

A RESOLUTION OF THE CITY OF LEBANON)
URBAN RENEWAL AGENCY, OREGON,)
ADOPTING A STATEMENT OF OFFICIAL)
INTENT TO REIMBURSE CAPITAL)
EXPENDITURES FROM THE PROCEEDS OF A)
BORROWING REASONABLY EXPECTED TO)
BE ENTERED INTO BY THE AGENCY)

RESOLUTION NO. 2016-11

WHEREAS, the City of Lebanon Urban Renewal Agency, Oregon (the "Agency") is contemplating entering into an intergovernmental agreement with the City of Lebanon, Oregon (the "City") to assist in financing the acquisition, construction and equipping of (a) an airport road extension, (2) a community garden and (3) a children's playground (collectively, the "Project"); and

WHEREAS, the Agency intends to incur expenditures relating to the Project, all within the meaning of Treasury Regulation §1.150-2(f)(2), and the Agency desires to declare its intent to finance all or a portion of the Project with the proceeds of tax-exempt obligations (the "Obligations"), the interest on which shall be excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and to reimburse the Agency for any expenditures relating to the Project incurred by the Agency prior to the issuance of the Obligations.

NOW, THEREFORE, THE CITY OF LEBANON URBAN RENEWAL AGENCY, LINN COUNTY, OREGON, DOES RESOLVE AS FOLLOWS:

Section 1. Reimbursement Resolution. The Agency adopts this Resolution as its official intent to allocate from the proceeds of a proposed borrowing reasonably expected to be entered into by the Agency, capital expenditures made not more than sixty (60) days prior to and following the adoption of this Resolution, to and including the date of the proposed borrowing. Preliminary expenditures in an amount not exceeding 20% of the Obligation proceeds or expenditures which do not exceed the lesser of \$100,000 or 5% of the Obligation proceeds are not subject to the 60 day limitation stated above. Preliminary expenditures include architectural, engineering, surveying, soil testing and similar costs incurred prior to commencement of acquisition, construction or rehabilitation of the Project, other than land acquisition, site preparation and similar costs incident to commencement of construction.

Section 2. Reimbursement Period. The Agency shall make the reimbursement allocation from the proceeds of the borrowing to the respective fund or accounts of the Agency from which the capital expenditures have been made no later than eighteen (18) months after the later of the date of the expenditure or the date that the Project is placed in service, but in no event more than three (3) years after the date of the expenditure. The Agency acknowledges that such reimbursement from bond proceeds may be made only to the extent that all other applicable requirements of Treasury Regulation §1.150-2 are met with respect to the tax-exempt borrowing, and hereby directs all Agency officials and personnel to take such lawful actions as may be necessary or appropriate in order to ensure that such expenditures may be reimbursed from bond proceeds to the fullest extent permitted by law.

Section 3. Description of Project. The Project consists of the acquisition, construction and equipping of (a) an airport road extension, (2) a community garden and (3) a children's playground.

Section 4. Project Cost. It is anticipated the cost of the Project, including costs incidental thereto, is expected to be approximately \$5,200,000 and the reasonably expected maximum principal amount of the Obligations is \$3,500,000.

Section 5. Further Action. The City Administrator or Finance Director are hereby authorized to take such further action as is necessary to carry out the intent and purposes hereof in compliance with the applicable provisions of law.

Section 6. Effective Date. Pursuant to ORS 221.310(3), this Resolution shall become effective upon passage by the Board.

Passed by the Board of the City of Lebanon Urban Renewal Agency on this 11th day of May, 2016 by a vote of 4 yeas and 0 nays.

CITY OF LEBANON, OREGON



Paul R. Aziz, Mayor

Bob Elliott, Council President

ATTESTED BY:


Linda Kaser, City Clerk