

ORDINANCE No. 736

AN ORDINANCE CONSENTING TO CANBY TELEPHONE ASSOCIATION MORTGAGING AND/OR ASSIGNING PROPERTY TO SECURE A LOAN MADE OR GUARANTEED BY THE UNITED STATES OF AMERICA ACTING THROUGH THE ADMINISTRATOR OF THE RURAL ELECTRIFICATION ADMINISTRATION, AND DECLARING AN EMERGENCY.

WHEREAS, Ordinance No. 732 grants CANBY TELEPHONE ASSOCIATION a non-exclusive franchise to conduct a cable communications system within the City; and

WHEREAS, the franchise was subject to all the provisions, terms and conditions of Ordinance No. 725 as amended by Ordinance No. 731; and

WHEREAS, Sections 4.2(c) and 5.4(a) of Ordinance No. 725 provide that the cable communications franchise cannot be mortgaged by CANBY TELEPHONE ASSOCIATION without the prior written consent of the CITY OF CANBY, expressed by Ordinance; and

WHEREAS, at the time of the granting of the franchise CANBY TELEPHONE ASSOCIATION had represented to the CITY OF CANBY that the loan funds for the construction of the cable communications system within the City of Canby and adjacent areas, to-wit: THREE MILLION ONE HUNDRED THOUSAND DOLLARS (\$3,100,000) with interest at five percent (5%) per annum, payable over thirty five (35) years, secured by a mortgage would be provided by the United States of America acting through the Administrator of the Rural Electrification Administration; NOW THEREFORE,

THE CITY OF CANBY ORDAINS AS FOLLOWS:

Section 1. CONSENT TO MORTGAGE. The CITY OF CANBY hereby consents to CANBY TELEPHONE ASSOCIATION mortgaging and/or assigning property to secure a loan made by the United States of America, acting through the Administrator of the Rural Electrification Administration in the amount of THREE MILLION ONE HUNDRED THOUSAND DOLLARS (\$3,100,000) with interest at five percent (5%) per annum payable over thirty five (35) years.

Section 2. RESTRICTIONS. This consent is restricted to the loan secured by a mortgage described in Section 1 above and shall not be construed as a consent to additional mortgages.

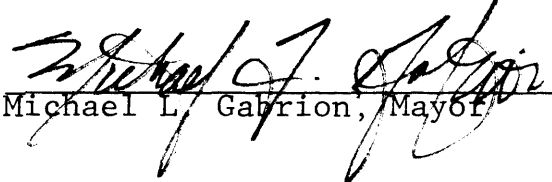
Section 3. EFFECTIVE DATE. It is necessary that the loan proceeds be immediately disbursed in order to reduce construction costs and to complete the construction of the cable communications system by the projected date; therefore, an emergency is deemed to exist

and this Ordinance shall take effect immediately upon its final reading and passage by the Canby City Council.


Submitted to the Council and read for the first time at a regular meeting thereof on the 21st day of September, 1983, and scheduled for a second reading and action of the Canby City Council at a regular meeting thereof to be held on Wednesday, October 5th, 1983, commencing at the hour of 7:30 o'clock p.m., at the Council meeting Chambers at the Canby City Hall in Canby, Oregon.


Marilyn K. Perbett, Deputy City Recorder

ENACTED by the Canby City Council at a regular meeting thereof on October 5, 1983, by the following vote: YEAS 6 NAYS 0.


Michael L. Gabriion, Mayor

ATTEST:


Marilyn K. Perbett, Deputy City Recorder