



City Ordinances Archive

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ORDINANCE NO. 89-1001

AN ORDINANCE of the City of SeaTac imposing sales and use taxes.

WHEREAS, King County presently imposes sales and use taxes, which are collected from residents of the City, and

WHEREAS, the City can impose and collect such taxes, which will be credited against the taxes presently being collected by King County, and will therefore remain within the City for municipal purposes, and

WHEREAS, the imposition of such taxes will not increase the tax burden upon the people of the City, but will generate revenues essential to operations of the City and the providing of governmental services,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC DO ORDAIN AS FOLLOWS:

SECTION 1. Imposition of Sales and Use Tax. Pursuant to authorization of RCW 82.14.030(1), there is hereby imposed a sales or use tax, as the case may be, upon every taxable event as defined in RCW 82.14.020, occurring within the City. The tax shall be imposed upon and collected from those persons who are taxable by the State pursuant to Chapters 82.08 and 82.12, RCW.

SECTION 2. Rate of Tax. The rate of the tax imposed by Section 1, shall be five-tenths of one percent of the selling price, in the case of the sales tax, or value of the article used, in the case of the use tax. Notwithstanding the foregoing, however, during such period as King County imposes a sales or use tax, the rate of tax imposed by the City shall be four hundred and twenty-five one-thousandths of one percent.

SECTION 3. Administration and Collection.

The administration and collection of the tax imposed by Section 1 shall be in accordance with the provisions of RCW 82.14.050.

SECTION 4. Consent to Inspection of Records. The City hereby consents to the inspection by the State Department of Revenue of such City records as are necessary to qualify the City for inspection of records of the Department of Revenue, pursuant to RCW 82.32.330.

SECTION 5. City and State To Contract. The City Manager and the City Clerk are hereby authorized, on behalf of the City, to enter into a contract with the State Department of Revenue for the administration of the taxes imposed herein, pursuant to RCW 82.14.050. A copy of the contract shall be maintained on file in the Office of the City Clerk and is, by this reference, incorporated herein.

SECTION 6. Penalties. It is unlawful for any seller to fail or refuse to collect taxes with intent to violate the provisions of Sections 1 and 2 of this Ordinance, orto gain some advantage or benefit, whether director indirect, or for any buyer to refuse to pay any tax due under the provisions of Section 1 and 2 of this Ordinance. Any such violation shall constitute a misdemeanor and shall be punished by a fine not exceeding \$1,000.00 or by imprisonment for any term not exceeding one hundred eighty days, or both.

SECTION 7. Effective Date. This Ordinance shall take effect and be in force on March 01, 1990.

PASSED by the City Council at a regular meeting thereof on the 28th day of November, 1989, and signed in authentication of its passage this 29th day of November, 1989.

CITY OF SEATAC

ATTEST: FRANK HANSEN, Mayor

Nacelle J. Heuslein, City Clerk

Approved As to Form:

ROBERT L. McADAMS City Attorney

Date of Publication: 12/03/89

ORDINANCE NO. 89-1002

AN ORDINANCE of the City of SeaTac imposing an additional sales and use tax.

WHEREAS, King County presently imposes sales and use taxes, which are collected from residents of the City, and

WHEREAS, the City can impose and collect such taxes, which will be credited against the taxes presently being collected by King County, and will therefore remain within the City for municipal purposes, and

WHEREAS, a referendum procedure must be permitted prior to imposition of this tax, and

WHEREAS, the imposition of such tax will not increase the tax burden upon the people of the City, but will generate revenues essential to operations of the City and the providing of governmental services,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC DO ORDAIN AS FOLLOWS:

SECTION 1. Imposition of Additional Sales and Use Tax.

Pursuant to authorization of RCW 82.14.030(2), there is hereby imposed an additional sales or use tax, as the case may be, upon every taxable event as defined in RCW 82.14.020, occurring within the City. The tax shall be imposed upon and collected from those persons who are taxable by the State pursuant to Chapters 82.08 and 82.12, RCW.

SECTION 2. Rate of Tax.

The rate of the tax imposed by Section 1 shall be five-tenths of one percent of the selling price, in the case of the sales tax, or value of the articles used, in the case of a use tax. Notwithstanding the foregoing, however, during such period as King County imposes an additional sales or use tax pursuant to RCW 82.14.030(2), then allocation of the additional sales and

use taxes between the County and City shall be governed by RCW 82.14.030(2).

SECTION 3. Administration and Collection.

The administration and collection of the tax imposed by Section 1 shall be in accordance with the provisions of RCW 82.14.050.

SECTION 4. Consent to Inspection of Records.

The City hereby consents to the inspection by the State Department of Revenue of such City records as are necessary to qualify the City for inspection of records of the Department of Revenue, pursuant to RCW 82.32.330.

SECTION 5. City and State to Contract.

The City Manager and the City Clerk are hereby authorized, on behalf of the City, to enter into a contract with the State Department of Revenue for the administration of the taxes imposed herein, pursuant to RCW 82.14.050. A copy of the contract shall be maintained on file in the Office of the City Clerk and is, by this reference, incorporated herein.

SECTION 6. Penalties.

It is unlawful for any seller to fail or refuse to collect taxes with intent to violate the provisions of Sections 1 and 2 of this Ordinance, or to gain some advantage or benefit, whether direct or indirect, or for any buyer to refuse to pay any tax due under the provisions of Sections 1 and 2 of this Ordinance. Any such violation shall constitute a misdemeanor and shall be punished by a fine not exceeding \$1,000.00 or by imprisonment for any term not exceeding one hundred eighty days, or both.

SECTION 7. Effective Date.

This Ordinance shall take effect and be in force on March 01, 1990, unless, within seven days after the date of passage or

publication, whichever is later, a referendum petition shall have been filed with the City Clerk.

PASSED by the City Council at a regular meeting thereof on the 28th day of November, 1989, and signed in authentication of its passage this 28th day of November, 1989.

CITY OF SEATAC

FRANK HANSEN, Mayor ATTEST:

Nacelle J. Heuslein, City Clerk

Approved As to Form:

ROBERT L. McADAMS City Attorney

Date of Publication: 12/03/89

ORDINANCE NO. 89-1003

AN ORDINANCE of the City of SeaTac imposing a leasehold excise tax.

WHEREAS, King County presently a leasehold excise tax on leases of publicly owned real and personal property is collected from residents of the City, and

WHEREAS, the City can impose and collect the same tax so that revenues will remain within the City for municipal purposes, and

WHEREAS, the imposition of such taxes will not increase the tax burden upon the people of the City, but will generate revenues essential to operations of the City and the providing of governmental services,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC DO ORDAIN AS FOLLOWS:

SECTION 1. Imposition of Leasehold Excise Tax.

Pursuant to authorization of RCW 82.29A.040, there is hereby imposed a leasehold excise tax on the act or privilege of occupying or using publicly owned real or personal property within the City, through a "leasehold interest" as defined in RCW 82.29A.020. The tax shall be imposed upon and collected from those persons holding such leasehold interests within the City from whom a leasehold excise tax is collected by the State Department of Revenue, pursuant to Chapter 82.29A, RCW.

SECTION 2. Rate of Leasehold Excise Tax.

The rate of the tax imposed by Section 1 shall be four percent of the taxable rent, as defined by RCW 82.29A.020(2), less any allowable credits pursuant to RCW 82.29A.120.

SECTION 3. Exemptions.

Leasehold interests exempted from leasehold excise taxes by RCW 82.29A.130 and .135 shall also be exempt from the tax imposed by Section 1 of this Ordinance.

SECTION 4. Administration and Collection.

The administration and collection of the tax imposed by Section 1 shall be in accordance with the provisions of RCW 82.29A.080.

SECTION 5. City and State To Contract.

The City shall enter into a contract with the State Department of Revenue for the administration of the taxes imposed herein, pursuant to RCW 82.29A.080. A copy of the contract shall be maintained on file in the Office of the City Clerk and is, by this reference, incorporated herein.

SECTION 6. Effective Date.

This Ordinance shall take effect and be in force on the City's official date of incorporation, February 28, 1990.

PASSED by the City Council at a regular meeting thereof on the 28th day of November, 1989, and signed in authentication of its passage this 28th day of November, 1989.

CITY OF SEATAC

FRANK HANSEN, Mayor ATTEST:

Nacelle J. Heuslein, City Clerk

Approved As to Form:

ROBERT L. McADAMS City Attorney

Date of Publication: 12/03/89

ORDINANCE NO. 89-1004

AN ORDINANCE of the City of SeaTac imposing a real estate excise tax.

WHEREAS, King County presently imposes a real estate excise tax which is collected from residents of the City, and

WHEREAS, the City can impose and collect the same taxes so that revenues will remain within the City for municipal purposes, and

WHEREAS, a referendum procedure must be permitted prior to imposition of this tax, and

WHEREAS, the imposition of such taxes will not increase the tax burden upon the people of the City, but will generate revenues essential to operations of the City and the providing of governmental services,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC DO ORDAIN AS FOLLOWS:

SECTION 1. Imposition of Real Estate Excise Tax.

Pursuant to authorization of RCW 82.46.010, there is hereby imposed an excise tax on each sale of real property within the corporate limits of the City.

SECTION 2. Rate of Tax Imposed.

The rate of the tax imposed by Section 1 shall be one-quarter of one percent of the selling price on each sale of real property.

SECTION 3. Taxable Events.

Taxes imposed by Section 1 shall be collected from persons who are taxable by the State under Chapter 82.45, RCW, and Chapter 458-61, WAC, upon the occurrence of any taxable event, as defined therein, within the corporate limits of the City.

SECTION 4. Consistency with State Tax.

The taxes imposed by Section 1 shall comply with al

applicable rules, regulations, laws and court decisions regarding real estate excise taxes imposed by the State under Chapter 82.45, RCW and Chapter 458-61, WAC. The provisions of those chapters shall apply as though fully set forth herein.

SECTION 5. Use of Tax Proceeds.

All proceeds received by the City from the taxes imposed by Section 1 shall be placed in a municipal capital improvement fund. These capital improvement funds shall be used by the City for local improvements, including, but not by way of limitation, those listed in RCW 35.43.040.

SECTION 6. Seller's Obligation.

The taxes imposed by Section 1 are the obligation of the seller and may be enforced through an action of debt against the seller or in the manner prescribed by the foreclosure of mortgages, without necessity for an election of remedies.

SECTION 7. Lien Provisions.

The taxes imposed by Section 1, and any interest or penalties thereon, are a specific lien upon each piece of real property sold from the time of sale until the tax is paid, which lien may be enforced in the manner prescribed for the foreclosure of mortgages.

SECTION 8. Payment and Collection.

The taxes imposed by Section 1 shall be paid to and collected by the Treasurer of King County. The Treasurer of King County shall act as agent for the City. The Treasurer for King County shall cause a stamp evidencing satisfaction of the lien to be affixed to the instrument of sale or conveyance, prior to its recording or to the real estate excise tax affidavit, in the case of used mobile home sales. A receipt issued by the Treasurer of King County, for payment of the tax imposed by Section 1 shall be evidence of the satisfaction of the lien

imposed in Section 7 hereof and may be recorded in the manner prescribed for recording satisfaction of mortgages. No instrument of sale or conveyance evidencing a sale subject to the tax may be accepted by the King County Department of Records and Elections for filing or recording until the tax is paid and the same affixed thereto; in case the tax is not due on the transfer, the instrument shall not be accepted until suitable notation of this fact is made on the face of the instrument by the Treasurer for King County.

SECTION 9. Date Payable.

The tax imposed under this chapter shall become due and payable immediately at the time of sale and, if not so paid within thirty days thereafter, shall bear interest at the rate of one percent per month from the time of sale until the date of payment.

SECTION 10. Excessive and Improper Payments.

If, upon written application by a taxpayer to the King County Treasurer for a refund, it appears a tax has been paid in excess of the amount actually due, or upon a sale or other transfer declared to be exempt, such excess amount or improper payment shall be refunded by the King County Treasurer to the taxpayer; provided that no refund shall be made unless the State has first authorized the refund of an excessive amount or an improper amount paid, unless such improper amount was paid as a result of a miscalculation. Any refund made shall be withheld from the next monthly distribution to the City.

SECTION 11. Collection and Enforcement Authority.

The City is authorized and directed to enter into a contract with King County for administration, collection and enforcement of the real estate excise tax.

SECTION 12. Effective Date.

This Ordinance shall take effect and be in force on the City's official date of incorporation, February 28, 1990, unless, within seven days after the date of passage or publication, whichever is later, a referendum petition shall have been filed by the City Clerk.

PASSED by the City Council at a regular meeting thereof on the 28th day of November, 1989, and signed in authentication of its passage this 28th day of November, 1989.

CITY OF SEATAC

FRANK HANSEN, Mayor ATTEST:

Nacelle J. Heuslein, City Clerk

Approved As to Form:

ROBERT L. McADAMS City Attorney

Date of Publication: 12/03/89

ORDINANCE NO. 89-1005

AN ORDINANCE of the City of SeaTac establishing a referendum procedure.

WHEREAS, King County presently imposes certain taxes which are collected from residents of the City, and

WHEREAS, the City can impose and collect the same taxes so that revenues will remain within the City for municipal purposes, and

WHEREAS, a referendum procedure must be established prior to imposition of certain of these taxes,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC DO ORDAIN AS FOLLOWS:

SECTION 1. Application of Referendum.

Every Ordinance which:

(1) First imposes upon any business activity a municipal business and occupation tax; or

(2) First imposes an additional sales and use tax under authority of RCW 82.14.030(2), or which alters the rate of any such tax; or

(3) First imposes the additional local real estate excise tax under authority of RCW 82.46.010(2);

shall be subject to the referendum procedures set forth in this Ordinance.

SECTION 2. Procedure.

(a) A referendum petition seeking to repeal any City Ordinance made subject to these referendum procedures by Section 1 shall be filed with the City Clerk within seven days of the passage or publication, whichever is later, of the ordinance sought to be repealed.

(b) Within ten days, the City Clerk shall confer with the petitioner concerning the form and style of the

petition, issue an identification number for the petition, and cause to be written a ballot title for the measure.

(c) The ballot title shall be posed as a question, so that an affirmation answer to the question and an affirmation vote on the measure results in the tax or tax rate increase being imposed, and a negative answer to the question and a negative vote on the measure results in the tax or tax rate increase not being imposed. The petitioner shall be notified of the identification number and ballot title within this ten-day period.

(d) After notification of the identification number and ballot title, the petitioner shall have thirty days in which to secure on petition forms the signatures of not less than fifteen percent of the registered voters of the City and to file the signed petitions with the City Clerk.

(e) Each petition form shall contain the ballot title and the full text of the measure to be referred. The City Clerk shall verify the sufficiency of the signatures on the petitions. If sufficient valid signatures are properly submitted, the City Clerk shall cause the referendum measure to be submitted to the City voters at a general or special election held on one of the dates provided in RCW 29.13.010, as determined by the City Council, which election shall not take place later than one hundred twenty days after the signed petition has been filed with the City Clerk.

SECTION 3. Exclusive Procedure.

The referendum procedures herein adopted shall be exclusive in all instances for any City Ordinance first imposing, or

increasing the specific taxes designated as subject to referendum in Section 21 and no other taxes or rates imposed by the City shall be subject to the said referendum procedures. The referendum procedure provided in Chapter 35A.11, RCW is hereby superseded.

SECTION 4. Effective Date.

This Ordinance shall take effect and be in force on the City's official date of incorporation, February 28, 1990.

PASSED by the City Council at a regular meeting thereof on the 28th day of November, 1989, and signed in authentication of its passage this 28th day of November, 1989.

CITY OF SEATAC

FRANK HANSEN, Mayor ATTEST:

Nacelle J. Heuslein, City Clerk

Approved As to Form:

ROBERT L. McADAMS City Attorney

Date of Publication: 12/03/89

ORDINANCE NO. 89-1006

AN ORDINANCE of the City of SeaTac imposing a tax on gambling activities.

WHEREAS, state law, RCW 9.146.110 and .270, authorizes the City to impose taxes on specified gambling activities which are permitted by Chapter 9.46, RCW, and

WHEREAS, King County presently imposes a tax on gambling activity which tax shall terminate on the official date of incorporation of the City and thus, imposition of a City tax will not result in any increase in taxes presently paid by the residents of the City, and

WHEREAS, the City will enact an Ordinance under authority of RCW 9.46.192 and .285 pertaining to regulation of gambling activities within the City, and

WHEREAS, regulating and policing gambling activities will necessitate the expenditure of City law enforcement funds, and

WHEREAS, state law, RCW 9.46.113, provides that the tax on gambling activities shall be used primarily for the purpose of defraying such costs of law enforcement,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC DO ORDAIN AS FOLLOWS:

SECTION 1. Imposition of Tax on Gambling Activities.

There is hereby imposed a tax, at the rates set forth below, upon the following gambling activities, when authorized by Chapter 9.46, RCW, and when conducted in the City:

(1) Five percent (5%) of the gross receipts from punch boards and pull-tabs, as those terms are defined by RCW 9.46.0273 and Rules and Regulations of the Gambling Commission.

(2) Ten percent (10%) of the gross revenue, less the amount paid for or as prizes, received from bingo and raffles, as those terms are defined by RCW 9.46.0205 and RCW 9.46.0277.

(3) Two percent (2%) of the gross revenue, less the amount paid for or as prizes, from amusement games, as that term is defined by RCW 9.246.0201.

(4) Twenty percent (20%) of the gross revenue from social card games, as that term is defined by RCW 9.46.0281 and Rules and Regulations of the Gambling Commission.

SECTION 2. Exemptions.

Bona fide charitable or nonprofit organizations, as defined by RCW 9.46.0209, conducting bingo, raffles or amusement games within the City shall be exempt from payment of the taxes imposed by Section 1 on those activities, providing that such bona fide charitable or nonprofit organization shall employ no paid operating or management personnel and shall have gross income from bingo, raffles or amusement games, or any combination thereof, not exceeding Five Thousand Dollars (\$5,000.00) per year, less the amount paid for or as prizes.

SECTION 3. Payment of Tax on Gambling Activities.

Every holder of a license issued by the Washington State Gambling Commission who shall conduct any taxable gambling activities within the City shall provide to the City a copy of each activity report required

by the Gambling Commission pursuant to Chapter 230.08, WAC, no later than the date of filing required therein, and shall make payment, in full, of all taxes owing to the City at the same time.

SECTION 4. Delinquencies.

All taxes on gambling activities shall be delinquent if not paid on or before the due date, and interest shall accrue on all such delinquencies at the rate of one percent (1%) per month commencing on the next day following the due date. Delinquent taxes, and accrued interest, shall constitute a public debt owing to the City which may be collected by action at law and writ of attachment pursuant to RCW 9.46.350, as presently enacted together with amendments thereof or additions thereto, or which may be referred to a collection agency pursuant to RCW 19.16.500, as presently enacted together with amendments thereof or additions thereto.

SECTION 5. Additional Rules.

The City Clerk shall have authority to adopt rules and regulations not inconsistent with the provisions of this Ordinance, for carrying out and enforcing payment, collection and remittance of the taxes herein levied. Such rules and regulations may include the form of tax return required to be filed with the City at the time of payment of the tax on gambling activities, and procedures for auditing of the taxpayer's records. A copy of the rules and regulations so adopted shall be on file and available for public examination in the Clerk's office.

SECTION 6. Effective Date.

This Ordinance shall take effect and be in force on the City's official date of incorporation, February 28, 1990.

PASSED by the City Council at a regular meeting thereof on the 28th day of November, 1989, and signed in authentication of its passage this 28th day of November, 1989.

CITY OF SEATAC

FRANK HANSEN, Mayor ATTEST:

Nacelle J. Heuslein, City Clerk

Approved As to Form:

ROBERT L. McADAMS City Attorney

Date of Publication: 12/03/89

ORDINANCE NO. 89-1009

AN ORDINANCE of the City of SeaTac declaring its intent to join and be annexed by the King County Library District; requesting the concurrence of the District Board of Trustees; and requesting that a special election be held on February 06, 1990 for the purpose of submitting the annexation proposition to the voters.

WHEREAS, state law, RCW 35.02.130 authorizes the City Council to submit a ballot proposition to the voters of the City to authorize annexation of the City by a library district effective immediately upon the official date of incorporation; and **WHEREAS**, pursuant to state law, RCW 27.12.360, annexation is initiated by an Ordinance stating the City's intent to join the District and finding that the public interest will be served thereby; and

WHEREAS, if the District concurs in the annexation, notification thereof shall be transmitted to the King County Council which may then call a special election to be held in the City concurrent with the County election now scheduled for February 06, 1990; and

WHEREAS, an emergency exists sufficient to have this proposition placed upon the next election date in that it is essential for the City to resolve the issue of library services, which impacts upon the City's tax levy and upon City expenses, and also to avoid a future special election on this proposition only; and

WHEREAS, the State Librarian has been notified of this proposed Ordinance, pursuant to RCW 27.12.360,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC DO ORDAIN AS FOLLOWS:

SECTION 1. Declaration of Intent and Finding.

The City of SeaTac hereby declares its intent to join and be annexed by the King County Library District effective immediately upon the official date of incorporation of the City. After consideration of the options for providing library service to City residents, the City Council finds that the public interest will best be served by annexation to the said District.

SECTION 2. Request for Concurrence.

The City Council hereby requests that the Board of Trustees of the King County Library District concur in the proposed annexation of the City by the District. The City Manager is directed to provide to the District any and all such documents as may be required, and to take such action as may be required, to facilitate and effect the annexation.

SECTION 3. Interlocal Agreement.

The City shall enter into an Interlocal Agreement with the Board of Trustees of the King County Library District for the purpose of assuring quality library services to residents of the City and to provide for a City Library Board to coordinate with, and provide input to, the Board of Trustees as to library operations and facilities within the City.

SECTION 4. Effective Date.

This Ordinance shall take effect and be in force five (5) days after

its passage and publication.

PASSED by the City Council at a regular meeting thereof on the 12th day of December, 1989, and signed in authentication of its

passage this 12th day of December, 1989.

CITY OF SEATAC

FRANK HANSEN, Mayor ATTEST:

Nacelle J. Heuslein, City Clerk

Approved As to Form:

ROBERT L. McADAMS City Attorney

Date of Publication: 12/17/89

ORDINANCE NO. 89-1010

AN ORDINANCE of the City Council of SeaTac, Washington, providing for the issuance and sale of tax anticipation notes of the City in the aggregate principal amount of \$1,450,000; providing for the disposition of the proceeds of sale of such notes; fixing the date, form, interest rate, terms, maturity and covenants of such notes; creating a note fund from which the principal of and interest on such notes shall be paid; and confirming the sale of such notes.

WHEREAS, at a special election held March 14, 1989, the formation of the City of SeaTac, Washington (the "City") was approved; and

WHEREAS, RCW 35.02 requires that the City must incorporate by March 8, 1990; and

WHEREAS, the City needs money to finance the costs of operating and maintaining the City pending receipt of taxes and other revenues; and

WHEREAS, RCW 35.02.130 authorizes the City to issue tax anticipation notes prior to its incorporation; and

WHEREAS, pending receipt of taxes and other revenues, it is in the best interests of the residents of the City that the City issue tax anticipation notes to pay for the City's operation and maintenance expenses; and

WHEREAS, Harper, McLean & Company, Seattle, Washington, has offered to purchase the notes; and

WHEREAS, the City Council deems it in the best interest of the City that it sell the notes to such firm;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Definitions. As used in this ordinance, the following terms shall have the following meanings:

"City" means the City of SeaTac, Washington.

"Council" means the general legislative body of the City as the same shall be duly constituted from time to time.

"Notes" means the "SeaTac, Washington Tax Anticipation Notes, 1989" authorized by this ordinance.

"Note Fund" means the "SeaTac Tax Anticipation Note Redemption Fund, 1989" created by Section 3 of this ordinance.

"Purchaser" means Harper, McLean & Company, Seattle, Washington.

Section 2. Issuance of Notes. In anticipation of the receipt of general tax revenues or revenues from other sources, the City shall, for the purpose of funding general operating expenses of the City, issue its Notes in the principal amount of \$1,450,000. Said short-term obligations shall be designated the "City of SeaTac, Washington, Tax Anticipation Notes, 1989," shall be dated the date of their delivery to the Purchaser, shall mature on December 20, 1990 and shall be in the denomination of \$5,000 or any integral multiple thereof. The principal amount of the Notes shall be payable at maturity.

The Notes shall bear interest at a rate of 6.10% per annum, payable at maturity or prior redemption. Interest on the Notes shall be calculated on the basis of

a 360-day year consisting of 12 months of 30 days each.

The Notes shall be fully negotiable and issued in bearer form. Both principal of and interest on the Notes shall be payable in lawful money of the United States of America at the office of the fiscal agent of the State of Washington in Seattle, Washington, or New York, New York, and shall be general obligations of the City to the extent provided herein.

Section 3. Note Redemption Fund. A special fund of the City to be known as the "SeaTac Tax Anticipation Note Redemption Fund, 1989" (the "Note Fund") is hereby authorized to be created by the City. The Note Fund shall be a trust account and shall be drawn upon for the sole purpose of paying the principal of and immediately needed to pay such interest or principal may temporarily be deposited in such institutions or invested in such obligations which are legal investments for City funds. Any interest or profit from the investment of such money shall be deposited in the Note Fund. Any money remaining in the Note Fund after payment in full of the principal of and interest on the Notes may be transferred to the general operating fund of the City, and the Note Fund shall be closed.

The City covenants and agrees that on or before the maturity date of the Notes, it will deposit in the Note Fund, out of all taxes levied by the City within and as a part of the levy permitted by law without a vote of the electors and when permitted to be levied by State law, and out of other revenues received by the City, such tax receipts and other revenues in an amount which, together with other money of the City, if any, legally available for such purposes, will be sufficient to pay the principal of and interest on the Notes.

The City hereby irrevocably pledges that a sufficient portion of such tax receipts and other revenues to be collected by the City prior to the full payment of the principal of and interest on the Notes will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Notes as aforesaid. Such taxes and other revenue so pledged shall be paid directly into the Note Fund in amounts sufficient to pay the principal of and interest on the Notes at maturity, and none of the money in such Fund shall be used for any other purpose than the payment of the principal of and interest on the Notes as the same shall become due.

Section 4. Redemption Prior to Maturity. The Notes may be pre-paid prior to their maturity in whole or in part on June 30, 1990 and any time thereafter by mailing notice to the Purchaser at least fifteen days but not more than thirty days prior to the redemption date.

Section 5. Application of the Proceeds of the Notes. All Note proceeds shall be deposited into the City's General Fund, and may be used by the City to pay the general operating and maintenance expenses of the City.

Section 6. Form of the Notes. The Notes shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. 89-1010 \$1,450,000

STATE OF WASHINGTON

CITY OF SEATAC

TAX ANTICIPATION NOTE, 1989

SeaTac, Washington (the "City"), a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Washington,

hereby acknowledges itself to owe and for value received promises to pay to bearer on December 20, 1990, solely from the sources hereinafter mentioned, the principal sum of \$1,450,000, together with interest at the rate of 6.10% per annum, computed on a 360 day year consisting of 12 months of 30 days each, upon presentation and surrender of this note at the office of the fiscal agent of the State of Washington.

The City has reserved the right to repay the principal amount of this note in whole or in part prior to its maturity on June 30, 1990, by mailing ten days' notice to Harper, McLean & Company.

This note is issued pursuant to Ordinance No. 89-1010 of the City, adopted on December 18, 1989 (the "Note Ordinance"), for the City, in anticipation of the receipt of taxes and other revenues, all in conformity with the Constitution and laws of the State of Washington.

The City hereby irrevocably covenants that it will deposit in the Tax Anticipation Note Redemption Fund, 1989 of the City authorized to be maintained by the Note Ordinance, taxes levied within and as a part of the levy permitted to the City without a vote of the people, and other revenues received by the City, in amounts which together with other moneys of the City legally available therefor, will be sufficient to pay the principal of and interest on this note as the same shall become due.

The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of such principal and interest.

The City has designated this note as a qualified tax-exempt obligation for investment by financial institution.

It is hereby certified and declared that this note is issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and duly adopted ordinances of the City, and that all acts, conditions and things required to have happened, been done and performed precedent to and in the issuance hereof have happened, been done and performed.

IN WITNESS WHEREOF, SeaTac, Washington, has caused this note to be signed with the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk as of this 18th day of December, 1989.

SEATAC, WASHINGTON

By _____

Mayor

ATTEST:

City Clerk

Section 7. Execution of the Notes. The Notes shall be executed on behalf of the City by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk.

Section 8. Lost, Destroyed or Mutilated Note. In the event any Note is lost, destroyed, or mutilated, the City will cause to be issued a new Note, substantially similar to the original, to replace the same, in such manner and upon such reasonable terms and conditions as the Finance Director may determine.

Section 9. Sale of Notes; Authorization to Officials and Agents; Ratification

of Prior Actions. The Council hereby authorizes the sale of the Notes to the Purchaser pursuant to the Purchaser's offer attached hereto. The appropriate City officials, agents and representatives are hereby authorized and directed to do everything necessary for the prompt issuance, execution and delivery of the Notes and for the proper use and application of the proceeds of the sale thereof as provided in this ordinance.

All actions heretofore taken by the City's officials, agents and representatives in connection with the issuance and sale of the Notes are hereby ratified, approved and confirmed.

Section 10. Notes Not Arbitrage Bonds; Not Private Activity Bonds. The City covenants and agrees that throughout the term of the Notes no part of the proceeds of the Notes or any other money or obligations held under this ordinance shall at any time be used for any purpose or invested in such a manner, nor shall the City take any other action, which would cause the Notes to be (i) "arbitrage bonds" under the Internal Revenue Code of 1986, as amended, and applicable regulations (the "Code") or (ii) "private activity bonds" under the Code.

The City hereby designates the Notes as "qualified tax-exempt obligations" under Section 265(b) of the Code. The City does not expect to issue tax-exempt obligations in an aggregate principal amount in excess of ten million dollars during calendar year 1989.

Section 11. Effective Date. This ordinance shall become effective five days after its passage and publication as required by law.

ADOPTED by the City Council of the City of SeaTac at a special meeting held this 18th day of December, 1989.

SEATAC, WASHINGTON _____

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney