

RESOLUTION NO. 1657

A RESOLUTION AUTHORIZING A FULL FAITH AND CREDIT BORROWING AND RELATED MATTERS

WHEREAS, the City Council of Central Point, Oregon finds and recites the following:

- A. The City of Central Point (the “City”) is authorized by Oregon Revised Statutes Section 271.390 to enter into financing agreements to finance real or personal property which the City Council (the “Council”) determines is needed so long as the estimated weighted average life of the financing agreement does not exceed the estimated dollar weighted average life of the property that is financed; and
- B. The City has identified a need for a new public works corporation yard (the “Project”);
- C. The Council hereby determines that the Project is needed, and that it is desirable to finance the Project pursuant to ORS 271.390; and
- D. The City may make expenditures on the Project (the “Expenditures”) before the City borrows to finance the Project, and the rules of the United States Internal Revenue Service require the City to declare its official intent to reimburse itself for amounts that the City will spend before it borrows in order for the City to reimburse itself for those Expenditures from the proceeds of a tax-exempt borrowing;

NOW, THEREFORE, the City of Central Point resolves as follows:

Section 1. Financing Agreement Authorized. The City is hereby authorized to enter into a financing agreement (the “Financing Agreement”) pursuant to ORS 271.390 in a principal amount that is sufficient to provide up to \$5,350,000 to finance the Project, plus additional amounts estimated to be sufficient to pay costs associated with the Financing Agreement. Proceeds of the Financing Agreement shall be used to pay costs of the Project and costs associated with the Financing Agreement. The Financing Agreement may be in the form of a financing agreement, line of credit, credit facility or other structure and may convert from a line of credit structure to an amortizing loan.

Section 2. 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”) are hereby authorized, on behalf of the City and without further action by the Council, to:

- A. Determine the final principal amount, interest rate, payment dates and all other terms of the financing;
- B. Negotiate the final terms of, and execute and deliver the Financing Agreement and any related documents;

C. Select a commercial bank or another lender to provide the financing authorized by this resolution. Subject to the limitations of this Resolution, the Financing Agreement may be in such form, including a draw down or fully amortized structure, and contain such terms as a City Official may approve;

D. Covenant for the benefit of the lender to comply with all provisions of the Internal Revenue Code of 1986, as amended (the "Code") which are required for the interest paid under the Financing Agreement to be excluded from gross income for federal income tax purposes, if applicable;

E. Designate the borrowing as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code, if applicable;

F. Enter into additional covenants for the benefit of the purchaser of the Financing Agreement that the City Official determines are desirable to obtain favorable terms for the Financing Agreement; and

G. Execute and deliver any other certificates or documents and take any other actions that the City Official determines are desirable to carry out this resolution.

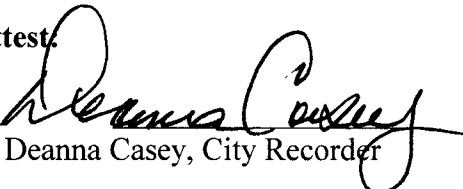
Section 3. Security. Pursuant to ORS 287A.315, the City is authorized to pledge its full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution, and any and all of the City's legally available funds, to pay the amounts due under the Financing Agreement. The City is not authorized to levy additional taxes to pay the amounts due under the Financing Agreement.

Section 4. Declaration of Intent to Reimburse. The City hereby declares its official intent pursuant to Section 1.150-2 of the Treasury Regulations to reimburse itself with the proceeds of the Financing Agreement for any Expenditures paid before the Financing Agreement is issued.

Section 5. Effective Date. This Resolution is effective immediately upon adoption.

PASSED by the Council and signed by me in authentication of its passage this 11th day of March, 2021.


Hank Williams, Mayor

Attest.

Deanna Casey, City Recorder