

RESOLUTION NO. 7

A RESOLUTION AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF TROUTDALE RELATING TO LENDING OF FUNDS FROM THE CITY OF TROUTDALE TO THE URBAN RENEWAL AGENCY OF THE CITY OF TROUTDALE.

THE URBAN RENEWAL AGENCY OF THE CITY OF TROUTDALE FINDS AS FOLLOWS:

1. The City of Troutdale ("City") and the Urban Renewal Agency of the City of Troutdale ("Agency") believe that because of the importance to the entire City of Troutdale of beginning the implementation of the Troutdale Riverfront Renewal Plan, the City is willing to assist the Agency by the lending of funds from the City to the Agency for the purpose of financing planning activities within the Riverfront Urban Renewal Area.
2. ORS 190.010 and ORS 457.320 authorize the City and Agency to enter into an Intergovernmental Agreement ("IGA") whereby the City may assist in the planning and carrying out of an urban renewal plan.

NOW, THEREFORE, BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF TROUTDALE:

Section 1. Based on the above findings, which are hereby adopted, the Agency's Chair is authorized to execute, on behalf of the Agency, the IGA with the City that is attached as Exhibit A.

Section 2. This Resolution shall take effect immediately upon adoption.

**YEAS: 7
NAYS: 0
ABSTAINED: 0**



Paul Thalhofer, Chair

January 16, 2008
Date



Debbie Stickney, City Recorder

Adopted: January 15, 2008

**INTERGOVERNMENTAL AGREEMENT RELATED TO THE LENDING AND
ADMINISTRATION OF FUNDS FROM THE CITY OF TROUTDALE TO THE
URBAN RENEWAL AGENCY OF THE CITY OF TROUTDALE**

THIS INTERGOVERNMENTAL AGREEMENT entered into between the City of Troutdale, an Oregon municipal corporation (the City), and the Urban Renewal Agency of the City of Troutdale, a public body corporate and politic (the Agency).

RECITALS:

WHEREAS, the Agency is a public body, corporate and politic, duly activated by the city, exercising its powers to engage in urban renewal activity as authorized by ORS Chapter 457; and

WHEREAS, the Board of the Urban Renewal Agency and the Council of the City of Troutdale have determined that a need exists to finance the "Project" authorized by the agency's urban renewal plan;

WHEREAS, the Agency is in its initial stage of existence and, therefore, does not have sufficient revenues to fund expenditures related to the "Project";

WHEREAS, the City and the Agency have determined that financing the "Project" through an inter-governmental agreement is financially feasible, and is in the parties' best interests;

WHEREAS, ORS 190.010 authorizes the City and the Agency to enter, and the City and the agency desire to enter into an intergovernmental agreement,

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

Section 1: Term and Termination. This agreement shall become effective upon the date of the last signature hereon, and shall continue in full force and effect until the loan is paid in full. Either party may terminate this agreement at any time upon 30 days written notice to the other. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the parties prior to termination.

Section 2: Duties of the City. The city shall authorize all actions and execute all documents necessary or desirable to loan to the Agency an amount not to exceed seven hundred fifty thousand dollars (\$750,000.00). In so doing, the City shall comply with the laws of the State of Oregon including, without limitation, the provisions of ORS 279B.220, 279B.225, 279B.230, and 279B.235, which by this reference are made a part hereof, and the terms and conditions contained within this Agreement. The City shall be responsible for the expenses incurred for its activities in the performance of this agreement.

Section 3: Duties of the Agency. The Agency shall authorize all actions and execute all documents necessary or desirable to accept an amount not to exceed seven hundred fifty thousand dollars (\$750,000.00). In so doing, the Agency shall comply with the laws of the State of Oregon including, without limitation, the provisions of ORS 279B.220, 279B.225, 279B.230, and 279B.235, which by this reference are made a part hereof, and the terms and conditions contained within this Agreement. The Agency shall be responsible for the expenses incurred for its activities in the performance of this agreement.

Section 4: Loan Terms. The terms of the loan are as follows:

- a. The Loan shall be a line of credit not to exceed the amount of \$750,000.00.
- b. The Agency shall repay the loan following Agency's receipt of tax increment collections or other revenue, however, repayment of the principal amount of the loan, and any accrued interest, shall not exceed five years from the Agency's first receipt of loan proceeds.
- c. The Loan shall bear interest at an annual rate which is equivalent to the rate at which the City borrowed the funds, or at the City's forgone investment rate, depending on the source of the funds.
- d. The Loan may be repaid in whole, or in part, before the maturity date of the loan, without penalty and with interest accrued to the date of the prepayment.
- e. The Agency hereby pledges its tax increment revenues to repay the loan, and this Intergovernmental Agreement shall constitute an indebtedness of the Agency. The pledge of the tax increment revenues shall be superior to all other pledges or commitments of tax increment revenue that the agency makes, unless the City agrees in writing to subordinate its claim against the tax increment revenues.
- f. The Agency pledges to use the loan proceeds exclusively on projects within the Urban Renewal District.

Section 5: Indemnification. Subject to the limitations in the Oregon Constitution and the Oregon Tort Claims Act, the parties agree to defend, indemnify, and hold each other, their officers, agents, and employees harmless from all claims, suits, or actions of whatsoever kind, which arise out of or result from the transfer of funds.

Section 6: Modification. This agreement may not be altered, modified, supplemented or amended in any manner whatsoever except by the mutual agreement of the parties in

writing. Any such alteration, modification, supplementation or amendment, if made, shall be effective only in the specific instance and for the specific purpose given, and shall be valid and binding only if signed by the parties.

Section 7: Waiver. No provision of this agreement may be waived except in writing by the party waiving compliance. No waiver of any provision of this agreement shall constitute waiver of any other provision, whether similar or not, nor shall any one waiver constitute a continuing waiver. Failure to enforce any provision of this agreement shall not operate as a waiver of such provision or of any other provision.

Section 8: Severability. The parties agree that if any term or provision of the agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.

IN WITNESS WHEREOF, the execution of which having been first duly authorized according to law.

CITY OF TROUTDALE


Paul Thalhofer
Mayor

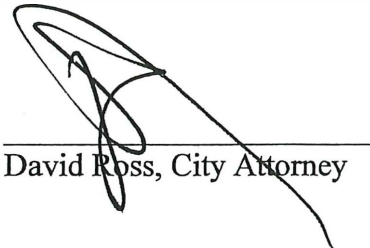
1/9/08
Date

URBAN RENEWAL AGENCY OF THE
CITY OF TROUTDALE


Paul Thalhofer
Chair, Board of Directors

1/16/08
Date

Approved as to form:


David Ross, City Attorney