

RESOLUTION NO. 17-28

A RESOLUTION OF THE CITY OF OREGON CITY AUTHORIZING FINANCING FOR POLICE AND MUNICIPAL COURT FACILITY

WHEREAS, on September 19, 2017, the electors of the City of Oregon City (the "City") approved Measure 3-517 which authorized the City to issue bonds in the principal amount up to \$16 million to provide a new police and municipal court facility, as further described in that measure (collectively, the "Projects"); and

WHEREAS, Oregon Revised Statutes Section 271.390 permits the City to use the authority of Measure 3-517 by entering into financing agreements so long as the agreements finance or refinance real or personal property which the City Commission determines is needed and the estimated weighted average life of a financing agreement does not exceed the estimated weighted average life of the real or personal property financed by such agreement; and

WHEREAS, it is desirable to borrow a principal amount of up to \$16,000,000 for the Projects.

NOW, THEREFORE, THE CITY OF OREGON CITY RESOLVES as follows:

Section 1. Determination of Need. The City Commission hereby determines that the Projects are needed.

Section 2. Financing Authorized. The City Commission hereby authorizes the City to borrow a principal amount of up to \$16,000,000 for the Projects pursuant to ORS 271.390. Proceeds of the financing may be used to finance the Projects and to pay costs related to the financing. The financing will be regulated by the applicable provisions of ORS Chapter 287A.

Section 3. Delegation. The City Manager, the Finance Director, or the person designated by either of those individuals (each of whom is referred to herein as a "City Official") is hereby authorized, on behalf of the City and without further action by the City Commission, to:

- (1) Negotiate, execute and deliver one or more financing agreements (the "Financing Agreements") to accomplish the financing authorized in Section 2. Subject to the limitations of this Resolution, the Financing Agreements may be in such form and contain such terms as the City Official may approve.
- (2) Negotiate, execute and deliver one or more escrow agreements or similar documents (the "Escrow Agreements") that provide for the issuance of one or more series of "full faith and credit obligations" (the "Obligations") that represent ownership interests in the principal and interest payments due from the City under the Financing Agreements. Subject to the limitations of this Resolution, the Escrow Agreements and each series of Obligations may be in such form and contain such terms as the City Official may approve.

- (3) Deem final and authorize the distribution of a preliminary official statement for each series of Obligations, and authorize the preparation and distribution of a final official statement or other disclosure document for each series of Obligations.
- (4) Undertake to provide continuing disclosure for each series of Obligations in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
- (5) Apply for ratings for each series of Obligations, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for each series of Obligations, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
- (6) Enter into additional covenants for the benefit of the purchasers of the Obligations, including funding reserves, which the City Official determines are desirable to obtain more favorable terms for the Financing Agreements.
- (7) Engage the services of escrow agents or trustees and any other professionals whose services are desirable for the financing.
- (8) Determine the final principal amount of each Financing Agreement, the interest rate or rates which each Financing Agreement shall bear, the payment dates, the City's prepayment rights and other terms of each Financing Agreement and each series of Obligations.
- (9) Solicit competitive bids for the purchase of the Obligations and award the sale to the bidders offering the most favorable terms to the City, select one or more underwriters to purchase the Obligations and negotiate the terms of the sales of those Obligations with those underwriters, or place any Financing Agreement directly with a commercial bank or other lender.
- (10) Issue any qualifying Financing Agreement as a "tax-exempt bond" bearing interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, (the "Code") and enter into covenants to maintain the excludability of interest on those Financing Agreements from gross income under the Code.
- (11) Issue any Financing Agreement as a "taxable bond" bearing interest that is includable in gross income under the Code.
- (12) Designate any qualifying Financing Agreement as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code, if applicable.
- (13) Execute and deliver any other certificates or documents and take any other actions which the City Official determines are desirable to carry out this Resolution.

Section 4. Reimbursement Declaration. The City hereby states its intention and reasonable expectation to reimburse expenditures on the Projects paid prior to the issuance of the Financing Agreements with proceeds of the Financing Agreements. This is intended to serve as official action of the City in order to comply with Treasury Regulation Section 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project expenditures of the City paid prior to the date of issue of the Financing Agreements. .

Section 5. Security. The Financing Agreements may constitute unconditional obligations of the City, which are payable from all legally available funds of the City. The City Official may pledge the City's full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution pursuant to ORS 287A.315. The City expects to pay debt service on the Financing Agreements from the Community Safety Advancement Fund revenues.

Section 6. Effective Date. This resolution shall take effect immediately upon its adoption by the City Commission.

Approved and adopted at a regular meeting of the City Commission held on the 15th day of November, 2017.

DAN HOLLADAY, Mayor

Attested to this 15th day of November, 2017

Approved as to legal sufficiency:

Kattie Riggs, City Recorder

City Attorney