

RESOLUTION NO. 1035

RESOLUTION OF CITY OF TROUTDALE, MULTNOMAH COUNTY, STATE OF OREGON AUTHORIZING THE ISSUANCE OF BONDS TO FINANCE PARKS, INCLUDING CAPITAL IMPROVEMENTS AND LAND ACQUISITION FOR THE CITY, AND TO PAY ALL COSTS INCIDENTAL THERETO.

WHEREAS, this City Council submitted to the legal voters of the City of Troutdale, Multnomah County, State of Oregon (the "City"), the question of contracting a general obligation bonded indebtedness in the sum of \$600,000 to finance parks, including capital improvements and land acquisition for the City, and to pay all costs incidental thereto; and

WHEREAS, the election was duly and legally held on September 15, 1992, and this Council has canvassed the result thereof and has declared that issuance of bonds in such sum has been approved by a majority of the qualified voters of the City voting at the election; and

WHEREAS, it is appropriate to issue a portion of the bonds authorized in the amount of \$300,000; now, therefore,

City of Troutdale, Oregon, resolves as follows:

Section 1. Issue.

For the above purposes, the City shall issue its General Obligation Bonds, Series 1993 (the "Bonds"), in the amount of Three Hundred Thousand Dollars (\$300,000), to be dated August 1, 1993, to be in denominations of Five Thousand Dollars (\$5,000) or integral multiples thereof, to bear interest payable on August 1 and February 1 of each year until maturity or prior redemption, commencing February 1, 1994, and to mature on August 1 of each year as follows:

Date	Amount	Date	Amount
1994	\$25,000	1999	\$30,000
1995	25,000	2000	30,000
1996	25,000	2001	35,000
1997	30,000	2002	35,000
1998	30,000	2003	35,000

Section 2. Optional Redemption.

The City reserves the right to redeem all or any portion of the Bonds maturing after August 1, 2000, by lot, on August 1, 2000, and on any interest payment date thereafter, at par plus accrued interest to the date fixed for redemption.

Section 3. Notice of Redemption.

3.1. Unless waived by holders of Bonds to be redeemed, official notice of any such redemption shall be given by the City's paying agent and registrar (the "Registrar") on behalf of the City by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Registrar, or as otherwise required by law.

3.2. All official notices of redemption shall be dated and shall state:

3.2.1. the redemption date,

3.2.2. the redemption price,

3.2.3. if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

3.3. that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

3.4. the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Registrar.

3.5. Prior to any redemption date, the City shall deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

3.6. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or

prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

3.7. In addition to the foregoing notice, further notice shall be given by the Registrar as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

3.7.1. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus:

3.7.1.1. the CUSIP numbers of all Bonds being redeemed;

3.7.1.2. the date of issue of the Bonds as originally issued;

3.7.1.3. the rate of interest borne by each Bond being redeemed;

3.7.1.4. the maturity date of each Bond being redeemed; and

3.7.1.5. any other descriptive information needed to identify accurately the Bonds being redeemed.

3.7.2. Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being Depository Trust Company of New York, New York, Midwest Securities Trust Company of Chicago, Illinois, Pacific Securities Depository Trust Company of San Francisco, California and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds (such as Financial Information, Inc.'s Financial Daily Called Bond Service; Interactive Data Corporation's Bond Service; Kenny Information Service's Called Bond Service; Moody's Municipal and Government; and Standard and Poor's Called Bond Record).

3.7.3. Each such further notice shall be published one time in *The Bond Buyer* of New York, New York or, if such publication is impractical or unlikely to reach a substantial number of the holders of the Bonds, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least 30 days prior to the date fixed for redemption.

3.7.4. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Section 4. Security.

The full faith and credit of the City are pledged to the successive owners of each of the Bonds for the punctual payment of such obligations, when due. The City shall levy annually, as provided by law, a direct ad valorem tax upon all of the taxable property within the City in sufficient amount, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and other moneys available for the payment of debt service on the Bonds, to pay the Bonds promptly as they mature, and the City covenants with the owners of its Bonds to levy such a tax annually during each year that any of the Bonds, or Bonds issued to refund them, are outstanding.

Section 5. Form of Registered Bonds.

The City may issue the Bonds as one or more typewritten, temporary Bonds which shall be exchangeable for definitive Bonds when definitive Bonds are available. The Bonds shall be in substantially the form attached as Exhibit B.

Section 6. Authentication, Registration and Transfer.

6.1. No Bond shall be entitled to any right or benefit under this Resolution (the "Resolution") unless it shall have been authenticated by an authorized officer of the City's paying agent and registrar (the "Registrar"). The Registrar shall authenticate all Bonds to be delivered at closing of this Bond issue, and shall additionally authenticate all Bonds properly surrendered for exchange or transfer pursuant to this Resolution.

6.2. All Bonds shall be in registered form. The City has appointed Bank of America Oregon as Registrar for the Bonds. A successor Registrar may be appointed for the Bonds by ordinance or resolution of the City. The Registrar shall provide notice to Bondowners of any change in the Registrar not later than the Bond payment date following the change in Registrar.

6.3. The ownership of all Bonds shall be entered in the Bond Register maintained by the Registrar, and the City and the Registrar may treat the person listed as owner in the Bond Register as the owner of the Bond for all purposes.

6.4. The Registrar shall mail each interest payment on the interest payment date (or on the next business day if the interest payment date is not a business day) to the registered owners of the Bonds at the addresses appearing on the Bond Register as of the fifteenth day of the month preceding an interest payment date (the "Record Date"). If payment is so mailed, neither the City nor the Registrar shall have any further liability to any party for such payment.

6.5. Bonds may be exchanged for an equal principal amount of Bonds of the same maturity which are in different denominations, and Bonds may be transferred to other owners if the Bondowner submits the following to the Registrar:

6.5.1. written instructions for exchange or transfer satisfactory to the Registrar, signed by the Bondowner or his attorney in fact and guaranteed or witnessed in a manner satisfactory to the Registrar; and

6.5.2. the Bonds to be exchanged or transferred.

6.6. The Registrar shall not be required to exchange or transfer any Bonds submitted to it during any period beginning with a Record Date and ending on the next following payment date; however, such Bonds shall be exchanged or transferred promptly following that payment date.

6.7. The Registrar shall note the date of authentication on each Bond. The date of authentication shall be the date on which the Bondowner's name is listed on the Bond Register.

6.8. For purposes of this section, Bonds shall be considered submitted to the Registrar on the date the Registrar actually receives the materials described in Section 6.5.

6.8.1. The City may alter these provisions regarding registration and transfer by mailing notification of the altered provisions to all Bondowners. The altered provisions shall take effect on the date stated in the notice, which shall not be earlier than 45 days after notice is mailed.

Section 7. Maintenance of Tax-Exempt Status.

The City covenants for the benefit of the owners of the Bonds to comply with all provisions of the Internal Revenue Code of 1986, as amended (the "Code") which are required for Bond interest to be excluded from gross income for federal income taxation purposes (except for certain taxes on corporations), unless the City obtains an opinion of nationally recognized Bond Counsel that such compliance is not required for the interest paid on the Bonds to be so excluded. The City makes the following specific covenants with respect to the Code:

7.1. The City shall not take any action or omit any action, if it would cause the Bonds to become "arbitrage bonds" under Section 148 of the Code and shall pay any rebates to the United States which are required by Section 148(f) of the Code.

7.2. The City shall operate the facilities financed with the Bonds so that the Bonds are not "private activity bonds" within the meaning of Section 141 of the Code.

The covenants contained in this section and any covenants in the closing documents for the Bonds shall constitute contracts with the owners of the Bonds, and shall be enforceable by them.

Section 8. Designation of Bonds as Qualified Tax-Exempt Obligations.

The City designates the Bonds as qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code. The City covenants not to so designate tax-exempt obligations in the current calendar year in an aggregate amount of more than \$10,000,000. The City (and all subordinate entities thereof, if any) does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations during the current calendar year.

Section 9. Rebate Exemption.

The City has general taxing powers. No portion of the Bond proceeds will be used to finance property which is used in the trade or business of nongovernments, or is loaned to nongovernments. None of the Bonds are "private activity bonds" within the meaning of Section 141 of the Code. At least ninety-five percent of the net proceeds of the Bonds will be used for park improvements which will be owned and operated by the City. The City (and all subordinate entities thereof, if any) does not reasonably expect to issue tax-exempt obligations in calendar year 1993 which have an aggregate face amount of more than \$5,000,000. Accordingly, under Section 148(f)(4)(c) of the Code, no rebate to the United States is required to be paid in connection with the Bonds.

Section 10. Sale of Bonds.

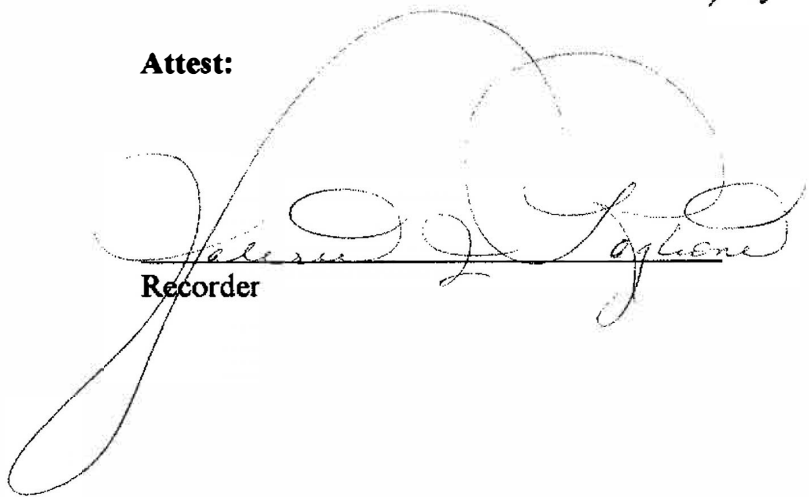
The City Recorder shall cause to be published in the *Gresham Outlook*, Gresham, Oregon, and in the *Daily Journal of Commerce*, Portland, Oregon, notices of sale of the Bonds in the form substantially as shown on Exhibit A attached hereto and by this reference incorporated herein, or summaries, as provided by law. The Bonds shall be sold upon the terms provided in the Notice of Bond Sale attached as Exhibits A(1) and A(2). The Bonds shall be sold on the date and at the time and place stated in Exhibit A, unless the Mayor or City Recorder establishes a different date, time, or place.

Adopted by the unanimous vote of the City Council, with a quorum in attendance,
this 22 day of June 1993

City of Troutdale


Mayor

Attest:


Recorder