

CITY OF GIG HARBOR, WASHINGTON

GENERAL OBLIGATION BONDS

ORDINANCE NO. 970

AN ORDINANCE of the City Council of the City of Gig Harbor, Washington, providing for a form of the ballot proposition and specifying certain other details concerning submission to the qualified electors of the city at a special election to be held therein on November 2, 2004 for the issuance of its general obligation bonds in the aggregate principal amount of \$3,500,000, or so much thereof as may be issued under the laws governing the indebtedness of cities, for the purpose of providing funds for the acquisition of waterfront open space and land and restoration of the Eddon boatyard and dock.

ADOPTED:SEPTEMBER 13, 2004

Prepared by:

PRESTON GATES & ELLIS LLP
Seattle, WASHINGTON

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WHEREAS, the City of Gig Harbor, Washington (the "City") has a need to acquire waterfront open space and land and undertake a restoration of the Eddon boatyard and dock for historical, cultural, educational and recreational purposes (the "Projects"); and

WHEREAS, in order to provide all or a part of the funds to enable the City to undertake the Projects, it is deemed necessary and advisable that the City issue and sell its unlimited tax general obligation bonds to provide funds for such purposes; and

WHEREAS, the Constitution and laws of the State of Washington provide that the question of whether or not such bonds may be issued and sold for such purposes must be submitted to the qualified electors of the City for their ratification or rejection;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GIG HARBOR DOES ORDAIN, as follows:

Section 1. Findings. This City Council (the "Council") hereby finds and declares that the best interest of the residents and property owners of the City require the City to carry out the plans hereinafter provided at the time or times and in the order deemed most necessary and advisable by the Council.

Section 2. Capital Improvements. The City shall purchase waterfront open space property and shall initiate restoration of the Eddon boatyard and dock for historical, cultural,

educational and recreational purposes (the “Project”). The estimated cost of the waterfront property acquisition is \$3,000,000, and the estimated cost of the initiation of the restoration project is \$500,000.

The cost of all necessary consulting services, inspection and testing, administrative and relocation expenses, on and off-site utilities, related improvements and other costs incurred in connection with the Projects shall be deemed a part of the costs of the Projects.

If available funds are sufficient from the proceeds of bonds authorized for the above purposes, and state or local circumstances require, the City shall acquire, construct, equip and make other capital improvements, all as the Council may determine.

Section 3. Authorization of Bonds. For the purpose of providing all or a part of the funds necessary to pay the cost of the Projects, together with incidental costs and costs related to the sale and issuance of the bonds, the City shall issue and sell its unlimited tax general obligation bonds in the principal amount of not to exceed \$3,500,000. The balance of the cost of the Projects shall be paid out of any money which the City now has or may later have on hand which are legally available for such purposes. None of said bond proceeds shall be used for the replacement of equipment or for any other than a capital purpose. Such bonds shall be issued in an amount not exceeding the amount approved by the qualified electors of the City as required by the Constitution and laws of the State of Washington or exceeding the amount permitted by the Constitution and laws of the State of Washington. After voter approval of the bond proposition and in anticipation of the issuance of such bonds, the City may issue short term obligations as authorized and provided by Chapter 39.50 RCW.

Section 4. Details of Bonds. The bonds provided for in Section 3 hereof shall be sold in such amounts and at such time or times as deemed necessary and advisable by this Council

and as permitted by law, shall bear interest at a rate or rates not to exceed the maximum rate permitted by law at the time the bonds are sold, and shall mature in such amounts and at such times within a maximum term of twenty (20) years from date of issue, but may mature at an earlier date or dates, as authorized by this Council and as provided by law. Said bonds shall be general obligations of the City and, unless paid from other sources, both principal thereof and interest thereon (including original issue discount) shall be payable out of annual tax levies to be made upon all the taxable property within the City without limitation as to rate or amount and in excess of any constitutional or statutory tax limitations. The exact date, form, terms and maturities of said bonds shall be as hereafter fixed by ordinance of the Council. After voter approval of the bond proposition and in anticipation of the issuance of such bonds, the City may issue short term obligations as authorized and provided by Chapter 39.50 RCW.

Section 5. Bond Election. It is hereby found and declared that an emergency exists requiring the City to submit to the qualified electors of the City the proposition of whether or not the City shall issue such bonds for the Projects, at a special election to be held therein on the 2nd day of November, 2004.

The Pierce County Auditor as ex officio supervisor of elections is hereby requested also to find the existence of such emergency and to call and conduct said special election within the City on said date. The Clerk of the City is hereby authorized and directed to certify said proposition to said official in the following form:

PROPOSITION NO. 1

CITY OF GIG HARBOR, WASHINGTON

LAND ACQUISITION AND DEVELOPMENT

GENERAL OBLIGATION BONDS - \$3,500,000

The City Council of the City of Gig Harbor adopted Ordinance No. 970 concerning a proposition for bonds. This proposition authorizes the City to acquire waterfront space and land and initiate restoration of the Eddon boatyard for historical, cultural, educational and recreational purposes, to issue \$3,500,000 of general obligation bonds maturing within a maximum term of 20 years to finance such acquisitions, and to levy property taxes annually in excess of regular property tax levies to repay such bonds, all as provided in Ordinance No. 970. Should this proposition be:

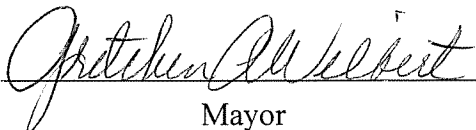
APPROVED ?

REJECTED ?

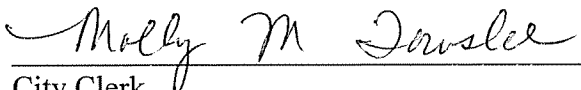
Section 6. Effective Date. This ordinance shall be effective from and after its passage and publication as required by law.

APPROVED by the City Council of the City of Gig Harbor, Washington, at a regular meeting thereof held the 13th day of September, 2004.

CITY OF GIG HARBOR, WASHINGTON

By 
Mayor

ATTEST:


City Clerk

CERTIFICATE

I, the undersigned, City Clerk of the City of Gig Harbor, Washington (the “City”), and keeper of the records of the City Council (the “Council”), DO HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance No. 970 of the Council (herein called the “Ordinance”), duly approved at a regular meeting thereof held on the 13th day of September, 2004.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of September, 2004.

City Clerk

OFFICIAL BALLOT
CITY OF GIG HARBOR, WASHINGTON
November 2, 2004

INSTRUCTIONS TO VOTERS: To vote in favor of the following proposition, place a cross (X) in the square opposite the word "APPROVED"; to vote against the following proposition, place a cross (X) in the square opposite the word "REJECTED."

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CITY OF GIG HARBOR, WASHINGTON

LAND ACQUISITION AND DEVELOPMENT

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APPROVED ?

REJECTED ?

OFFICE OF THE PIERCE COUNTY AUDITOR

WHEREAS, the undersigned, as the duly elected, qualified and acting Auditor of Pierce County, Washington, has jurisdiction of and is required by law to conduct all special elections for cities within the County; and

WHEREAS, the City of Gig Harbor, Washington, lies entirely within the boundaries of Pierce County; and

WHEREAS, the City Council of said City by ordinance adopted September 13, 2004, a certified copy of which has been delivered to the undersigned, has found that an emergency exists requiring the holding of a special election on November 2, 2004; and

WHEREAS, said City by said ordinance has authorized and directed the undersigned to assume jurisdiction of and conduct said special election within Pierce County;

NOW, THEREFORE, it is hereby authorized and ordered as follows:

The undersigned concurs in the finding of an emergency and does hereby assume jurisdiction within Pierce County of the above-mentioned special election of the City of Gig Harbor, Washington, authorized and ordered by ordinance of its City Council adopted September 13, 2004, and will conduct said special election to be held November 2, 2004.

DATED at Tacoma, Washington, this ____ day of _____, 2004.

Pierce County Auditor

NOTICE
CITY OF GIG HARBOR, WASHINGTON

November 2, 2004

NOTICE IS HEREBY GIVEN that on November 2, 2004, a special election will be held in the above-named city for the submission to the qualified electors of said city of the following proposition:

PROPOSITION NO. 1

CITY OF GIG HARBOR, WASHINGTON

LAND ACQUISITION AND DEVELOPMENT

GENERAL OBLIGATION BONDS - \$3,500,000

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APPROVED ?

REJECTED ?

Pierce County Auditor