

RESOLUTION NO. 625

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON APPROVING THE RESOLUTION OF INTENT NO. 5 PASSED BY THE BOARD OF DIRECTORS OF REDMOND PUBLIC CORPORATION ON JULY 27, 1982.

WHEREAS, the Board of Directors of the Redmond Public Corporation at a duly noticed meeting on Tuesday, July 27, 1982, passed Resolution No. 5 of the Board of Directors of Redmond Public Corporation stating the intent of the public corporation to issue approximately \$3,700,000 of industrial revenue bonds for the benefit of Integrated Circuits, Inc., and

WHEREAS, a declaration of the intention to issue such bonds is necessary to permit the process to proceed even though such stated intention is not a final binding commitment either on the Redmond Public Corporation nor approval of the same by the Redmond City Council, now, therefore,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON HEREBY RESOLVE AS FOLLOWS:

Section 1. Resolution No. 5 of the Board of Directors of Redmond Public Corporation, a copy of which is attached hereto, identified as Exhibit A, and incorporated in full by this reference is hereby approved subject to the proviso that this approval by the City Council is not a final approval authorizing the Redmond Public Corporation to issue such bonds.

RESOLVED this 3rd day of August, 1982.

CITY OF REDMOND


MAYOR, CHRISTINE T. HIMES

ATTEST/AUTHENTICATED:


CITY CLERK, PAUL F. KUSAKABE

FILED WITH THE CITY CLERK: July 29, 1982

EXHIBIT A

RESOLUTION NO. 5

A RESOLUTION OF THE BOARD OF DIRECTORS OF REDMOND PUBLIC CORPORATION ACCEPTING THE APPLICATION OF INTEGRATED CIRCUITS, INC. FOR THE ISSUANCE BY THE REDMOND PUBLIC CORPORATION OF APPROXIMATELY \$3,700,000 IN INDUSTRIAL REVENUE BONDS; AND DECLARING ITS INTENTION TO ISSUE SUCH BONDS.

WHEREAS, Integrated Circuits, Inc. ("ICI") has filed with this Board an application dated July 19, 1982, a copy of which is attached hereto and made a part hereof by this reference, requesting that the Redmond Public Corporation issue, pursuant to Chapter 300, Laws of 1981 of the State Legislature (RCW Chapter 39.84) (the "Act"), approximately \$3,700,000 of its industrial revenue bonds for the benefit of ICI; and

WHEREAS, ICI proposes to use the proceeds of such bonds for the purpose of acquiring the land described in such application, which land is located wholly within the boundaries of the City of Redmond, and constructing a plant for the manufacture, assembly, warehousing, distribution, sale, and accounting and administrative functions related thereto, of electrical and electronic devices and equipment (the "Project"); and

WHEREAS, it appears that the Project is a "industrial development facility" as defined in the Act and that the Project is consistent with the purposes for which this Corporation was created by Ordinance No. 1060 of the Redmond City Council; now, therefore,

THE BOARD OF DIRECTORS OF REDMOND PUBLIC CORPORATION
HEREBY RESOLVES AS FOLLOWS:

Section 1. Finding as to Project. Having considered the application of ICI, this Board does hereby find and declare:

a. That the Project, as defined herein and described in said application, constitutes an "industrial development facility" as defined in the Act;

b. That the Project is consistent with the purposes for which the Redmond Public Corporation was created by the Redmond City Council and the purposes of the Act.

Section 2. Acceptance of Application and Appointment of Counsel. This Board hereby accepts the attached application of ICI; hereby appoints as its general counsel, Ogden, Ogden & Murphy, and John D. Wallace, and as its bond counsel, Riddell, Williams, Bullitt & Walkinshaw, and Nyle G. Barnes, and hereby authorize said counsel to negotiate and document the financing transaction contemplated in the application.

Section 3. Declaration of Intent To Issue Bonds. This Board hereby declares its intention to issue approximately \$3,700,000 of its industrial revenue bonds for the benefit of ICI for the purpose of accomplishing the Project, pursuant to the Act, Ordinance No. 1060 of the Redmond City Council, and the charter and bylaws of this Corporation; provided, that this declaration is one of intention and shall not constitute an agreement or a final binding commitment to issue such bonds.


Section 4. Submission of this Resolution to Redmond City Council. This resolution shall be submitted to the Redmond City Council for its approval or disapproval at the next regular meeting thereof. In the event the Redmond City Council disapproves, this resolution shall become null and void and without further effect.

Section 5. Immediate Effect. This resolution shall take effect immediately upon its adoption.

ADOPTED in an open public meeting of the Board of Directors of the Redmond Public Corporation, after notice thereof was duly and regularly given as required by law, this 27th day of July, 1982.

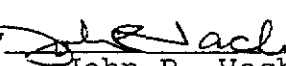
REDMOND PUBLIC CORPORATION

By



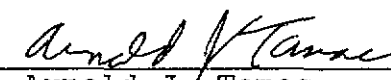
Roger I. Trepanier
Director and Chairman

By



John P. Vache
Director and Treasurer

By



Arnold J. Tomac
Director

ATTEST:

John D. Wallace, Secretary

6NGB:g/sk
7/27/82



Integrated Circuits Incorporated
13256 Northrup Way
Bellevue, Washington 98005
Telephone (206) 747-8556

July 20, 1982

Redmond Public Corporation
Redmond City Hall
Redmond, Washington 98052

RE: APPLICATION OF INTEGRATED CIRCUITS, INC., FOR INDUSTRIAL REVENUE
BOND FINANCING

Gentlemen:

Integrated Circuits Incorporated hereby applies to the Redmond Public Corporation (the "Public Corporation") for financing in the approximate amount of \$3,700,000.00, to be derived from the issuance of industrial revenue bonds by the Public Corporation in either a private or public transaction. We hope and trust that the information provided below will enable the corporation to take official action on Tuesday, July 27, 1982, by the adoption of a resolution of intent to carry out the financing project. If further information is needed, please do not hesitate to call upon the undersigned or Mr. Larry Cook, at 828-6781, who is our coordinator for this project, or our general counsel, Mr. Barry Biggs, at 223-7033, or bond counsel, Mr. Nyle G. Barnes, at 624-3600.

Enclosed is our check payable to the Redmond Public Corporation in the amount of \$3,700.00. As arranged with Mr. John Wallace, your general counsel, this check is delivered as a source of funds from which you may reimburse yourselves for expenses you incur or have incurred in connection with this application and this financing transaction. Mr. Wallace has indicated that it would be appropriate for us to receive a periodic accounting as these funds are used.

1. PROJECT FOR WHICH FINANCING IS SOUGHT. Integrated Circuits, Inc. wishes to acquire a parcel of undeveloped land within the city limits of Redmond for purposes of construction of Integrated Circuits corporate headquarters plant for the production of its high-technology thick-film hybrid microcircuits and proprietary hybrid power converters. The company's growth for the past five years has been 42%; 1982 is projected at greater than 80%. This has created a serious problem in having enough space to support our manufacturing and production requirements. The existing facilities at 13256 Northrup Way, Bellevue, are inadequate and inefficient being ten (10) separate bays that were acquired as the firm's needs increased and space became available.

2. INTENDED USE OF NEW REDMOND FACILITIES. Integrated Circuits intends to use the facilities to be acquired and constructed in Redmond for producing the equipment mentioned in Section 1. Such production includes the assembly of equipment, the manufacturing of some components for that equipment, and the short-term warehousing of raw material and completed equipment. The facility would also be used for ancillary activities related to the equipment production, such as shipping, marketing of the equipment and accounting, engineer, research and administrative supervision.

3. DESCRIPTION OF PROJECT. Integrated Circuits, Inc. proposes to acquire seven acres of undeveloped property located on the west side of Willows Road, across from the Willows Industrial Park, and adjacent to the recently developed Data I/O project. The legal description of the property is attached as Exhibit A. A preliminary site plan, floor plan and building elevation for the development of this property is attached as Exhibit B.

The first phase of development, for which financing is sought through the Public Corporation, consists of the acquisition of the land and the construction of a steel and concrete building with a floor area of approximately 40,000 square feet, situated to the north of the south property line, as indicated on the attached site plan. The building will be tiered to comply with the elevation contours of the site. The building will be divided internally into areas appropriate for the various functions described above. The first phase construction will include ancillary facilities such as necessary utilities, approach roads, landscaping, loading areas, parking areas, fencing, and improvement of public street frontage (Willows Road) up to city standards. The first phase development will encompass approximately 3.5 acres of the total site. The balance will be retained to provide a natural park-like setting along the Willows Road area, with some square footage being held for expansion as the need for additional facilities arises.

Our intention is to commence construction this coming January 1983 and to be ready to take occupancy December 1983. We have had preliminary discussions with the Redmond Planning Department and based on our description of the Project, they have made a threshold determination that the Project is eligible within BP Zoning (Business Park), which applies to the property.

4. DEVELOPMENT COSTS. The approximate development costs are as follows:

Land Acquisition	\$ 1,200,000.00
Building and Site Work	2,200,000.00
Equipment/Soft Costs	300,000.00
	<hr/>
	\$ 3,700,000.00

Any development costs exceeding \$3,700,000.00, as well as the costs of this financing and the interest on the bonds during the period of construction, which require increased adjustments of the approximate development costs requested will be handled by amendment to this application.

5. EMPLOYMENT BENEFITS FROM PROJECT. Integrated Circuits, Inc. currently employs a total of 163 persons at its Bellevue plant. We expect to retain a majority of these employees when we relocate to the Redmond facility. Integrated Circuits, Inc. expects to add between 60 to 75 new employees at the Redmond facility within the first year, with another 100 to 120 in the two years following its completion. It is expected that most of these new employees will be hired from the Redmond area, due to the concentration of workers in the area skilled in the development, manufacturing, assembly, sale and distribution of electronic equipment.

6. OTHER INFORMATION ABOUT INTEGRATED CIRCUITS, INC. Integrated Circuits, Inc. conducts its business in the corporate form, having been incorporated in this state pursuant to the laws of Washington, November 26, 1969. Financial statements for Integrated Circuits, Inc. have been delivered under separate transmittal to Mr. John Wallace. Annual reports for 1980 and 1981 plus quarterly letters to shareholders for 1982 are attached. Confidentiality is not required.

Officers of Integrated Circuits, Inc. are:

Phillip C. Linwick - President & Chief Executive Officer

Sara L. Comer - Controller

Melvin O. Eide - Vice President Research & Development

Daniel J. Renn - Vice President Engineering

Harvey H. Stanley - Vice President of Manufacturing

Milton A. Woods - Vice President Marketing

Coordinator for the Project is Mr. Larry Cook. His telephone is 828-6781.

Integrated Circuits, Inc. has banking relationships with Seattle First National Bank, Bellevue. As indicated below, Integrated Circuits expects that the entire principal amount of bonds to be issued in this financing will be purchased in either a private or public transaction. This decision is under advisement with bond counsel at this time.

Integrated Circuits, Inc. has engaged Cook-Newhouse & Associated, Inc., 2821 Northup Way, Bellevue, as its Planners/Architects and project coordinator. The manager of the project will be Larry Cook, telephone 828-6781.

Integrated Circuits, Inc. outside auditors are:

Arthur Young Company
2100 Finance Center
Seattle, Washington 98161
623-9000

Integrated Circuits, Inc. has selected and requests the appointment of bond counsel for this transaction, Nyle G. Barnes of the law firm of Riddell, Williams, Bullitt and Walkinshaw, 4400 Seattle-First National Bank Building, Seattle, Washington 98154, telephone 624-3600. Integrated Circuits has approved the firm's fee schedule, attached as Exhibit C hereto, for this financing. It is understood that payment of any fees is contingent upon the issuance of bonds in this transaction and that the firm's out-of-pocket costs are charged separately from such fees and will be paid without regard to whether bonds are issued.

7. REIMBURSEMENT AND INDEMNIFICATION OF PUBLIC CORPORATION. Integrated Circuits, Inc. agrees to reimburse the Redmond Public Corporation for all its reasonable and necessary fees and expenses incurred in connection with the processing of this application, the issuance of bonds, and the financing transaction contemplated by this application. Reimbursement shall be made first

July 20, 1982

Page 4

from the \$3,700.00 deposited with the Public Corporation on this date and, if and when the deposit is exhausted, from additional deposits made by Integrated Circuits, Inc. It is understood that Integrated Circuits will be furnished with itemized invoices for such expenses.

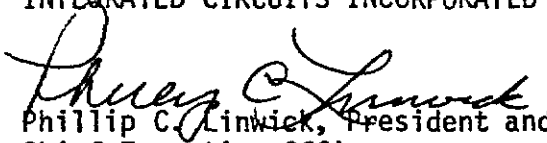
Integrated Circuits agrees that it will at all times indemnify and hold harmless the Redmond Public Corporation and the City of Redmond and their respective officers, agents, and representatives from and against any and all losses, costs, charges, expenses, judgements, and liabilities (including reasonable attorneys' fees) of whatsoever nature incurred by it or them while it or they are acting in good faith to carry out the transactions contemplated in this application and the documents and instruments which carry out the financing transaction contemplated in this application.

8. SUMMARY OF BOND ISSUE STRUCTURE. A bond issue of approximately \$3,700,000.00 is contemplated. Costs of the project and costs related to issuance of the bonds which exceed bond proceeds will be paid by Integrated Circuits, Inc. from its own funds. Integrated Circuits, Inc. is presently discussing with Boettcher & Company of Denver, Colorado, the purchase of the bonds through a public sale or a privately placed transaction. While details of the structure of the financing are not yet firm, the parties have been discussing a fifteen (15) year amortization of the loan, with bonds maturing in year ten (10) following date of issuance of the bonds, with principal bearing interest at a fixed rate determined at time of placement and estimated to be 13 percent or less. A standby letter of credit will be required from a commercial bank with security in the property and improvements flowing to the bank.

We are very appreciative of the opportunity to submit this application and of the interest of the City of Redmond and the Redmond Public Corporation in our project. As questions arise, please feel free to contact myself or the other persons listed in Section 6 above.

Very truly yours,

INTEGRATED CIRCUITS INCORPORATED


Phillip C. Linwick, President and
Chief Executive Officer

cc: John D. Wallace
Larry Cook
Barry Biggs
Nyle Barnes

EXHIBIT "A"

KING COUNTY TAX LOT NO. 342605 9037 0

Beginning at the northwest corner of the southwest quarter of the southeast quarter of Section 34, Township 26 North, Range 5 East W.M.; thence south 370 feet along the westerly boundary of said southwest quarter of the southwest quarter; thence east parallel to the north boundary line of said southwest quarter of the southeast quarter to the county road as now laid out and established; thence northwest along said county road to the north boundary line of said southwest quarter of the southeast quarter; thence west along said north boundary line of said southwest quarter of the southeast quarter to the point of beginning.

KING COUNTY TAX LOT NO. 342605 9019 0

An undivided one-half (1/2) interest in the following described property:

The south 295 feet of the north 665 feet of that portion of the southwest quarter of the southeast quarter of Section 34, Township 26 North, Range 5 East, W.M., lying westerly of County Road (also known as Willows Road) in King County, Washington.

KING COUNTY TAX LOT NO. 342605 9094 0

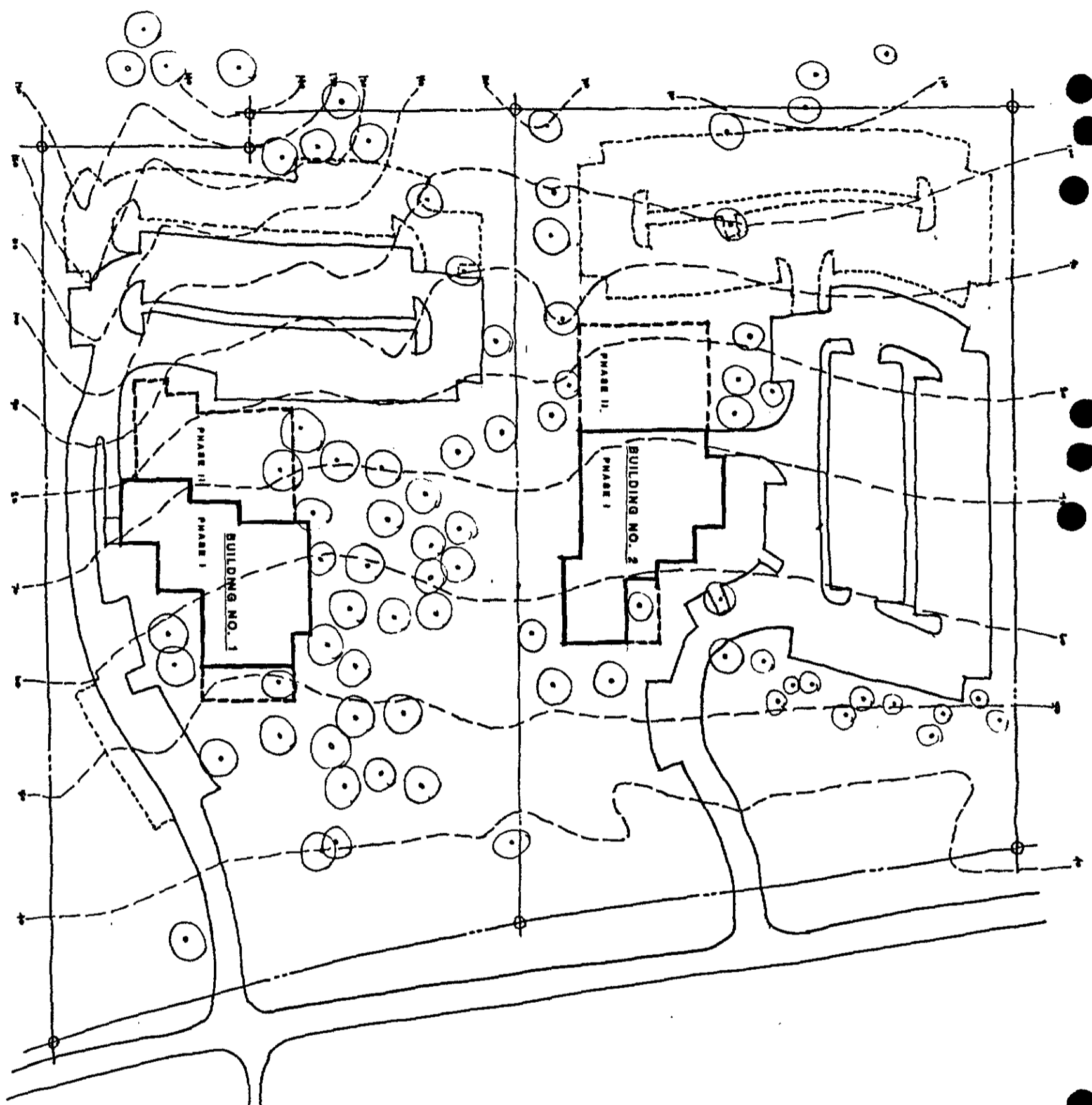
Lot 1 as designated on Short Plat No. R279061 recorded May 26, 1979, under Recording Number 7905290589, described as follows:

The north 180 feet of that portion of the southwest quarter of the southeast quarter of Section 34, Township 26 North, Range 5 East W.M., in King County, Washington, described as follows:

Beginning on the west line of said subdivision at a point which is south 0°22'10" east 665 feet from the northwest corner thereof; thence along said subdivision line south 0°22'10" east 673.24 feet more or less to the south quarter corner of said section; thence along the south line of said subdivision north 89°06'25" east to the westerly line of C.O. Stimson Road; thence northwesterly along said road 680 feet more or less, to a point which is north 89°25'40" east from point of beginning; thence south 89°25'40" west to the beginning; EXCEPT the west 30 feet thereof deeded to King County, Washington.

ALT. SITE PLAN

1" = 60' - 0"



BLDG. NO. 2 PARKING :
 REQUIRED 185. STALLS
 PROVIDING 185.
 FUTURE 140.

BLDG. NO. 1 PARKING :
 REQUIRED 120. STALLS
 PROVIDED 136.
 FUTURE 88.

EXHIBIT "B"



CNA Architects/Planners
 2621 Northrup Way, Bellevue, Washington 98004
 Phone (206) 820-6701 Principal Architect, Barry B. Newton, AIA
 An Affiliate of Cook, Heurich and Associates, Inc.



PROJECT

PROJECT 82A-124

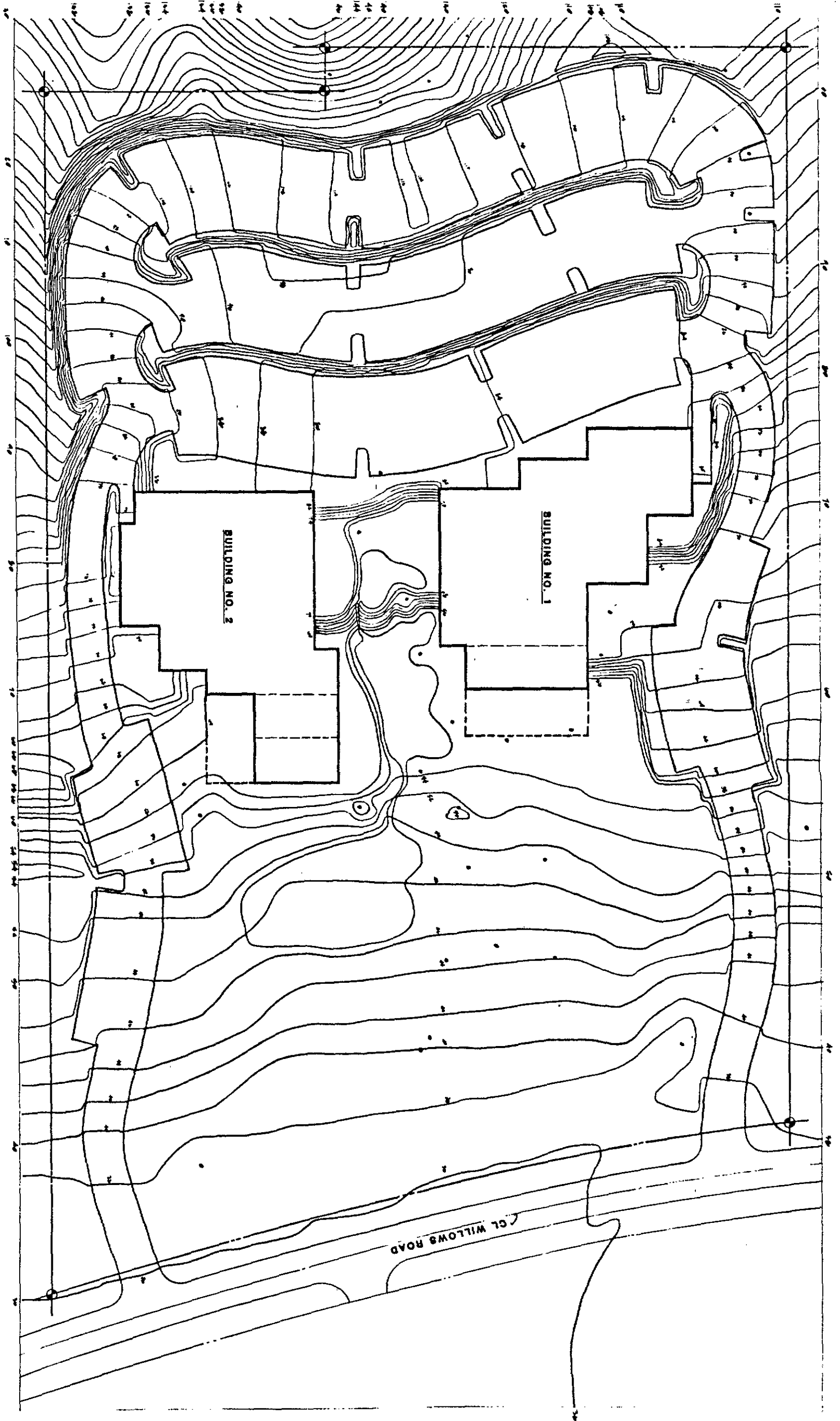
DRAWING TITLE

ALT. SITE PLAN

NO.	DATE	DESCRIPTION

JOB NO. 82A-124
 DRAWN BY: [Name]
 DATE: 7.1.92
 SHEET NO.

PRELIMINARY GRADING PLAN



1" = 30' - 0"



CNA Architects/Planners
 2821 Northrup Way, Bellevue, Washington 98004
 Phone (206) 820-6701 Principal Architects: Darryl B. Swanson, AIA
 An Affiliate of Cook-Northouse and Associates, Inc.



PROJECT

PROJECT 82A-124

DRAWING TITLE

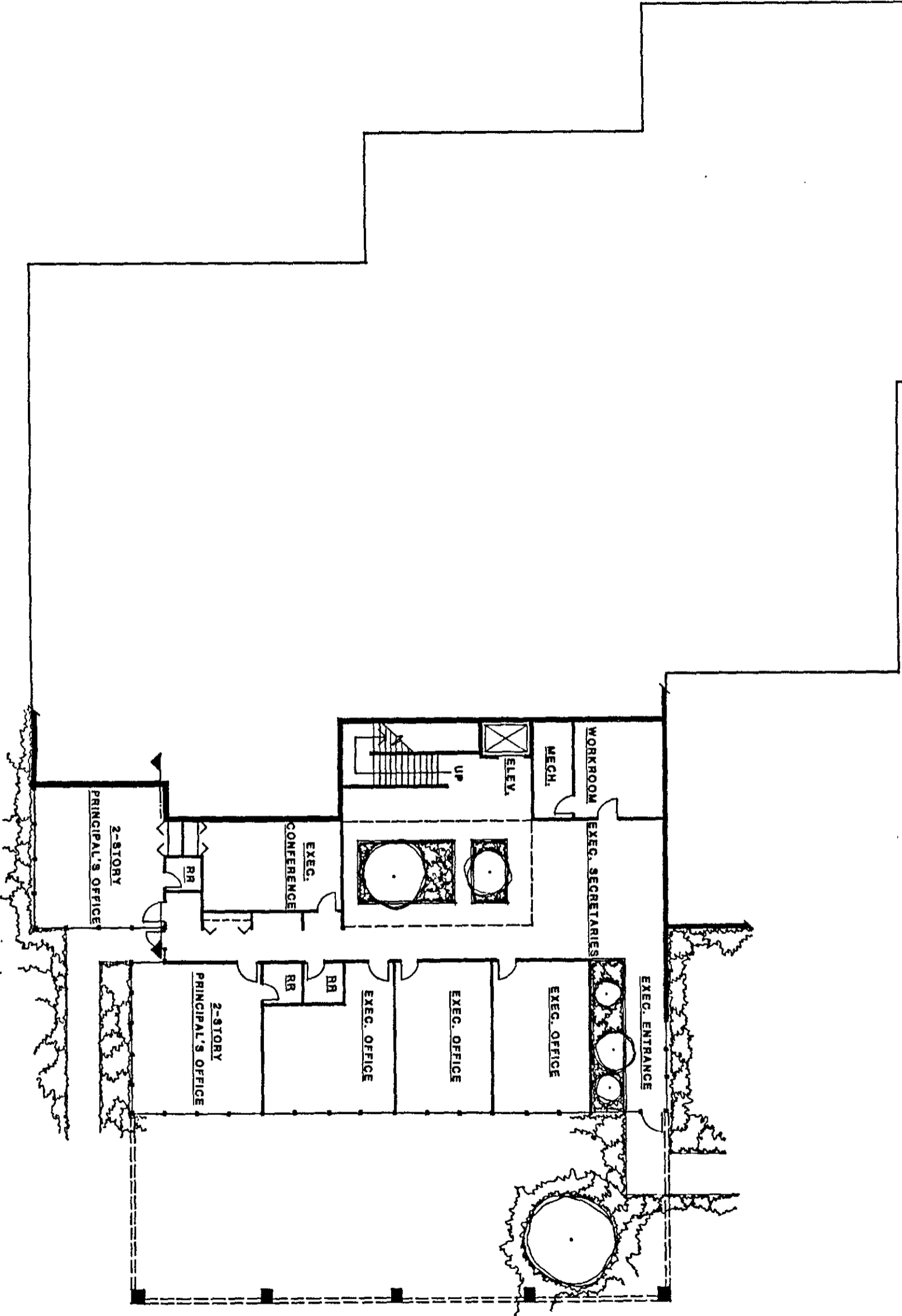
PRELIMINARY GRADING PLAN

NO. DATE

DESCRIPTION

JOB NO.
 DRAWN BY: D.B.M.
 DATE
 SHEET NO.

FIRST LEVEL PLAN



BUILDING NO. 1
0 2' 4" 8" 16"



CNA Architects/Planners
2821 Northup Way, Bellevue, Washington 98004
Phone (206) 820-6701 Principal Architect, Barry J. Davison, AIA
An Alliance of Cook-Harshouse and Associates, Inc.

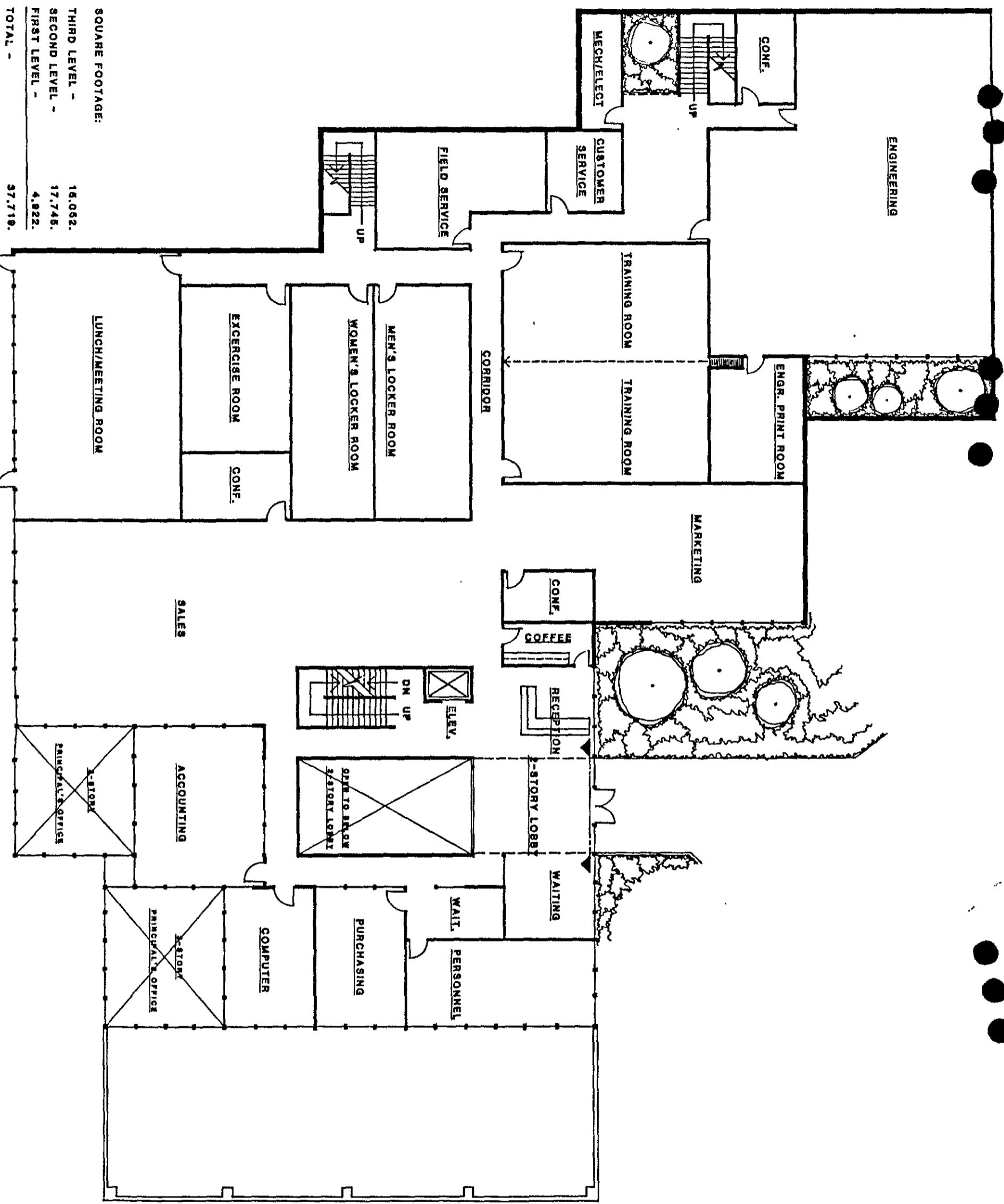


PROJECT
PROJECT 82A-124
DRAWING TITLE

NO. DATE DESCRIPTION

JOB NO.
DRAWN BY: OBN
DATE
SHEET NO.

SECOND LEVEL PLAN



SQUARE FOOTAGE:
 THIRD LEVEL - 16,062.
 SECOND LEVEL - 17,746.
 FIRST LEVEL - 4,922.
 TOTAL - 37,719.

BUILDING NO. 1
 0' 2' 4' 8' 16'



CNA Architects/Planners
 2821 Northup Way, Bellevue, Washington 98004
 Phone (206) 020-6701 Principal Architect Darryl B. Douvan, AIA
 An Affiliate of Cook-Northhouse and Associates Inc.

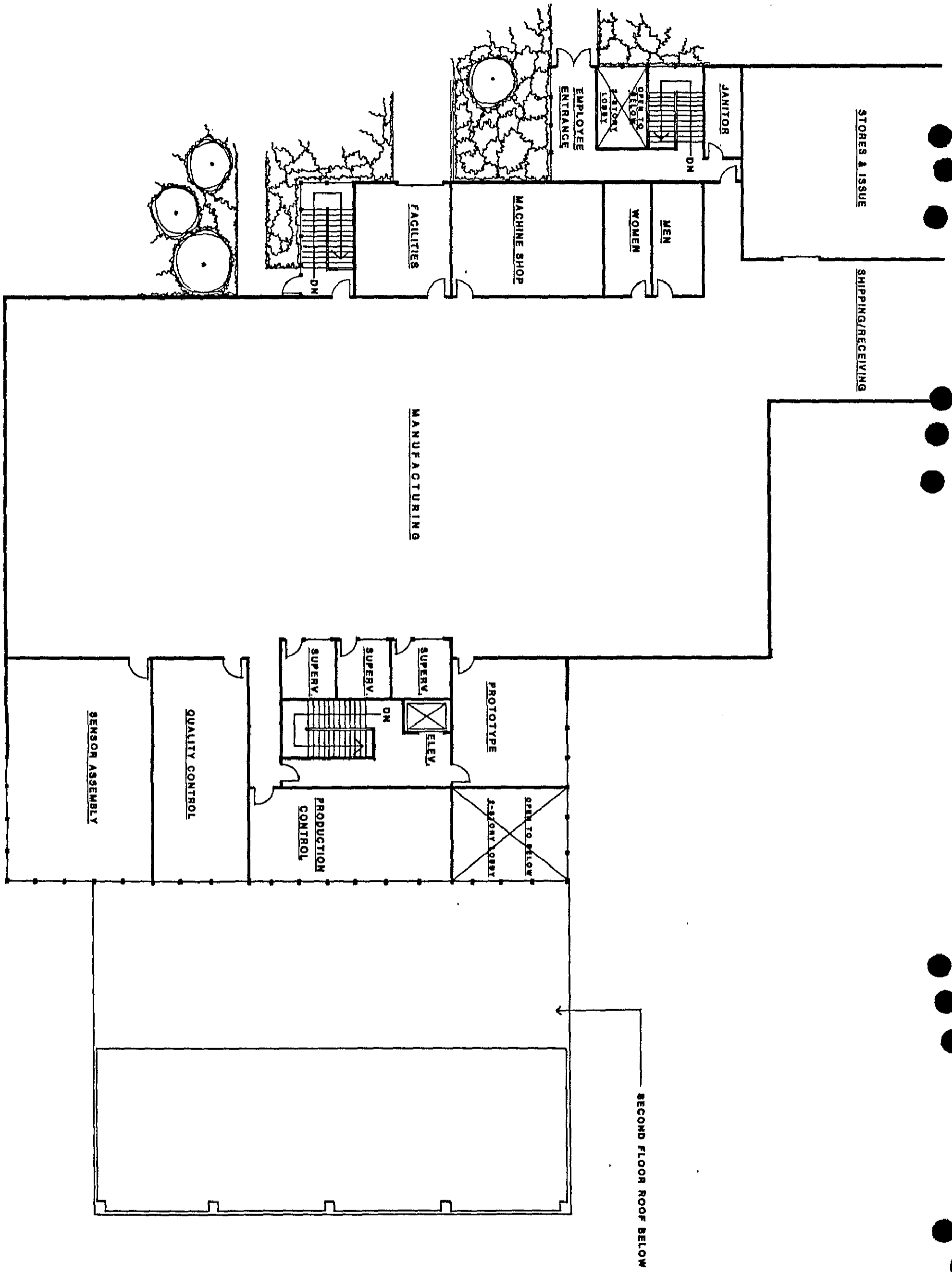


PROJECT
PROJECT 82A-124
 DRAWING TITLE
SECOND LEVEL PLAN BLDG. NO. 1

NO.	DATE	DESCRIPTION

JOB NO.
 DRAWN BY: B.P.H.
 DATE
 SHEET NO.

THIRD LEVEL PLAN

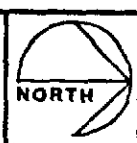


SECOND FLOOR ROOF BELOW

BUILDING NO. 1
0' 2" 4" 8" 16"



CNA Architects/Planners
 2821 Northup Way, Bellevue, Washington 98004
 Phone (206) 820-6701
 An Affiliates of Cook-Hortsmann and Associates, Inc.

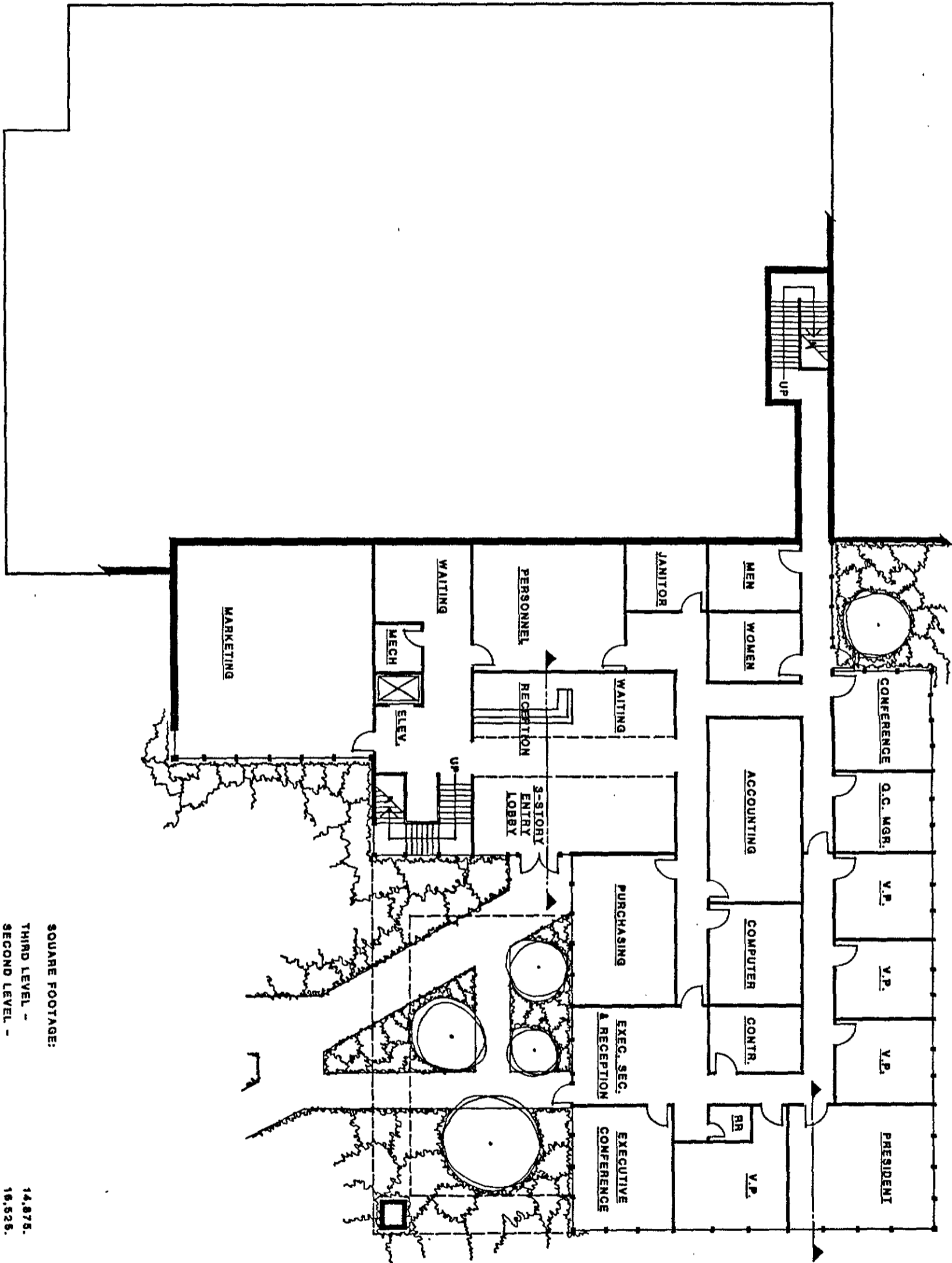


PROJECT
PROJECT 82A-124

DRAWING TITLE	NO.	DATE	DESCRIPTION
THIRD LEVEL PLAN			

JOB NO.
 DATE
 SHEET NO.

FIRST LEVEL PLAN



SQUARE FOOTAGE:

THIRD LEVEL -	14,878.
SECOND LEVEL -	18,528.
FIRST LEVEL -	8,400.
TOTAL -	59,806.

BUILDING NO. 2
0' 2" 4" 8" 16"

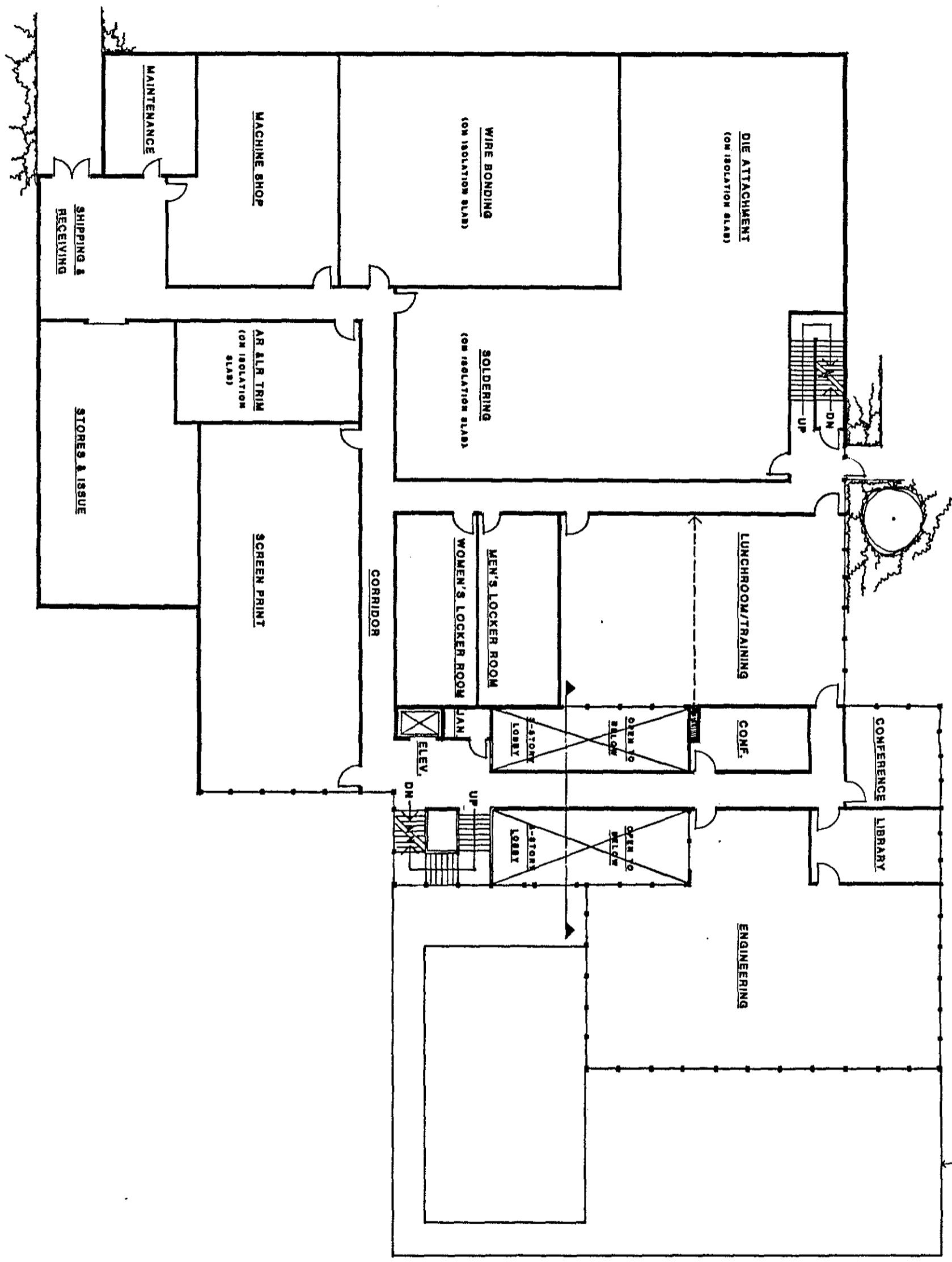


CNA Architects/Planners
2621 Northup Way, Bellevue, Washington 98004
Phone (206) 820-6701 Principal Architects: Barry & Benson, AIA
An Affiliates of Cook-Northouse and Associates, Inc.



PROJECT
PROJECT 82A-124
DRAWING TITLE
FIRST LEVEL PLAN RING NO. 2

NO	DATE	DESCRIPTION

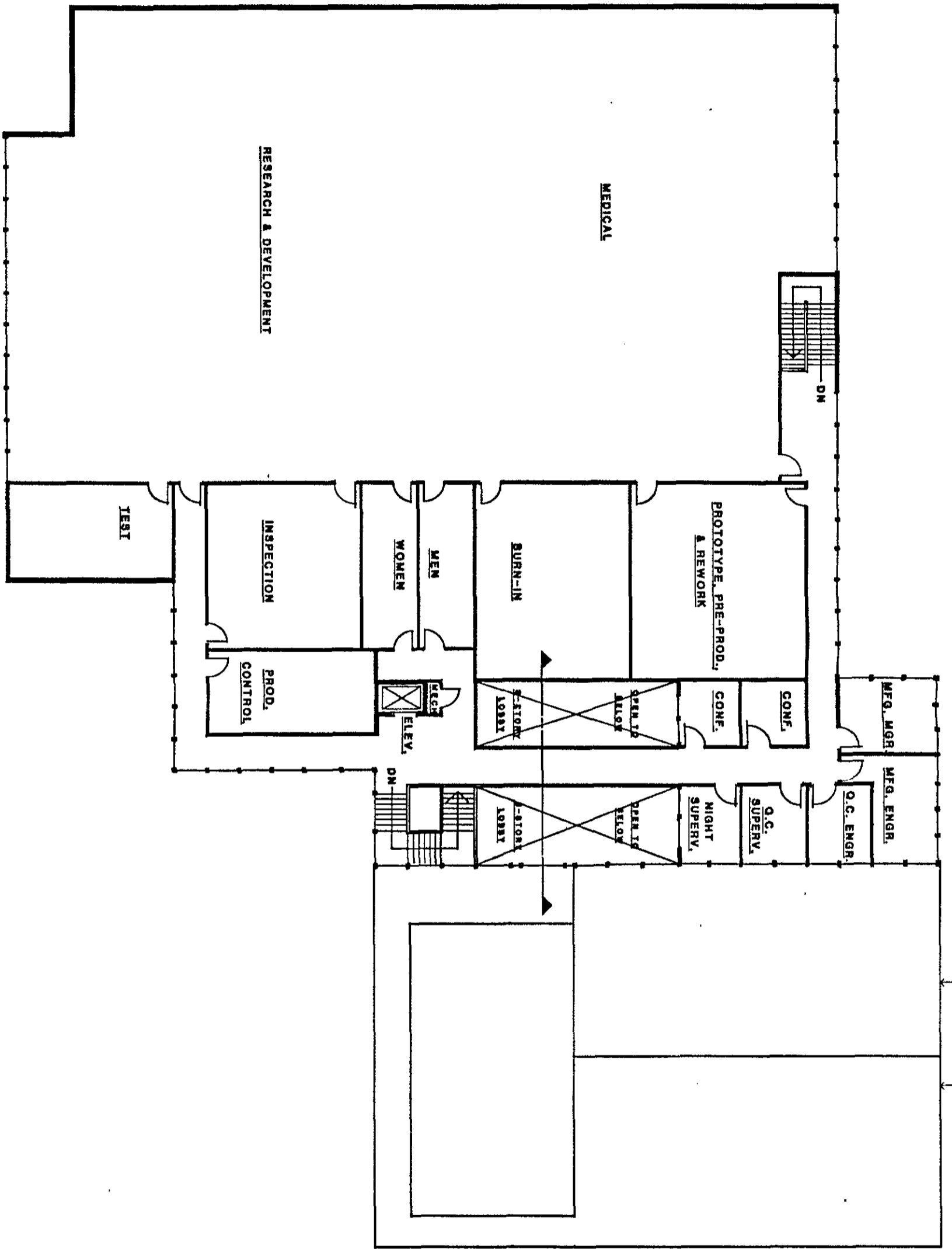


SECOND LEVEL PLAN

BUILDING NO. 2
0' 2' 4" 8" 16"

LINE OF FIRST LEVEL ROOF BELOW

THIRD LEVEL PLAN



LINE OF SECOND LEVEL BELOW
LINE OF FIRST LEVEL ROOF BELOW

BUILDING NO. 2
0' 2' 4' 8' 16'



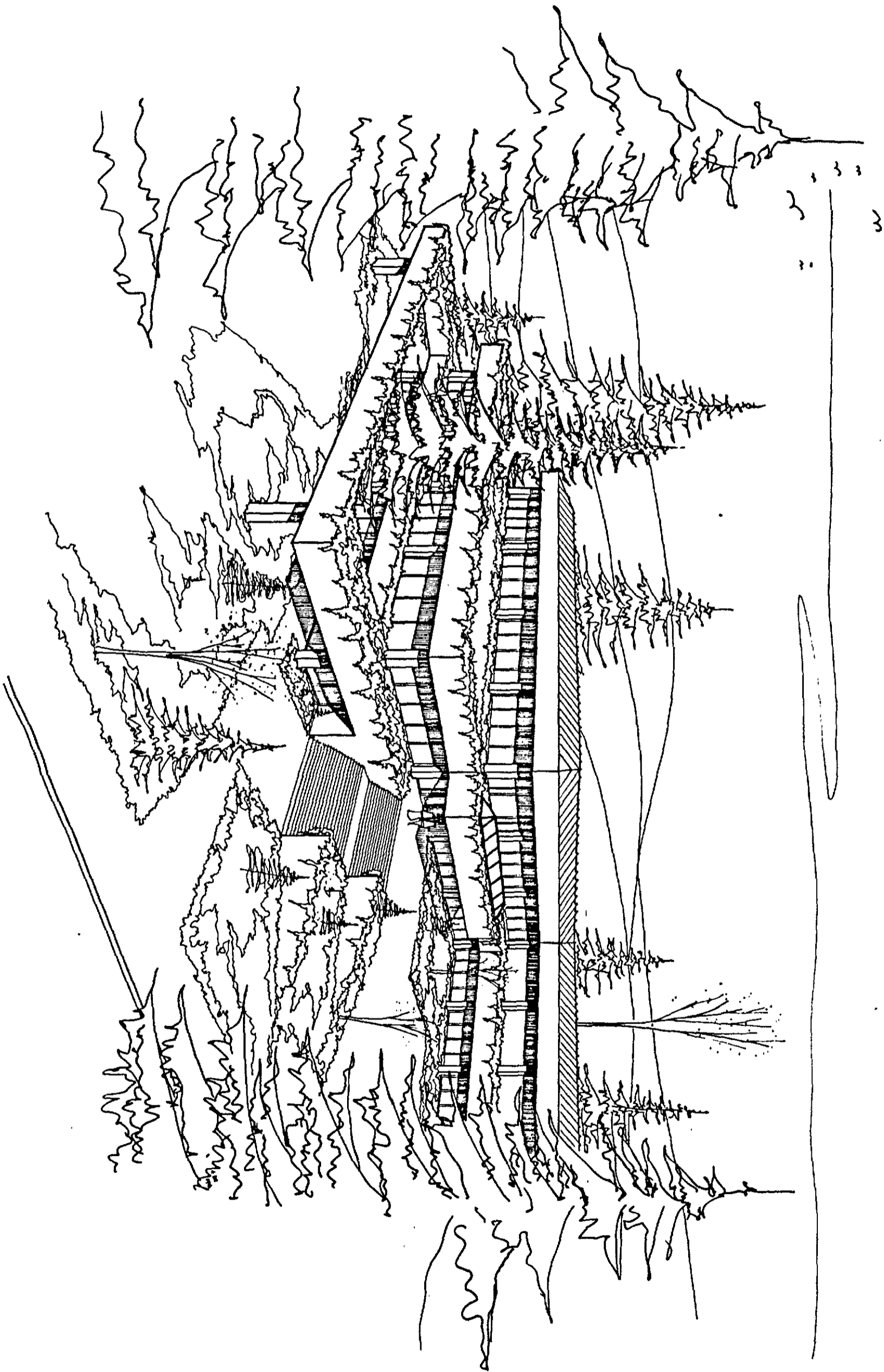
CNA Architects/Planners
2621 Northup Way, Bellevue, Washington 98004
Phone (206) 820-6781 Principal Architect, Barry D. Benson, AIA
An Affiliate of Cook-Steward and Associates, Inc.



PROJECT
PROJECT 82A-124
DRAWING TITLE
THIRD LEVEL PLAN BLDG. NO. 2

NO.	DATE	DESCRIPTION

JOB NO.
DRAWN BY: SPH
DATE
SHEET NO.



DATE 4.14.84
 DRAWN BY MARY
 CHECKED BY BOB



CNA Architects/Planners
 2821 Northrup Way, Bellevue, Washington 98004
 Phone (206) 828-6701 Principal Architect, Barry B. Benson, AIA
 An Affiliate of Cook-Northouse and Associates, Inc.

PROJECT

PROJECT 82A-124

DRAWING TITLE

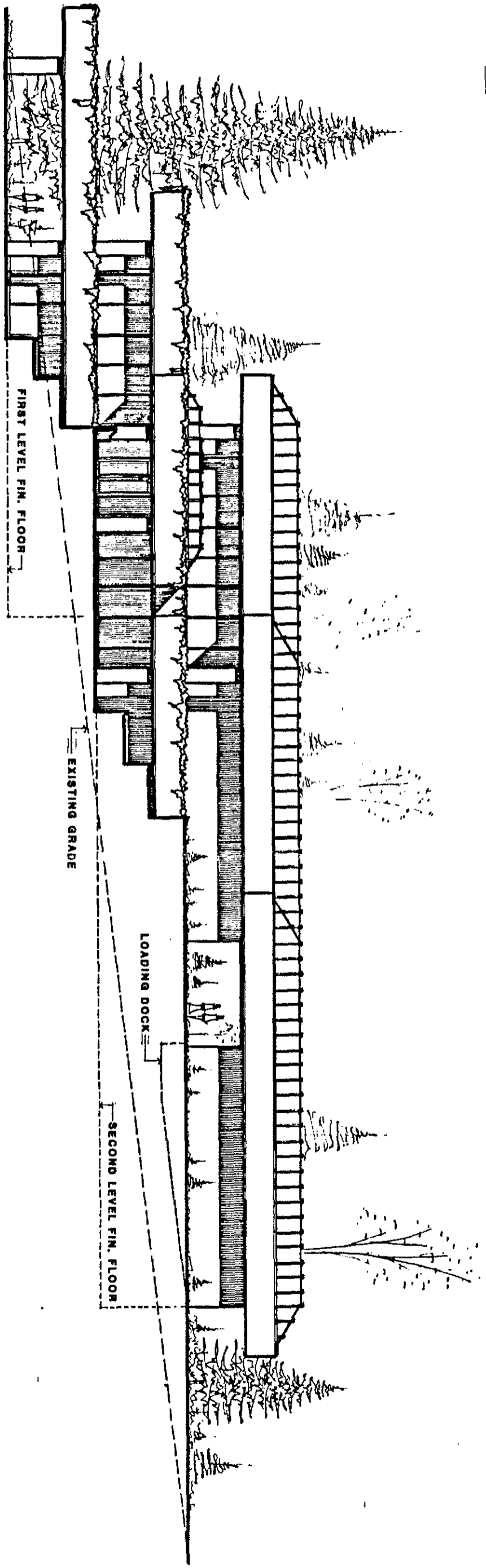
EXTERIOR PERSPECTIVE

NO. DATE

DESCRIPTION

REVISION

PRELIMINARY NORTH ELEVATION
ALTERNATIVE NO. 1



BUILDING NO. 1
1/8" = 1' - 0"



CNA Architects/Planners
2521 Northup Way, Bellevue, Washington 98004
Phone (206) 820-6701 Principal Architect Barry B. Dewar AIA
An Affiliate of Cook, Newhouse and Associates Inc.

PROJECT
PROJECT 82A-124

DRAWING TITLE
PRELIM. NORTH ELEV. ALT. NO. 1

NO.	DATE	DESCRIPTION

DR NO.
DATE
BY
SHEET 13

EXHIBIT "C"

BOND ISSUE (Publicly-Offered)		BOND ISSUE (Publicly-Offered)	
<u>Principal Amount</u>	<u>Fee</u>	<u>Principal Amount</u>	<u>Fee</u>
Up to			
\$ 2,000,000	\$ 9,000	\$ 16,500,000	\$ 29,500
2,500,000	10,500	17,000,000	30,000
3,000,000	12,000	17,500,000	30,500
3,500,000	13,500	18,000,000	31,000
4,000,000	15,000	18,500,000	31,500
4,500,000	16,500	19,000,000	32,000
5,000,000	18,000	19,500,000	32,500
5,500,000	18,500	20,000,000	33,000
6,000,000	19,000	20,500,000	33,500
6,500,000	19,500	21,000,000	34,000
7,000,000	20,000	21,500,000	34,500
7,500,000	20,500	22,000,000	35,000
8,000,000	21,000	22,500,000	35,500
8,500,000	21,500	23,000,000	36,000
9,000,000	22,000	23,500,000	36,500
9,500,000	22,500	24,000,000	37,000
10,000,000	23,000	24,500,000	37,500
10,500,000	23,500	25,000,000	38,000
11,000,000	24,000	25,500,000	38,500
11,500,000	24,500	26,000,000	39,000
12,000,000	25,000	26,500,000	39,500
12,500,000	25,500	27,000,000	40,000
13,000,000	26,000	27,500,000	40,500
13,500,000	26,500	28,000,000	41,000
14,000,000	27,000	28,500,000	41,500
14,500,000	27,500	29,000,000	42,000
15,000,000	28,000	29,500,000	42,500
15,500,000	28,500	30,000,000	43,000
16,000,000	29,000		

Fee for bond issues over \$30,000,000 is \$43,000 plus \$.75 per each \$1,000 of principal amount of issue over \$30,000,000. For any issue which the State of Washington Securities Division requires to be registered, add \$2,000 to the scheduled fee.