



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

November 3, 2015

Ordinance 18145

Proposed No. 2015-0385.1

Sponsors Phillips

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 \$183
4 million to refinance for savings the county's obligations
5 under the lease/lease-back transaction entered into by the
6 county with NJB Properties for the construction of facilities
7 for Harborview Medical Center; providing for the use of
8 the bond proceeds to refund all or a portion of the lease
9 revenue bonds issued by NJB Properties and to pay costs of
10 issuing the county's bonds; pledging the annual levy of
11 taxes to pay principal of and interest on the county's bonds;
12 and approving certain matters related thereto.

13 PREAMBLE:

14 As authorized by Ordinance 15043, pursuant to RCW 36.39.205
15 incorporating by reference chapter 35.42 RCW, and K.C.C. chapter 4.56,
16 the county entered into a lease/lease-back transaction with NJB Properties,
17 a Washington nonprofit corporation ("NJB"), for the permitting, design
18 and construction on county-owned land of the Harborview Medical
19 Center. The transaction included (i) the county's lease of a site to NJB

20 pursuant to a Ground Lease dated as of November 1, 2006 (the "Ground
21 Lease"), (ii) NJB's lease back to the county of the buildings that NJB
22 caused to be constructed on those sites (the "Premises") pursuant to a
23 Project Lease Agreement dated as of November 1, 2006 (the "Project
24 Lease"), and (iii) NJB's issuance of its Lease Revenue Bonds (King
25 County, Washington Project), 2006 Series A in the original aggregate
26 principal amount of \$179,285,000 (the "NJB 2006A Bonds") and Lease
27 Revenue Bonds (King County Washington Project), 2006 Series B
28 (Taxable) in the original aggregate principal amount of \$10,435,000 (the
29 "NJB 2006B Bonds" and together with the NJB 2006A Bonds, the "NJB
30 Bonds") to finance the costs of the project. As provided in Section 4.3 of
31 the Project Lease, the county's obligation thereunder to pay Monthly Rent
32 (as defined in the Project Lease) constitutes a general obligation of the
33 county to which it has pledged the county's full faith and credit.

34 The NJB Bonds were issued pursuant to the Indenture of Trust (the
35 "Indenture"), dated as of November 1, 2006, by and between NJB, as
36 issuer, and The Bank of New York Mellon Trust Company, N.A., as
37 trustee. The NJB Bonds satisfy the requirements of Revenue Ruling 63-20
38 and Revenue Procedure 82-26 of the U.S. Treasury (collectively, the
39 "Rulings").

40 The county may have opportunities to refinance all or portions of the
41 outstanding NJB Bonds and thereby realize savings to the county. To that
42 end, it is deemed necessary and advisable that the county issue one or

43 more series of its limited tax general obligation bonds in a principal
44 amount not to exceed \$183 million (the "Bonds"), on the terms and
45 conditions set forth in this ordinance.

46 BE ORDAINED BY THE COUNCIL OF KING COUNTY:

47 **SECTION 1. Definitions; Interpretation.**

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

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

53 "Bonds" means the limited tax general obligation bonds of the county in an
54 aggregate principal amount not to exceed \$183 million, authorized by this ordinance to be
55 issued in one or more series to obtain funds to refinance for savings the county's
56 obligations under the Project Lease and to pay the costs and expenses incurred in issuing
57 those bonds.

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

62 "Costs of Issuance Account" means the NJB Lease Revenue Refunding Costs of
63 Issuance Account authorized to be established for each series of Bonds pursuant to
64 section 16 of this ordinance.

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

66 "Escrow Agent" means each corporate trustee chosen pursuant to section 16 of
67 this ordinance to serve as escrow agent in connection with the refunding of the NJB
68 Bonds.

69 "Finance Director" means the Director of the Finance and Business Operations
70 Division of the Department of Executive Services of the county or any other county
71 officer who succeeds to the duties now delegated to that office or the designee of that
72 officer.

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

75 "Ground Lease" means the Ground Lease, dated as of November 1, 2006, between
76 the county, as ground lessor, and NJB, as ground lessee, as it may from time to time be
77 supplemented, modified or amended.

78 "Harborview Ninth & Jefferson Building Transfer" means the actions necessary,
79 following the refunding and defeasance of all outstanding NJB 2006A Bonds (and
80 pursuant to the requirements of Section 10.02 of the Indenture, all outstanding NJB
81 2006B Bonds), to discharge the lien of the Indenture, thereby terminating the Ground
82 Lease and the Project Lease and vesting in the county unencumbered fee title to, and
83 exclusive possession of, the Premises, as required under the Rulings.

84 "Indenture" means the Indenture of Trust, dated as of November 1, 2006, by and
85 between NJB, as issuer, and The Bank of New York Mellon Trust Company, N.A., as
86 trustee.

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

89 "MSRB" means the Municipal Securities Rulemaking Board or any successor to
90 its functions.

91 "NJB" means NJB Properties, a Washington nonprofit corporation.

92 "NJB Bonds" means together, the NJB 2006A Bonds and NJB 2006B Bonds.

93 "NJB 2006A Bonds" means the \$179,285,000 original aggregate principal amount
94 NJB Properties Lease Revenue Bonds (King County, Washington Project), 2006 Series
95 A, dated December 5, 2006.

96 "NJB 2006B Bonds" means the \$10,435,000 original aggregate principal amount
97 NJB Properties Lease Revenue Bonds (King County, Washington Project), 2006 Series B
98 (Taxable), dated December 5, 2006.

99 "Premises" means the medical office building now known as the Harborview
100 Ninth & Jefferson Building and related improvements located at 908 Jefferson Street,
101 Seattle, Washington, which were permitted, designed, constructed and equipped for the
102 county by NJB and paid for the proceeds of the NJB Bonds.

103 "Project Lease" means the Project Lease Agreement, dated as of November 1,
104 2006, by and between NJB, as landlord, and the county, as tenant, as it may from time to
105 time be supplemented, modified or amended.

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

109 "Refunding Account" means the NJB Lease Revenue Bonds Refunding Account
110 authorized to be established for each series of Bonds pursuant to section 16 of this
111 ordinance.

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

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

116 "Registrar" means the fiscal agency of the State of Washington appointed from
117 time to time by the Washington State Finance Committee pursuant to chapter 43.80
118 RCW.

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

121 "Rulings" means, collectively, Revenue Ruling 63-20 and Revenue Procedure 82-
122 26 of the U.S. Treasury.

123 "Sale Motion" means a motion of the county council adopted at the time of sale of
124 a series of Bonds that establishes terms for that series of Bonds, the plan for refunding
125 NJB Bonds thereby, and, as applicable, the plan for amending the Project Lease and
126 related documents to reflect the savings associated with the defeasance and redemption of
127 the NJB Bonds (and other related matters) or the plan for effecting the Harborview Ninth
128 & Jefferson Building Transfer, as provided in sections 13 and 16 of this ordinance.

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

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

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

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

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

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

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

152 3. Any headings preceding the text of the various sections and subsections of
153 this ordinance, and any table of contents or marginal notes appended to copies of this
154 ordinance, are solely for convenience of reference and do not constitute a part of this
155 ordinance, nor shall they affect its meaning, construction or effect.

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

159 SECTION 2. Findings. The county council hereby finds that the issuance of one
160 or more series of limited tax general obligation bonds of the county to refund all or a
161 portion of the NJB Bonds will effect a savings to the county by refinancing the county's
162 payment obligations under the Project Lease and is in the best interest of the County and
163 its residents.

164 SECTION 3. Authorization of Bonds. The county council approves and
165 authorizes the incurring of indebtedness by the issuance of the Bonds in one or more
166 series to provide funds sufficient to redeem all or a portion of the NJB Bonds prior to
167 their scheduled maturity and to pay the costs and expenses of issuing each series of the
168 Bonds, and, if applicable, costs of the Harborview Ninth & Jefferson Building Transfer.
169 Costs of issuance for a series of Bonds shall include, but not be limited to, any costs
170 associated with amending the Project Lease and related documents as necessary to reflect
171 the savings associated with the defeasance and redemption of a portion of the NJB
172 Bonds.

173 The Bonds may be issued and sold in one or more series, as provided in section
174 13 of this ordinance, so long as the aggregate principal amount of the Bonds does not
175 exceed \$183 million and the Savings Target for each series of Bonds is met. Each series
176 of the Bonds will be designated "King County, Washington, Limited Tax General
177 Obligation Refunding Bonds," with the year and the applicable series designation. The
178 Bonds will be fully registered as to both principal and interest, will be in the

179 denomination of \$5,000 each or any integral multiple thereof (but no Bond shall represent
180 more than one maturity), will be numbered separately in such manner and with any
181 additional designation as the Registrar deems necessary for purposes of identification,
182 and will be dated as of such date and mature on the dates, in the years and the amounts
183 established as provided in section 13 of this ordinance.

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

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

194 The Registrar will be responsible for its representations contained in the
195 Certificate of Authentication on the Bonds. The Registrar may become the Registered
196 Owner of Bonds with the same rights it would have if it were not the Registrar, and to the
197 extent permitted by law may act as depository for and permit any of its officers or
198 directors to act as a member of, or in any other capacity with respect to, any committee
199 formed to protect the rights of Registered Owners.

200 B. Registered Ownership. The county and the Registrar, each in its discretion,
201 may deem and treat the Registered Owner of each Bond as the absolute owner thereof for

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

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

215 Neither the county nor the Registrar will have any responsibility or obligation to
216 DTC participants or the persons for whom they act as nominees with respect to the Bonds
217 regarding the accuracy of any records maintained by DTC or any DTC participant, the
218 payment by DTC or any DTC participant of any amount in respect of the principal of or
219 interest on the Bonds, any notice that is permitted or required to be given to Registered
220 Owners under this ordinance (except those notices that are required to be given by the
221 county to the Registrar or to DTC), or any consent given or other action taken by DTC as
222 the Registered Owner. For so long as any Bonds are held in fully immobilized form
223 hereunder, DTC or its successor depository will be deemed to be the Registered Owner

224 for all purposes hereunder, and all references herein to the Registered Owners will mean
225 DTC or its nominee and will not mean the owners of any beneficial interest in the Bonds.

226 D. Use of Depository.

227 1. The Bonds shall be registered initially in the name of "Cede & Co.", as
228 nominee of DTC, with one Bond of each series maturing on each of the maturity dates for
229 the Bonds of that series in a denomination corresponding to the total principal therein
230 designated to mature on such date. Registered ownership of such Bonds, or any portions
231 thereof, may not thereafter be transferred except:

232 a. to any successor of DTC or its nominee, provided that any such successor
233 shall be qualified under any applicable laws to provide the service proposed to be
234 provided by it;

235 b. to any substitute depository appointed by the county pursuant to subsection
236 D.2. of this section or such substitute depository's successor; or

237 c. to any person as provided in subsection D.4. of this section.

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

244 3. In the case of any transfer pursuant to subsection D.1.a. or b. of this section,
245 the Registrar shall, upon receipt of all outstanding Bonds, together with a written request
246 on behalf of the county, issue a single new Bond for each series and maturity then

247 outstanding, registered in the name of such successor or such substitute depository, or
248 their nominees, as the case may be, all as specified in such written request of the county.

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

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

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

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

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

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

293 appearing on the Register on the fifteenth day of the month preceding the interest
294 payment date, or upon the written request of a Registered Owner of more than
295 \$1,000,000 of a series of Bonds (received by the Registrar at least 15 days prior to the
296 applicable payment date), such payment shall be made by the Registrar by wire transfer
297 to the account within the United States designated by the Registered Owner. Principal of
298 the Bonds shall be payable upon presentation and surrender of such Bonds by the
299 Registered Owners at the principal office of the Registrar.

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

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

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

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

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

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

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

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

331 **SECTION 6. Notice and Effect of Redemption.**

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

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

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

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

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

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

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

384 Bonds being redeemed. Each further notice of redemption may be sent at least 20 days
385 before the redemption date to each party entitled to receive notice pursuant to the
386 applicable Undertaking and with such additional information as the county shall deem
387 appropriate, but such mailings shall not be a condition precedent to the redemption of
388 such Bonds.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

484 **SECTION 11. Tax Covenants.**

485 A. General. The county may elect to structure any series of Bonds so that interest
486 on the Bonds would be taxable. The county also may elect to structure any series of
487 Bonds so that the interest on the Bonds would be excludable from gross income for
488 federal income tax purposes pursuant to sections 103 and 141 through 150 of the Code
489 and the applicable regulations (the "Tax-Exempt Bonds"). The county covenants not to
490 take any action or knowingly omit to take any action within its control that, if taken or
491 omitted, would cause the interest on the Tax-Exempt Bonds to be included in gross
492 income, as defined in section 61 of the Code, for federal income tax purposes. Additional
493 tax covenants as necessary or desirable for any series of Bonds may be set forth in the
494 Sale Motion or Tax Certificate for that series of Bonds.

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

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

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

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

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

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

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

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

531 SECTION 13. Sale of Bonds.

532 A. Determination by Finance Director. The Finance Director will determine, in
533 consultation with the county's financial advisors, whether the Bonds will be sold in one or
534 more series, the time of the sale of each series of Bonds, whether a series of Bonds will
535 be structured as Tax-Exempt Bonds or otherwise, and whether a series of Bonds will be
536 sold by negotiated sale or competitive bid and for current or future delivery. The Finance
537 Director is authorized to determine to combine the Bonds authorized herein with other
538 authorized limited tax general obligation bonds of the county and to sell such bonds as
539 one or more single series and issues. In any event, the aggregate principal amount of the
540 Bonds issued and sold under this ordinance may not exceed \$183 million, and the sale of
541 each series of Bonds must meet the Savings Target applicable on the date of sale of that

542 series of Bonds. The authority to sell any of the Bonds authorized hereunder will
543 terminate two years from the effective date of this 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 insurance provisions for such Bonds. The official notice of
559 sale or an abridged form thereof may be published in those newspapers or financial
560 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 Municipal Securities Rulemaking Board ("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 of the Bonds,
597 may cause to be issued and delivered to the purchaser one or more temporary Bonds with
598 the 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 NJB Bonds, as designated in the applicable Sale Motion, and
606 to pay costs of issuing the Bonds. If all outstanding NJB Bonds are to be refunded by the
607 issuance of a series of Bonds, proceeds of that series of Bonds may also be used to pay
608 costs of the Harborview Ninth & Jefferson Building Transfer. The following special
609 accounts of the county are authorized to be established and maintained with the Escrow
610 Agent for each series of Bonds: (i) the NJB Lease Revenue Bonds Refunding Account

611 (the "Refunding Account") and (ii) the NJB Lease Revenue Refunding Costs of Issuance
612 Account (the "Costs of Issuance Account"). The Refunding Account is to be drawn on to
613 pay the principal of and interest on the NJB Bonds to be refunded and defeased by that
614 series of Bonds. The Costs of Issuance Account is to be drawn on the pay costs and
615 expenses incurred in issuing that series of Bonds, and, if applicable, to pay costs and
616 expenses of the Harborview Ninth & Jefferson Building 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 NJB Bonds, the
619 Finance Director is hereby authorized to appoint as escrow agent a bank or trust company
620 qualified by law to perform the duties described herein (each, an "Escrow Agent").

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

630 C. Plan of Refunding. A final plan of refunding will be set forth in each Sale
631 Motion. As part of any such plan, net proceeds from the sale of a series of Bonds and
632 other funds of the county to be applied to the refunding and defeasance of all or a portion
633 of the NJB Bonds and, if applicable, paying costs of the Harborview Ninth & Jefferson

634 Building Transfer, will be paid to the Escrow Agent and deposited in and credited to the
635 applicable Refunding Account and Costs of Issuance Account. Money in each Refunding
636 Account and Costs of Issuance Account will be used immediately upon receipt thereof to
637 defease the NJB Bonds included in the plan of refunding, satisfy any other obligations of
638 the county under the Project Lease or the Indenture, pay costs of issuing the Bonds, and,
639 if applicable, pay costs of the Harborview Ninth & Jefferson Building Transfer.

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

651 The county will direct the Escrow Agent to use the money in each Costs of
652 Issuance Account to pay expenses of the acquisition and safekeeping of the Escrowed
653 Securities and costs and expenses of issuing the Bonds, and, if applicable, costs of the
654 Harborview Ninth & Jefferson Building Transfer.

655 Funds deposited in each Refunding Account and Costs of Issuance Account
656 described in this section shall be invested as permitted by law for the sole benefit of the

657 respective account. Irrespective of the general provisions of Ordinance 7112 and K.C.C.
658 chapter 4.10, the county current expense fund shall not receive any earnings attributed to
659 such accounts. Money other than proceeds of Bonds may be deposited into any
660 Refunding Account or Costs of Issuance Account; provided, however, that proceeds of
661 any Bonds issued as Tax-Exempt Bonds and earnings thereon shall be accounted for
662 separately for purposes of the arbitrage rebate computations required to be made under
663 the Code. For purposes of these computations, Bond proceeds will be deemed to have
664 been expended first, and then any other funds.

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

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

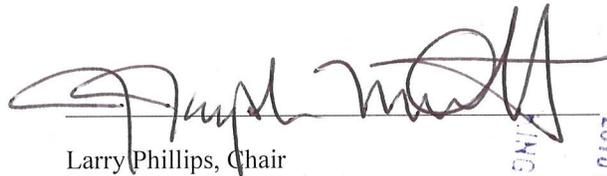
687 SECTION 19. Contract; Severability. The covenants applicable to the Bonds
688 contained in this ordinance constitute a contract between the county and the owners of
689 each and every Bond. If any court of competent jurisdiction determines that any
690 covenant or agreement provided in this ordinance 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 ten days after its
696 enactment, in accordance with Article II of the King County Charter.
697

Ordinance 18145 was introduced on 10/5/2015 and passed by the Metropolitan King County Council on 11/2/2015, by the following vote:

Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,
Ms. Lambert, Mr. Dunn, Mr. McDermott, Mr. Dembowski and Mr.
Upthegrove
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Larry Phillips, Chair

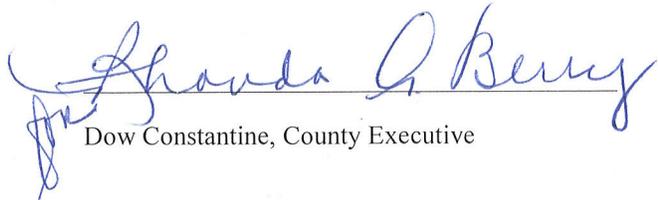
ATTEST:



Anne Noris, Clerk of the Council

RECEIVED
2015 NOV 13 PM 3:53
CLERK
KING COUNTY COUNCIL

APPROVED this 13th day of November 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; provided, however, that if so requested in writing 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 a portion of the NJB Properties [Lease Revenue Bonds (King County, Washington Project), 2006 Series A/Lease Revenue Bonds (King County, Washington Project), 2006 Series B (Taxable)] (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 and to have happened, been done and performed precedent to and in the issuance of this bond do exist and have happened, been done and performed and that the issuance of this bond and the Bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the 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

[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 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.