

ORDINANCE NO. 459

**AN ORDINANCE OF THE CITY OF UNIVERSITY PLACE,
WASHINGTON AMENDING ORDINANCE NO. 378 TO INCREASE THE
AMOUNT, REDUCE THE INTEREST RATE AND EXTEND THE TERM
OF THE LINE OF CREDIT.**

WHEREAS, the City Council of the City of University Place (the "City") adopted Ordinance No. 378 on May 5, 2003, establishing a line of credit in the aggregate principal amount of not to exceed \$11,500,000 to provide funds for the acquisition of property within the Town Center of the City; and

WHEREAS, the City issued its Limited Tax General Obligation Bond Anticipation Note, 2003 (Taxable) (the "Note") to Bank of America, N.A. (the "Bank") to evidence the line of credit; and

WHEREAS, it is in the best interest of the City to increase the amount of the line of credit to \$12,300,000, to reduce the interest rate and extend the maturity of the Note to June 1, 2007;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, DO ORDAIN, as follows:

The amount of the Note shall be increased to \$12,300,000 and the maturity of the Note shall be extended from June 1, 2006 to June 1, 2007. The interest rate on the Note shall be reduced as follows: if under the Prime Rate Mode, the Note shall bear interest at the Prime Rate less 190 basis points and if under the LIBOR Rate Mode, the Note shall bear interest at the LIBOR Rate plus 85 basis points. The Note shall evidence a non-revolving line of credit. All other provisions of Ordinance No. 378 shall remain unchanged.

The City Finance Director is authorized to take any action necessary to implement this ordinance, including payment of fees required by the Bank to increase the amount, reduce the interest rate and extend the expiration of the non-revolving line of credit evidenced by the Note.

This ordinance shall be in full force and effect five days from and after its passage and publication as required by law.

PASSED by the City Council of the City of University Place at a regular meeting thereof and **APPROVED** by the Mayor, this 7th day of November, 2005.

CITY OF UNIVERSITY PLACE,
WASHINGTON

Ken Grassi

Ken Grassi, Mayor

ATTEST:

Sarah Ortiz
Sarah Ortiz, City Clerk

APPROVED AS TO FORM:

Nancy Mas
Preston Gates & Ellis LLP

FILED WITH THE CITY CLERK: _____

PASSED BY THE CITY COUNCIL: 11/7/05

PUBLISHED: 11/9/05

EFFECTIVE DATE: 11/14/05

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