

A RESOLUTION OF THE CITY OF LEBANON)
URBAN RENEWAL AGENCY AUTHORIZING)
OBLIGATIONS PAYABLE FROM THE TAX)
INCREMENT REVENUES OF THE CHEADLE)
LAKE URBAN RENEWAL AREA; AUTHORIZING)
A MASTER DECLARATION; DELEGATING)
AUTHORITY TO NEGOTIATE AND EXECUTE)
ALL DOCUMENTS; AND RELATED MATTERS.)

RESOLUTION NO. 2017-7

WHEREAS, the City of Lebanon, Oregon (the "City") located in Linn County, Oregon (the "County") has created the Urban Renewal Agency of the City of Lebanon, Oregon (the "Agency"), the duly created and designated urban renewal agency of the City; and

WHEREAS, the City Council of the City approved the Cheadle Lake Urban Renewal Plan (the "Original Plan") by adoption of Ordinance No. 2270 on August 30, 2000. Linn County adopted the Original Plan by Resolution 2000-550 on October 4, 2000; and

WHEREAS, the City Council of the City approved an amendment to the Original Plan (the "Amended Plan" together with the Original Plan, the "Plan") by adoption of Ordinance Bill No. 2889 on January 11, 2017. Linn County adopted the Amended Plan by Resolution 2017-011 on January 18, 2017; and

WHEREAS, the maximum indebtedness of the Plan is \$18,252,144; and

WHEREAS, ORS 457.190 authorizes an urban renewal agency to borrow money to carry out the purpose of undertaking and carrying out urban renewal projects; and

WHEREAS, the Agency is authorized pursuant to Oregon Revised Statutes ("ORS") Chapter 457 to borrow money for the purposes of undertaking and carrying out urban renewal projects in the Plan (the "Project"); and

WHEREAS, the Agency intends to enter into a Master Urban Renewal Obligation Declaration (the "Master Declaration"), in the form substantially attached hereto with such changes and determinations as are approved by the Authorized Representative (defined herein), which will provide the terms under which the Agency may issue obligations that are secured by a lien on the Divide the Taxes Revenues of the Area ("Obligations"); and

WHEREAS, the Agency now desires to incur Obligations in an amount not to exceed \$4,500,000; and

WHEREAS, capitalized terms used but not defined herein shall have the meanings assigned in the Master Declaration.

NOW, THEREFORE, THE CITY OF LEBANON URBAN RENEWAL AGENCY RESOLVES AS FOLLOWS:

Section 1. The Series 2017 Obligations

A. Pursuant to the Act, and to provide sufficient funds for a portion of the costs of the Project, the Agency hereby authorizes and directs the incurrence of Obligations in an aggregate principal amount not to exceed \$4,500,000 with a maturity not later than 20 years after the date of issuance (the "Series 2017 Obligations").

B. The proceeds of the Series 2017 Obligations will be used to fund the Project; and may be used, at the discretion of the Authorized Representative, to fund a debt service reserve fund and to pay costs of issuance of the Series 2017 Obligations.

C. The Series 2017 Obligations may be issued in one or more Series, in such form and in such maturities, bearing interest at such rates, with or without insurance and with such captions or designations and subject to such redemption and to other terms and conditions as determined by the Authorized Representative. The Series 2017 Obligations may be in the form of a draw down loan and evidenced by one or more notes as determined by the Authorized Representative.

D. The Series 2017 Obligations shall be a revenue obligation of the Agency and shall be payable solely from the Security as provided by the Master Declaration and this Resolution.

E. The Agency authorizes the Authorized Representative to determine and designate the purchaser of the Series 2017 Obligations, the dated date, the interest rates, the maturity and payment dates, the principal amounts, term obligation maturity or maturities, with or without premium, the optional and/or mandatory redemption dates and premiums, if any, the interest payment dates, fees and costs of issuance, original issue discount or premium, if any, available credit facility, if any, whether the Series 2017 Obligations shall be taxable or tax-exempt, all other terms for the Series 2017 Obligations, make any changes to the Master Declaration as he or she deems necessary or desirable, and to determine such other provisions (including but not limited to covenants, events of and remedies for default and financial reporting requirements) as are deemed necessary or desirable for the sale and issuance of the Series 2017 Obligations. The Authorized Representative is authorized to execute and deliver to appropriate parties all documents necessary and proper for sale and closing of the Series 2017 Obligations, negotiate the terms of and execute and deliver agreements and note evidencing the Series 2017 Obligations, enter into covenants and make determinations regarding the use of the proceeds of the Series 2017 Obligations, the Projects financed with the proceeds of the Series 2017 Obligations and to maintain the tax-exempt status of the Series 2017 Obligations.

F. The City Manager of the City of Lebanon, the Agency Board Chair, the Finance Director of the City of Lebanon, or the designee of any such official (the "Authorized Representative") is hereby authorized on behalf of the Agency pursuant to this Resolution without further action by the Agency.

Section 2. Security for Obligations.

The Series 2017 Obligations is an "Obligation" under the Master Declaration and is secured by the Security on an equal and ratable basis with Outstanding Obligations.

Section 3. Authentication, Registration, Exchange and Transfer

The Series 2017 Obligation shall be executed by the Chair of the Agency and the Secretary of the Agency and shall be registered in the name of the purchaser.

Section 4. Disposition of Series 2017 Obligations Proceeds

The Series 2017 Obligations proceeds shall be disbursed as determined by the Authorized Representative to (a) finance the costs of the Project, (b) to fund the Reserve Requirement if determined by the Authorized Representative, and (c) to pay costs incurred in connection with the issuance of the Series 2017 Obligations.

Monies in the Project Fund may be invested in Permitted Investments. Earnings from investment of the funds in the Project Fund shall be maintained in the Project Fund, and shall be treated and disbursed as Series 2017 Obligation proceeds. Project Fund balances attributable to Series 2017 Obligation proceeds which are not needed for the Project may be transferred to the Debt Service Fund or be used for any other lawful purpose approved in writing by Special Counsel.

Section 5. Reserve Fund

As determined by the Authorized Representative, the Agency shall deposit into the Reserve Fund an amount sufficient to make the balance in the Reserve Fund at least equal to the Reserve Requirement which deposit may be in the form of Series 2017 Obligation proceeds, cash, Permitted Investments or a credit facility. The Reserve Requirement, if any, for the Series 2017 Obligations shall be determined by the Authorized Representative.

Section 6. Additional Actions

A. Form of Series 2017 Obligations. The Series 2017 Obligations shall be issued substantially in the form as approved by the Authorized Representative and Special Counsel.

B. Appointment of Special Counsel. The Agency appoints as special counsel for the issuance of the Series 2017 Obligations the firm of Mersereau Shannon LLP of Portland, Oregon.

C. Appointment of Placement Agent. The Agency appoints as placement agent for the Series 2017 Obligation the firm of KeyBanc Capital Markets.

D. Appointment of Purchaser, Qualified Consultant, Paying Agent and Bond Registrar and Other Professionals. The Authorized Representative is authorized to select the Purchaser and appoint a Qualified Consultant, Paying Agent and Bond Registrar and

other professionals for the Obligations. The Authorized Representative is authorized to negotiate and execute and deliver on behalf of the Agency, a Paying Agent and Bond Registrar Agreement and other agreements with professionals in connection with the Obligations.

E. Designation of Series 2017 Obligation as Qualified Tax-Exempt Obligations. If the City and the Agency do not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations during the current calendar year, the Agency hereby designates the Series 2017 Obligations as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code. The Agency covenants not to so designate tax-exempt obligations in the current calendar year in an aggregate amount of more than \$10,000,000.

F. Closing of the Series 2017 Obligations. The Authorized Representative is authorized to execute and deliver such additional documents, including a Tax Certificate, Bond Purchase Agreement and do any and all other things or acts necessary for the sale and delivery of the Series 2017 Obligations as herein authorized. Such acts of the Authorized Representative are for and on behalf of the Agency and are authorized by the Agency.

Passed by the Lebanon City Council and executed by the Mayor on this 22nd day of March, 2017 by a vote of 4 yeas and 0 nays.

CITY OF LEBANON URBAN RENEWAL
AGENCY, OREGON



Paul R. Aziz, Mayor

Bob Elliott, Council President

ATTESTED BY:



Linda Kaser, City Clerk