

RESOLUTION NO. 14-02

A RESOLUTION CALLING A MEASURE ELECTION TO SUBMIT TO THE ELECTORS OF THE CITY THE QUESTION OF AUTHORIZING UP TO \$6 MILLION OF GENERAL OBLIGATION BONDS TO FINANCE RENOVATION AND EXPANSION OF THE OREGON CITY LIBRARY; DECLARING INTENT TO REIMBURSE EXPENDITURES; AND PROVIDING FOR RELATED MATTERS

WHEREAS, the City Commission of the City of Oregon City, Clackamas County, Oregon (the "City"), determines that it will benefit the City to obtain the authority to issue up to \$6 million of general obligation bonds to finance capital costs related to the renovation and expansion of the Oregon City Library at the Carnegie Center, as more fully described in the Summary section of the attached Exhibit A (the "Purposes"); and,

WHEREAS, the Oregon Constitution and Oregon Revised Statutes Chapter 287A allow the voters of the City to authorize the City to issue general obligation bonds to provide funds to finance the Purposes, including costs of issuing bonds; and,

WHEREAS, the City intends to pay debt service on the bonds described in this resolution (the "Bonds") from revenues already available to the City and does not intend to levy property taxes to pay the Bonds; and,

WHEREAS, ORS 287A.050 limits the amount of general obligation bonds in certain cases to three percent of the real market value of taxable property in the City, and issuing the Bonds will not cause the City to exceed this limit; and,

WHEREAS, the Bonds shall bear low interest rates because the Bonds are expected to pay "tax-exempt" interest (interest that is excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended) 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 the tax-exempt Bonds are issued;

NOW, THEREFORE, OREGON CITY RESOLVES AS FOLLOWS:

Section 1. A measure election is hereby called for the purpose of submitting to the electors of the City the question of issuing up to \$6 million in general obligation bonds to finance capital costs related to the Purposes, including costs of issuing the Bonds. Pursuant to ORS 250.285, the City Commission approves the ballot title that is attached as Exhibit A and directs that this ballot title be filed with the City Elections Officer.

Section 2. The measure election hereby called shall be held in the City on the 20th day of May, 2014.

Section 3. The City authorizes the City Manager, Elections Officer, or the designee of either of those officials to act on behalf of the City, to prepare and file an explanatory statement for this measure election, and to take such further action as is necessary to carry out the intent and purposes herein in compliance with the applicable provisions of law.

Section 4. Pursuant to Section 25 of the City Charter, the Recorder shall give at least ten days' notice of the election called by this resolution by posting notice thereof at a conspicuous place in the city hall and in one public place in each voting precinct of the City. The notice shall

state the ballot title of the measure to be voted upon, and the time and place of the election. Before the election the Recorder shall also post the ballot title to the City's website.

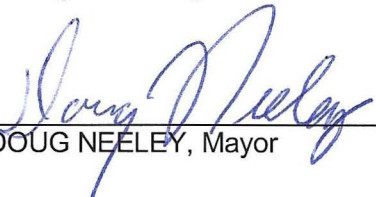
Section 5. Pursuant to ORS 250.275(5) and 250.285 the City Elections Officer shall publish in the next available edition of the *Oregonian*, or in another newspaper of general distribution within the City, a notice of receipt of the ballot title including notice that an elector may file a petition for review of the ballot title pursuant to ORS 250.296 not later than the date in the notice. The notice shall be in substantially the form attached to this resolution as Exhibit B.

Section 6. Pursuant to ORS 254.095(2) the City directs the City Elections Officer to file a Notice of City Measure Election, on Oregon Secretary of State form SEL 802 or any replacement form, with the Clackamas County Elections Office. If no petition is filed pursuant to ORS 250.296 to change the ballot title, the Notice of City Measure Election shall be filed in substantially the form of Exhibit A with the Clackamas County Elections Office no later than March 20, 2014 (sixty-one (61) days prior to the election date), and no earlier than the deadline for filing petitions specified in Exhibit B. If a petition is filed pursuant to ORS 250.296 to change the ballot title, the Notice of Measure Election, in substantially the form of Exhibit A but with any changes required by the circuit court, and the explanatory statement shall be filed as soon as the circuit court certifies the ballot title to the City Elections Officer, and not later than March 20, 2014.

Section 7. The City hereby declares its official intent to reimburse itself with the proceeds of the Bonds for any amounts the City spends on the Purposes before the Bonds are issued.

Section 8. 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 fifth day of February 2014.



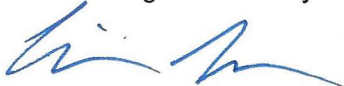
DOUG NEELEY, Mayor

Attested to this 5th day of February 2014:



Nancy Ide, City Recorder

Approved as to legal sufficiency:



City Attorney

EXHIBIT A

BALLOT TITLE

CAPTION

CITY OF OREGON CITY LIBRARY GENERAL OBLIGATION BOND AUTHORIZATION

QUESTION

Shall Oregon City issue up to \$6 million in general obligation bonds to renovate and expand the Oregon City Library? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

SUMMARY

Approval of this measure authorizes the City to issue up to \$6 million of general obligation bonds to pay capital costs related to renovation and expansion of the Oregon City Library at the Carnegie Center, including costs related to the bonds.

The City intends to pay debt service on the bonds from revenues already available to the City and does not intend to levy property taxes to pay the bonds. Approval of this measure will allow the City to finance the library renovation and expansion with general obligation bonds, which have a lower interest rate than alternative financing mechanisms.

The bonds may be issued in one or more series. Each series will mature in 20 years or less.

EXHIBIT B

NOTICE OF RECEIPT OF BALLOT TITLE

Notice is hereby given that a ballot title for a measure referred by the City of Oregon City has been filed with the City Elections Officer. An elector may file a petition for review of this ballot title in the Clackamas County Circuit Court no later than 5:00 p.m., February 18, 2014 under ORS 250.296.

The ballot title reads:

Caption: CITY OF OREGON CITY LIBRARY GENERAL OBLIGATION BOND
AUTHORIZATION.

Question: Shall Oregon City issue up to \$6 million in general obligation bonds to renovate and expand the Oregon City Library? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

Summary: Approval of this measure authorizes the City to issue up to \$6 million of general obligation bonds to pay capital costs related to renovation and expansion of the Oregon City Library at the Carnegie Center, including costs related to the bonds. The City intends to pay debt service on the bonds from revenues already available to the City and does not intend to levy property taxes to pay the bonds. Approval of this measure will allow the City to finance the library renovation and expansion with general obligation bonds, which have a lower interest rate than alternative financing mechanisms. The bonds may be issued in one or more series. Each series will mature in 20 years or less.

NANCY IDE, City Recorder

This legal notice is to be published by the City Elections Officer in the *Oregonian*, or in another newspaper of general distribution within the City.