address shown on the Register or at such other address as is furnished in  
345 writing by such Registered Owner to the Registrar.

346 All official notices of redemption shall be dated and shall state: (i) the redemption  
347 date, (ii) the redemption price, (iii) if fewer than all outstanding Bonds are to be  
348 redeemed, the identification by series and maturity and the respective principal amounts  
349 of the Bonds to be redeemed, (iv) that unless conditional notice of redemption has been  
350 given and such conditions have not been satisfied or waived or such notice has been  
351 rescinded, on the redemption date the redemption price will become due and payable  
352 upon each such Bond or portion thereof called for redemption, and if the Registrar then  
353 holds sufficient funds to pay such Bonds at the redemption price, interest thereon shall  
354 cease to accrue from and after said date, and (v) the place where such Bonds are to be  
355 surrendered for payment of the redemption price, which place of payment shall be the  
356 principal office of the Registrar.

357 On or prior to any redemption date, unless any condition to such redemption has  
358 not been satisfied or waived or notice of such redemption has been rescinded, the county  
359 shall deposit with the Registrar an amount of money sufficient to pay the redemption  
360 price of all the Bonds or portions of Bonds which are to be redeemed on that date. The  
361 county retains the right to rescind any redemption notice and the related optional

362 redemption of Bonds by giving notice of rescission to the affected registered owners at  
363 any time on or prior to the scheduled redemption date. Any notice of optional  
364 redemption that is so rescinded shall be of no effect, and the Bonds for which the notice  
365 of optional redemption has been rescinded shall remain outstanding.

366       B. Effect of Notice. If a notice of redemption has been given and not rescinded  
367 (and in the case of a conditional notice, if the conditions set forth in a conditional notice  
368 of redemption have been satisfied or waived), the Bonds or portions of Bonds to be  
369 redeemed shall, on the redemption date, become due and payable at the redemption price  
370 therein specified, and, if the Registrar then holds sufficient funds to pay such Bonds at  
371 the redemption price, then from and after such date such Bonds or portions of Bonds shall  
372 cease to bear interest. Upon surrender of such Bonds for redemption in accordance with  
373 said notice, such Bonds shall be paid by the Registrar at the redemption price.  
374 Installments of interest due on or prior to the redemption date shall be payable as herein  
375 provided for payment of interest. All Bonds which have been redeemed shall be canceled  
376 by the Registrar and shall not be reissued.

377       C. Additional Notice. In addition to the foregoing notice, further notice shall be  
378 given by the county as set out below, but no defect in said further notice nor any failure  
379 to give all or any portion of such further notice shall in any manner defeat the  
380 effectiveness of a call for redemption if notice thereof is given as above prescribed. Each  
381 further notice of redemption given hereunder shall contain the information required  
382 above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being  
383 redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest  
384 borne by each Bond being redeemed; (iv) the series and maturity date of each Bond being

385 redeemed; and (v) any other descriptive information needed to identify accurately the  
386 Bonds being redeemed. Each further notice of redemption may be sent at least 20 days  
387 before the redemption date to each party entitled to receive notice pursuant to the  
388 applicable Undertaking and with such additional information as the county shall deem  
389 appropriate, but such mailings shall not be a condition precedent to the redemption of  
390 such Bonds.

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

396 **SECTION 7. Form of Bonds; Execution of Bonds.** The Bonds will be in  
397 substantially the form set forth in Attachment A to this ordinance. The Bonds will be  
398 executed on behalf of the county with the manual or facsimile signature of the county  
399 executive, attested by the manual or facsimile signature of the clerk of the county council,  
400 and will have the seal of the county impressed or imprinted thereon.

401 If any officer who has signed or attested any of the Bonds ceases to be an officer  
402 of the county authorized to sign bonds before the Bonds bearing his or her signature are  
403 authenticated or delivered by the Registrar or issued by the county, those Bonds  
404 nevertheless may be authenticated, issued and delivered and, when authenticated, issued  
405 and delivered, shall be as binding on the county as though that person had continued to be  
406 an officer of the county authorized to sign bonds. Any Bond also may be signed on  
407 behalf of the county by any person who, on the actual date of signing of the Bond, is an

408 officer of the county authorized to sign bonds, although he or she did not hold the  
409 required office on the date of issuance of the Bonds.

410           Only such Bonds as shall bear thereon a Certificate of Authentication in the form  
411 set forth in Exhibit A of this ordinance, manually executed by an authorized  
412 representative of the Registrar shall be valid or obligatory for any purpose or entitled to  
413 the benefits of this ordinance. Such Certificate of Authentication shall be conclusive  
414 evidence that the Bonds so authenticated have been duly executed, authenticated and  
415 delivered hereunder and are entitled to the benefits of this ordinance.

416           SECTION 8. Mutilated, Lost, or Destroyed Bonds. If any Bonds are lost,  
417 stolen or destroyed, the Registrar may authenticate and deliver a new Bond or Bonds of  
418 like series, amount, maturity and tenor to the Registered Owner upon such Registered  
419 Owner's paying the expenses and charges of the Registrar and the county in connection  
420 with the preparation and authentication of the replacement Bond or Bonds and upon his  
421 or her filing with the Registrar and the county evidence satisfactory to both that such  
422 Bond or Bonds were actually lost, stolen or destroyed and of his or her ownership, and  
423 upon furnishing the county and the Registrar with indemnity satisfactory to both.

424           SECTION 9. Bond Accounts; Pledge of Taxation and Credit. There has  
425 previously been created in the office of the Finance Director a special fund known as the  
426 "King County Limited Tax General Obligation Bond Redemption Fund" to be drawn on  
427 to pay the principal of and interest on limited tax general obligation bonds of the county.  
428 There is hereby authorized to be created within this fund a special account for each series  
429 of Bonds to be known as the "Limited Tax General Obligation Bond Redemption  
430 Account, [Year] [Series]" (each, a "Bond Account").

431 Any accrued interest on any series of the Bonds shall be deposited in the  
432 applicable Bond Account at the time of delivery of that series of Bonds and shall be  
433 applied to the payment of interest thereon.

434 The taxes hereafter levied to pay principal of and interest on the Bonds and any  
435 other funds to be used to pay the Bonds shall be deposited in the applicable Bond  
436 Account no later than the date funds are required for the payment of principal of and  
437 interest on a series of the Bonds; provided, however, that if the payment of principal of  
438 and interest on any series of the Bonds is required prior to the receipt of such levied  
439 taxes, the county may make an interfund loan to the applicable Bond Account pending  
440 actual receipt of those taxes. Each Bond Account shall be drawn on to pay the principal  
441 of and interest on the applicable series of the Bonds. Money in each Bond Account not  
442 needed to pay the interest or principal next coming due may temporarily be deposited in  
443 such institutions or invested in such obligations as may be lawful for the investment of  
444 county funds. Each Bond Account will be a second tier fund in accordance with  
445 Ordinance 7112 and K.C.C. chapter 4.10.

446 The county hereby irrevocably covenants and agrees, for as long as any Bonds are  
447 outstanding and unpaid, that each year it will include in its budget and levy an *ad*  
448 *valorem* tax upon all property within the county subject to taxation in an amount that will  
449 be sufficient, together with all other revenues and money of the county legally available  
450 for such purposes, to pay the principal of and interest on the Bonds as the same become  
451 due. All of the taxes so collected will be paid into the applicable Bond Account no later  
452 than the date those funds are required for the payment of principal of and interest on a  
453 series of the Bonds.

454           The county hereby irrevocably pledges that the annual tax herein authorized to be  
455 levied for the payment of such principal and interest shall be within and a part of the tax  
456 levy permitted to counties without a vote of the people, and that a sufficient portion of the  
457 taxes to be levied and collected annually by the county prior to the full payment of the  
458 principal of and interest on the Bonds will be and is hereby irrevocably set aside, pledged  
459 and appropriated for the payment of the principal of and interest on those Bonds.

460           The full faith, credit and resources of the county are hereby irrevocably pledged for  
461 the annual levy and collection of those taxes and for the prompt payment of the principal  
462 of and interest on those Bonds as the same become due.

463           SECTION 10. General Covenants. The county makes the following covenants  
464 with and warranties to the owners of the Bonds:

465           A. Legal Authority. The county has full legal right, power and authority to adopt  
466 this ordinance, to sell, issue and deliver Bonds as provided herein, and to carry out and  
467 consummate all other transactions contemplated by this ordinance.

468           B. Due Authorization. By all necessary official action prior to or concurrently  
469 herewith, the county has duly authorized and approved the execution and delivery of, and  
470 the performance by the county of its obligations contained in, the Bonds and in this  
471 ordinance in connection with the issuance of Bonds, and such authorization and  
472 approvals are in full force and effect and have not been amended, modified or  
473 supplemented in any material respect.

474           C. Binding Obligations. This ordinance constitutes a legal, valid and binding  
475 obligation of the county.

476 D. General Obligations. The Bonds, when issued, sold, authenticated and  
477 delivered, will constitute legal, valid and binding general obligations of the county.

478 E. Within Debt Limits. The Bonds will be issued within all statutory and  
479 constitutional debt limitations applicable to the county.

480 F. No Conflict. The county's adoption of this ordinance and its compliance with  
481 the provisions contained herein will not conflict with or constitute a breach of or default  
482 under any constitutional provisions, law, administrative regulation, judgment, decree,  
483 loan agreement, indenture, bond, note, resolution, ordinance, motion, agreement or other  
484 instrument to which the county is a party or to which the county or any of its property or  
485 assets are otherwise subject.

486 **SECTION 11. Tax Covenants.**

487 A. General. The county may elect to structure any series of Bonds so that interest  
488 on the Bonds would be taxable. The county also may elect to structure any series of  
489 Bonds so that the interest on the Bonds would be excludable from gross income for  
490 federal income tax purposes pursuant to sections 103 and 141 through 150 of the Code  
491 and the applicable regulations (the "Tax-Exempt Bonds"). The county covenants not to  
492 take any action or knowingly omit to take any action within its control, that if taken or  
493 omitted would cause the interest on Tax-Exempt Bonds to be included in gross income  
494 for federal income tax purposes. Additional tax covenants as necessary or desirable for  
495 any series of Bonds may be set forth in the Sale Motion or Tax Certificate (as defined  
496 below) for that series of Bonds.

497 B. Tax Certificate. Upon the issuance of any series of Tax-Exempt Bonds, the  
498 Finance Director is authorized to execute a federal tax certificate (the "Tax Certificate"),

499 which will certify to various facts and representations concerning that series of Bonds,  
500 based on the facts and estimates known or reasonably expected on the date of their  
501 issuance, and make certain covenants with respect to that series of Bonds as may be  
502 necessary or desirable to obtain or maintain the benefits conferred under the Code  
503 relating to that series of Tax-Exempt Bonds.

504 The county covenants that it will comply with the Tax Certificate unless it  
505 receives advice from nationally recognized bond counsel or the Internal Revenue Service  
506 that certain provisions have been amended or no longer apply to the Tax-Exempt Bonds.

507 C. Arbitrage Rebate. If the county does not qualify for an exception to the  
508 requirements of Section 148(f) of the Code relating to the payment of arbitrage rebate to  
509 the United States with respect to a series of Tax-Exempt Bonds, the county will take all  
510 necessary steps to comply with the requirement that certain amounts earned by the county  
511 on the investment of the "gross proceeds" of that series of Bonds (within the meaning of  
512 the Code) be rebated.

513 **SECTION 12. Refunding or Defeasance of Bonds.** The county may issue  
514 refunding obligations pursuant to the laws of the State of Washington or use money  
515 available from any other lawful source to pay when due the principal of and interest on  
516 the Bonds or any portion thereof included in a refunding or defeasance plan, and to  
517 redeem and retire, refund or defease all such then outstanding Bonds, and to pay the costs  
518 of the refunding or defeasance.

519 If money or noncallable Government Obligations maturing at such time or times  
520 and bearing interest to be earned thereon in amounts (together with such money, if  
521 necessary) sufficient to redeem and retire, refund or defease part or all of the Bonds in

522 accordance with their terms are set aside in a special account of the county to effect such  
523 redemption and retirement, and such money and the principal of and interest on such  
524 Government Obligations are irrevocably set aside and pledged for such purpose, then no  
525 further payments need be made in the applicable Bond Account for the payment of the  
526 principal of and interest on the Bonds so provided for, and those Bonds will cease to be  
527 entitled to any lien, benefit or security of this ordinance except the right to receive the  
528 money so set aside and pledged, and those Bonds will be deemed not to be outstanding  
529 hereunder.

530       Upon the defeasance of any of the Bonds, the Registrar will provide notice of the  
531 defeasance to the Registered Owners of the Bonds and to the MSRB in accordance with  
532 the Undertaking.

533       SECTION 13. Sale of Bonds.

534       A. Determination by Finance Director. The Finance Director will determine, in  
535 consultation with the county's financial advisors, whether the Bonds will be sold in one or  
536 more series, the time of the sale of each series of Bonds, whether a series of Bonds will  
537 be structured as Tax-Exempt Bonds or otherwise, and whether a series of Bonds will be  
538 sold by negotiated sale or competitive bid and by current or future delivery. In any event,  
539 the aggregate principal amount of all Bonds issued and sold under this ordinance may not  
540 exceed \$37,500,000, and the sale of each series of Bonds must meet the Savings Target  
541 applicable on the date of sale of that series of Bonds. The authority to sell any of the  
542 Bonds authorized hereunder will terminate two years from the effective date of this  
543 ordinance.

544           B. Procedure for Negotiated Sale. If the Finance Director determines that a series  
545 of Bonds will be sold by negotiated sale, the Finance Director will, in accordance with  
546 applicable county procurement procedures, solicit one or more underwriting firms with  
547 which to negotiate the sale of that series of Bonds. The purchase contract for any series  
548 of Bonds will establish the date, principal amount, interest rates, maturity schedule,  
549 redemption and bond insurance provisions, and delivery date of that series of Bonds. The  
550 county council by a Sale Motion will approve the bond purchase contract and ratify and  
551 confirm the date, interest rates, maturity schedule, redemption and bond insurance  
552 provisions, plan of refunding, and any other terms of such Bonds.

553           C. Procedures for Sale by Competitive Bid. If the Finance Director determines  
554 that a series of Bonds will be sold by competitive bid, bids for the purchase of such  
555 Bonds will be received at such time and place and by such means as the Finance Director  
556 directs. The Finance Director is authorized to prepare a notice of sale for the Bonds,  
557 establishing in the notice the date, principal amount, interest payment dates, maturity  
558 schedule, and redemption and bond insurance provisions for such Bonds. The official  
559 notice of sale or an abridged form thereof may be published in those newspapers or  
560 financial journals that the county's financial advisors deem desirable or appropriate.

561           Upon the date and time established for the receipt of bids for any series of Bonds,  
562 the Finance Director or his designee will review the bids, cause the bids to be  
563 mathematically verified and report to the county council regarding the bids received. The  
564 bids will then be considered and acted upon by the county council in an open public  
565 meeting. The county council reserves the right to reject any and all bids for such Bonds.  
566 The county council by a Sale Motion will approve the sale of the Bonds and ratify and

567 confirm the date, interest rates, maturity schedule, redemption and bond insurance  
568 provisions, plan of refunding, and any other terms of such Bonds.

569         SECTION 14. Preliminary Official Statement; Official Statement. The  
570 county hereby authorizes and directs the Finance Director: (i) to review and approve the  
571 information contained in the preliminary official statement (the "Preliminary Official  
572 Statement") prepared in connection with the sale of a series of Bonds, and (ii) for the sole  
573 purpose of the Bond purchaser's compliance with Section (b)(1) of the Rule, to "deem  
574 final" the Preliminary Official Statement as of its date, except for the omission of  
575 information on offering prices, interest rates, selling compensation, delivery dates, bond  
576 insurance, any other terms or provisions required by the county to be specified in a  
577 competitive bid or bond purchase contract, ratings, the identity of the Bond purchasers,  
578 and other terms of that series of Bonds dependent on such matters. After the Preliminary  
579 Official Statement has been reviewed and approved in accordance with the provisions of  
580 this section, the county hereby authorizes distribution of the Preliminary Official  
581 Statement to prospective purchasers of that series of Bonds.

582         Following the sale of any series of Bonds in accordance with this section, the  
583 Finance Director is hereby authorized to review and approve on behalf of the county a  
584 final official statement for those Bonds. The county agrees to cooperate with the  
585 purchaser of the Bonds to deliver or cause to be delivered, within seven business days  
586 from the date of the Sale Motion and in sufficient time to accompany any confirmation  
587 that requests payment from any customer of the purchaser, copies of the final official  
588 statement in sufficient quantity to comply with paragraph (b)(4) of the Rule and the rules  
589 of the MSRB.

590            **SECTION 15. Delivery of Bonds.** Following the sale of any series of the Bonds,  
591 the county will cause definitive Bonds of that series to be prepared, executed, and  
592 delivered, which Bonds will be typewritten, lithographed or printed with engraved or  
593 lithographed borders, or in such other form acceptable to DTC as initial depository for  
594 the Bonds.

595            If definitive Bonds are not ready for delivery by the date established for issuing  
596 the Bonds, then the Finance Director, upon the approval of the purchaser, may cause to  
597 be issued and delivered to the purchaser one or more temporary Bonds with the  
598 appropriate omissions, changes and additions. Any temporary Bond or Bonds will be  
599 entitled and subject to the same benefits and provision of this ordinance with respect to  
600 the payment, security and obligation thereof as definitive Bonds authorized thereby. Any  
601 temporary Bond or Bonds will be exchangeable without cost to the owners thereof for  
602 definitive Bonds when the latter are ready for delivery.

603            **SECTION 16. Refunding Accounts; Plan of Refunding.**

604            A. Refunding Accounts. Proceeds of any series of the Bonds will be used to  
605 refund all or a portion of the 2007 CDP Bonds, as designated in the applicable Sale  
606 Motion, and to pay costs of issuing the Bonds. If all outstanding 2007 CDP Bonds are to  
607 be refunded or defeased by the issuance of a series of Bonds, proceeds of that series of  
608 Bonds may also be used to pay costs of the King Street Center Transfer. The following  
609 special accounts of the county are authorized to be established and maintained with the  
610 Escrow Agent for each series of Bonds: (i) the CDP Lease Revenue Bonds Refunding  
611 Account (the "Refunding Account") and (ii) the CDP Lease Revenue Refunding Costs of  
612 Issuance Account (the "Costs of Issuance Account"). The Refunding Account is to be

613 drawn on to pay the principal of and interest on the 2007 CDP Bonds to be refunded and  
614 defeased by that series of Bonds. The Costs of Issuance Account is to be drawn on to pay  
615 costs and expenses incurred in issuing that series of Bonds, and, if applicable, to pay  
616 costs and expenses of the King Street Center Transfer.

617       B. Appointing an Escrow Agent. In connection with the issuance of each series  
618 of Bonds, to carry out the refunding and defeasance of the applicable 2007 CDP Bonds,  
619 the Finance Director is hereby authorized to appoint as escrow agent a bank or trust  
620 company qualified by law to perform the duties described herein (each, an "Escrow  
621 Agent").

622       The county will take such actions as are found necessary to see that all necessary  
623 and proper fees, compensation and expenses of the Escrow Agent are paid when due.  
624 The proper officers and agents of the county are directed to obtain from the Escrow  
625 Agent an agreement setting forth the duties, obligations and responsibilities of the  
626 Escrow Agent in connection with the redemption and defeasance of the 2007 CDP Bonds  
627 as provided herein and setting forth provisions for the payment of the fees, compensation  
628 and expenses of the Escrow Agent as are satisfactory to it. To carry out the purposes of  
629 this section, the Finance Director is authorized and directed to execute and deliver to the  
630 Escrow Agent an escrow agreement in the form approved by the county's bond counsel.

631       C. Plan of Refunding. A final plan of refunding will be set forth in each Sale  
632 Motion. As part of any such plan, net proceeds from the sale of a series of Bonds and  
633 other funds of the county to be applied to the refunding and defeasance of all or a portion  
634 of the 2007 CDP Bonds and, if applicable, paying costs of the King Street Center  
635 Transfer, will be paid to the Escrow Agent and deposited in and credited to the applicable

636 Refunding Account and Costs of Issuance Account. Money in each Refunding Account  
637 and Costs of Issuance Account will be used immediately upon receipt thereof to defease  
638 the 2007 CDP Bonds included in the plan of refunding, satisfy any other obligations of  
639 the county under the Lease or the Indenture, pay costs of issuing the Bonds, and, if  
640 applicable, pay costs of the King Street Center Transfer.

641         The County will direct the Escrow Agent to use the money in each Refunding  
642 Account to purchase Government Obligations, as identified in the Escrow Agreement  
643 (the "Escrowed Securities"), bearing such interest and maturing as to principal and  
644 interest in such amounts and as such times that, together with any necessary initial cash  
645 balance, will provide for the payment in full of the portion of the 2007 CDP Bonds  
646 included in the plan of refunding, as set forth in the Sale Motion. The Escrowed  
647 Securities will be purchased at a yield not greater than the yield permitted by the Code  
648 relating to obligations acquired in connection with refunding bond issues. Any beginning  
649 cash balance and the Escrowed Securities will be irrevocably deposited with the Escrow  
650 Agent in an amount sufficient to defease applicable 2007 CDP Bonds in accordance with  
651 the Indenture, this section, and the Sale Motion.

652         The county will direct the Escrow Agent to use the money in each Costs of  
653 Issuance Account to pay expenses of the acquisition and safekeeping of the Escrowed  
654 Securities and costs and expenses of issuing the Bonds, and, if applicable, costs of the  
655 King Street Center Transfer.

656         Funds deposited in each Refunding Account and Costs of Issuance Account  
657 described in this section shall be invested as permitted by law for the sole benefit of the  
658 respective account. Irrespective of the general provisions of Ordinance 7112 and K.C.C.

659 chapter 4.10, the county current expense fund shall not receive any earnings attributed to  
660 such accounts. Money other than proceeds of Bonds may be deposited into any  
661 Refunding Account or Costs of Issuance Account; provided, however, that proceeds of  
662 any Bonds issued as Tax-Exempt Bonds and earnings thereon shall be accounted for  
663 separately for purposes of the arbitrage rebate computations required to be made under  
664 the Code. For purposes of these computations, Bond proceeds will be deemed to have  
665 been expended first, and then any other funds.

666       D. Findings of Savings and Defeasance. By each Sale Motion, the county  
667 council will set forth its findings of savings and defeasance regarding the obligation of  
668 the county to pay Monthly Rent under the Lease, which obligation is authorized to be  
669 refinanced in whole or in part by issuance of the Bonds to refund all or a portion of the  
670 2007 CDP Bonds.

671       E. Lease Amendments and Other Documents. The proper county officials are  
672 authorized to enter into the following amendments and other agreements, as may be  
673 further specified in the Sale Motion: amendments to the Lease to reflect the reduction of  
674 Monthly Rent resulting from the refunding of all or a portion of the 2007 CDP Bonds,  
675 amendments to the Lease to clarify the amount of the asset management fee paid under  
676 the Lease, and agreements to effect the King Street Center Transfer, and the assignment  
677 and termination (within 90 days of such King Street Center Transfer) of management  
678 contracts and other encumbrances, in accordance with the terms of this ordinance, the  
679 Rulings and the Sale Motion.

680       SECTION 17. General Authorization. The appropriate county officials, agents  
681 and representatives are hereby authorized and directed to do everything necessary for the

682 prompt sale, issuance, execution and delivery of the Bonds, and for the proper use and  
683 application of the proceeds of the sale thereof.

684         SECTION 18. Undertaking to Provide Ongoing Disclosure. If and to the  
685 extent required by Section (b)(5) of the Rule, each Sale Motion will authorize an  
686 Undertaking for each series of the Bonds.

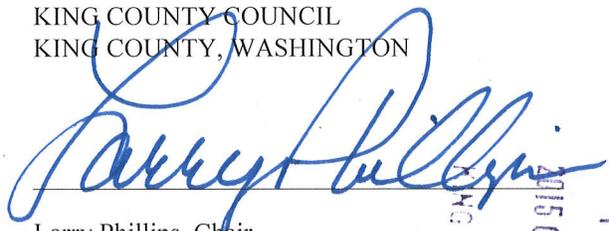
687         SECTION 19. Contract; Severability. The covenants applicable to the Bonds  
688 contained in this ordinance constitute a contract between the county and the owners of  
689 each and every Bond. If any court of competent jurisdiction determines that any  
690 covenant or agreement provided in this ordinance to be performed on the part of the  
691 county is contrary to law, then such covenant or agreement shall be null and void and  
692 shall be deemed separable from the remaining covenants and agreements of this  
693 ordinance and shall in no way affect the validity of the other provisions of this ordinance  
694 or of the Bonds.

695            SECTION 20. Effective Date. This ordinance shall be effective 10 days after its  
696 enactment, in accordance with Article II of the King County Charter.  
697

Ordinance 18112 was introduced on 7/20/2015 and passed by the Metropolitan King  
County Council on 9/21/2015, by the following vote:

Yes: 8 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,  
Mr. Dunn, Mr. McDermott, Mr. Dembowski and Mr. Upthegrove  
No: 0  
Excused: 1 - Ms. Lambert

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON



Larry Phillips, Chair

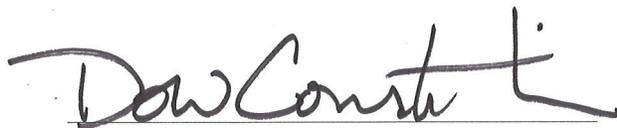
ATTEST:



Anne Noris, Clerk of the Council

RECEIVED  
2015 OCT -1 AM 9:52  
CLERK  
KING COUNTY COUNCIL

APPROVED this 30 day of SEPTEMBER, 2015.



Dow Constantine, County Executive

Attachments: A. Form of Bond

**ATTACHMENT A  
FORM OF BOND**

NO. \_\_\_\_\_

\$ \_\_\_\_\_

**UNITED STATES OF AMERICA**

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OR TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

**STATE OF WASHINGTON**

**KING COUNTY, WASHINGTON  
LIMITED TAX GENERAL OBLIGATION REFUNDING BOND,  
[applicable year and series designation]**

INTEREST RATE:

MATURITY DATE:

CUSIP NO.:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KING COUNTY, WASHINGTON (the "County"), 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 specified above, the Principal Amount specified above and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-day months) from \_\_\_\_\_, \_\_\_\_\_, 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 \_\_\_\_\_, \_\_\_\_\_, 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. While the bonds of this issue are held in an immobilized "book entry" system of registration, payments of principal thereof and interest thereon will be made in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations from the County to DTC. When the bonds are no longer held in an immobilized "book entry" registration system, principal will be paid to the Registered Owner or nominee of such owner upon presentation and surrender of this bond at either of the principal offices of the fiscal agency of the State of Washington (the "Registrar"), and interest will be paid by mailing a check or draft (on the date such interest is due) to the Registered Owner or nominee of such owner at the address shown on the Register as of the 15th day of the month prior to the interest payment date (the "Record Date"); provided, however, that if so requested in writing on or before the Record Date by the Registered Owner of at least \$1,000,000 par value of the bonds of this issue, interest will be paid by wire transfer on the interest payment date to an account with a bank located in the United States.

This bond is one of an authorized issue of bonds of like series, date and tenor, except as to number, amount, rate of interest and date of maturity, in the aggregate principal amount of \$ \_\_\_\_\_ (the "Bonds"), and is issued to provide for the refunding and defeasance of all or a portion of the CDP-King County III Lease Revenue Refunding Bonds (King Street Center Project), 2007 (the "Refunded Bonds"), and to pay the costs of issuing the Bonds and the administrative costs of refunding the Refunded Bonds [and effecting the transfer of title to the financed facilities].

The Bonds are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington, the County Charter and applicable ordinances duly adopted by the County, including Ordinance \_\_\_\_\_ and Motion \_\_\_\_\_ of the County Council (together, the "Bond Legislation"). Capitalized terms used in this bond and not defined herein have the meanings given such terms in the Bond Legislation.

This bond [is/is not] subject to redemption prior to maturity as provided in the Bond Legislation.

The Bonds are general obligations of the County. The County has irrevocably covenanted and agreed 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 upon all property within the County subject to taxation in an amount that will be sufficient, together with all other revenues and money of the County legally available for such purposes, to pay the principal of and interest on the Bonds as the same become due. The County has pledged that the annual tax authorized to be levied for the payment of such principal and interest shall be within and a part of the tax levy permitted to counties without a vote of the people. The full faith, credit and resources of the County have been irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of the principal of and interest on the Bonds as the same become due.

The pledge of tax levies under the Bond Legislation 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 Legislation.

This bond will not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Legislation until the Certificate of Authentication hereon has been manually signed by the Registrar.

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

IN WITNESS WHEREOF, the County has caused this bond to be executed by the manual of facsimile signature of the County Executive, to be attested by the manual or facsimile signature of the Clerk of the County Council, and has caused the seal of the County to be impressed or imprinted hereon, as of \_\_\_\_\_, \_\_\_\_.

KING COUNTY, WASHINGTON

By \_\_\_\_\_ /s/ \_\_\_\_\_  
King County Executive

ATTEST:

\_\_\_\_\_/s/\_\_\_\_\_  
Clerk of the County Council

CERTIFICATE OF AUTHENTICATION

This is one of the Limited Tax General Obligation Refunding Bonds, [applicable year] Series \_\_\_\_\_, of King County, Washington, dated \_\_\_\_\_, 20\_\_.

WASHINGTON STATE FISCAL  
AGENCY, as Registrar

By \_\_\_\_\_  
Authorized Signatory

The following abbreviations, when used in the inscription on the face of the within bond, will be construed as though they were written out in full according to applicable laws or regulations.

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT (TRANSFERS) MIN ACT - \_\_\_\_\_ Custodian \_\_\_\_\_  
 (Cust) (Minor)  
 under Uniform Gifts (Transfers) to Minors Act  
 \_\_\_\_\_  
 (State)

Additional abbreviations may also be used though not listed above.

ASSIGNMENT

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

PLEASE INSERT SOCIAL SECURITY OR  
TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

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

\_\_\_\_\_  
the within bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ of \_\_\_\_\_, or its successor, as Registrar to transfer said bond on the books kept for registration thereof with full power of substitution in the premises.

DATED: \_\_\_\_\_, 20\_\_.

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.