



RESOLUTION NO.2014-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LYNNWOOD, WASHINGTON, RELATING TO THE ISSUANCE BY THE LYNNWOOD PUBLIC FACILITIES DISTRICT OF THE DISTRICT'S CONVENTION CENTER SALES TAX REFUNDING BONDS, 2014, AND ITS CONVENTION CENTER REVENUE REFUNDING BONDS, 2014.

WHEREAS, chapter 35.57.020 of the Revised Code of Washington ("RCW") provides that a public facilities district may acquire, construct, own, remodel, maintain, equip, repair, finance, and operate one or more "regional centers"; and

WHEREAS, the City of Lynnwood (the "City") has determined that the acquisition and operation of such a regional center is in the interest of the City, and by Ordinance No. 2266 in 1999 established the Lynnwood Public Facilities District (the "District") pursuant to Chapter 35.57 RCW, to acquire, design, construct, own, finance, operate and maintain a regional center defined under RCW 35.57.020 as a convention, conference, or special convention center, or any combination of such facilities, and related parking facilities serving a regional population (the "Convention Center"); and

WHEREAS, the Washington Interlocal Cooperation Act (chapter 39.34 RCW) authorizes a PFD to contract with any other public agency of this state to perform any governmental service, activity or undertaking which each entity is authorized to perform; and

WHEREAS, the City and the District entered into an "Interlocal Agreement Regarding the Financing, Development and Operation of a Regional Center Facility" dated July 30, 2001, ("City-District Agreement No. 1") under which the District committed to construct, develop, own and operate the Convention Center and the City committed to provide financial and other assistance; and

WHEREAS, the District began construction of the Convention Center in 2003, financed through available tax proceeds, through transfers from other the other governments involved in developing the Convention Center, and through the issuance of short-term obligations; and

WHEREAS, the City and the District on this date entered into a City-District Agreement #2, as well as a Supplemental Agreement to Extend Hotel-Motel Tax ("City-District Agreement #3") to extend the City's commitment of City Hotel-Motel Taxes through 2034; and

WHEREAS, in order to put permanent financing in place for the portion of the cost of constructing the Convention Center, the District retired the short-term obligations with long-term obligations consisting of its \$1,930,000 Convention Center Sales Tax Bonds, 2004, Series A (Taxable) \$10,000,000 Convention Center Sales Tax Bonds, 2004, Series B, and \$17,265,000 Convention Center Revenue Bonds, 2005; and

WHEREAS, in connection with the issuance of the District's bonds in 2004, the City undertook certain additional responsibilities under a Supplemental Interlocal Agreement Regarding Financing for Multijurisdictional Convention Center Facility ("City-District Agreement #4") to reduce interest costs for the District's long-term obligations and thus to reduce costs to taxpayers and ensure the successful construction and operation of the Convention Center; and

WHEREAS, in the City-District Agreement #4, the City agreed that in the event that the District were unable to timely provide for the payment of principal of or interest on any of its 2004 bonds or any obligations issued to refund those obligations (collectively defined in City-District Agreement #4 as the "Long-Term Obligations"), the City would loan the District the amount necessary to make such timely payment; and

WHEREAS, in order to benefit from the ability to reduce interest rates and therefore realize savings, the District now expects to refund a portion of the outstanding Long-Term Obligations through the issuance of its Convention Center Sales Tax Refunding Bonds, 2014, and its Convention Center Revenue Refunding Bonds, 2014 (or such other designation and year of issuance as may be given) (collectively, the "2014 Refunding Bonds"); NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LYNNWOOD, WASHINGTON, as follows:

Section 1. The City of Lynnwood acknowledges and approves the District's planned issuance of its 2014 Refunding Bonds and the City's continuing contingent loan commitment with respect to the District's Long-Term Obligations (including the 2014 Refunding Bonds) under City-District Agreement #4.

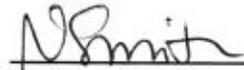
Section 2. All obligations of the City and the District set forth in all obligations of the City and the District set forth in City-District Agreement #1, City-District Agreement #2 City-District Agreement #3, and City-District Agreement #4 (collectively, the "City-District Agreements") shall remain in full force and effect.

Section 3. The Finance Director of the City is authorized to take any action and execute any document on behalf of the City that is reasonably necessary to facilitate the District's issuance of the 2014 Refunding Bonds consistent with this resolution and the City-District Agreements.

Section 4. Section 1 of this Resolution shall be effective immediately upon Snohomish County's approval of the District's refunding of the District's 2014 Refunding Bonds consistent with Amendment No. 1 to Interlocal Agreement to Fund Multijurisdictional Convention Center Facility. The remainder of this Resolution shall take effect immediately.

The foregoing resolution was ADOPTED by the City Council of the City of Lynnwood, Washington, at a regular open public meeting thereof this 13th day of October, 2014.

APPROVED



Nicola Smith, Mayor

ATTEST/AUTHENTICATED:



Lorenzo Hines Jr. Finance Director