

COUNCIL RESOLUTION No. 17-2018**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING REFUNDING OF A LOAN FROM THE SPECIAL PUBLIC WORKS FUND WITH THE OREGON INFRASTRUCTURE FINANCE AUTHORITY.**

The City Council (the "Governing Body") of the City of Milwaukie (the "Recipient") finds:

WHEREAS, The Recipient is a "municipality" within the meaning of Oregon Revised Statutes 285B.410(9); and

WHEREAS, Pursuant to Oregon Revised Statutes 285B.410 through 285B.482 (the "Act"), the Recipient obtained a loan (the "Loan") in the principal amount of \$738,000 from the Oregon Infrastructure Finance Authority of the Business Development Department ("the Department") through the Special Public Works Fund for the financing of a "development project" within the meaning of the Act by entering into a Loan Agreement Project Number K05005 with the Department dated 11 April 2007 (the "Loan Agreement") and executing a Promissory Note dated 11 April 2007 (the "Note") representing the amounts due under the Loan, and

WHEREAS, The Department funded the Loan, in part, through the issuance of Oregon Bond Bank Revenue Bonds (the "State Bonds") and passed the interest rates on the State Bonds through to the Loan, which are reflected in the Note; and

WHEREAS, Under current market conditions, refunding all or a portion of the outstanding State Bonds may produce debt service savings for the borrowers whose loans were funded by the State Bonds, including the Recipient; and

WHEREAS, The Recipient wishes to participate in the State's refunding of the State Bonds in order to achieve debt service savings on the outstanding Loan; and

NOW THEREFORE, BE IT RESOLVED by the Governing Body of the Recipient as follows:

1. Refunding Authorized. The Governing Body authorizes the Finance Director, or person designated by the Finance Director or City Manager to act on behalf of the Recipient (the "Authorized Officer"), to amend the Note by executing a revised payment schedule to the Note pursuant to Section 4 of the Loan Agreement (the "Amended Note") and such other documents as may be required to refund the Loan to achieve debt service savings.

2. Security. Amounts due to the Department pursuant to the Loan Agreement and the Amended Note shall continue to be secured by a pledge as provided in Section 7 of the Loan Agreement.

3. Additional Documents. The Authorized Officer is hereby authorized to enter into any agreements and to execute any documents or certificates which may be required to refund the Loan.

4. Tax-Exempt Status. The Recipient covenants not to take any action or omit to take any action if the taking or omission would cause interest paid by the Recipient pursuant to the Loan, as refunded and amended by the Amended Note, not to qualify for the exclusion from gross income provided by Section 103(a) of the Internal Revenue Code of 1986, as amended. The Authorized Officer may enter into covenants on behalf

of the Recipient to protect the tax-exempt status of the interest paid by the Recipient pursuant to the Loan, as refunded and amended by the Amended Note, and may execute any Tax Certificate, Internal Revenue Service forms or other documents as shall be required by the Department or their bond counsel to protect the tax-exempt status of such interest.

5. Resolution Effective Date. This [Ordinance/Resolution] shall be in force and effect from and after passage by the Governing Body.

Introduced and adopted by the City Council on 3/20/18

This resolution is effective on 3/20/18



Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC



Scott Stauffer, City Recorder



City Attorney