



Resolution 2003-092

**A RESOLUTION AUTHORIZING AN AMENDMENT TO THE CITY HALL
AND LIBRARY FINANCING AGREEMENT TO REDUCE INTEREST
EXPENSE**

WHEREAS, the City of Sherwood (the "City") entered into a financing agreement pursuant to ORS 271.390 with Bank of America, National Association for a new city hall and library building in the amount of \$2,435,000 (the "Financing Agreement"); and,

WHEREAS, the Financing Agreement pays interest that is subject to federal income taxation; and,

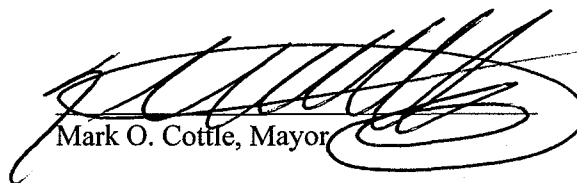
WHEREAS, the expected uses of the city hall and library have changed, and it is now possible to finance those facilities with obligations that pay interest that is exempt from federal income taxation;

NOW THEREFORE, THE CITY RESOLVES AS FOLLOWS:

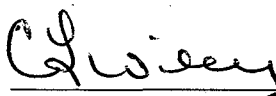
Section 1. The City Manager or the City Finance Director are hereby authorized, on behalf of the City and without further action by the City Council: to amend the Financing Agreement and any related documents to provide that the Financing Agreement will pay interest that is excludable from gross income under Section 103 of the United States Internal Revenue Code of 1986, as amended; to provide that the Financing Agreement will constitute a "qualified tax-exempt obligation" under Section 265(b) of that code; to amend the Intergovernmental Agreement to Make Loan Payments that is dated as of May 21, 2003 and is between the City and the Urban Renewal Agency of the City of Sherwood to provide that the Urban Renewal Agency of the City of Sherwood will make the payments due on the amended Financing Agreement, and, to take any other actions that are required to carry out this resolution.

Section 2. This resolution shall be effective upon its approval and adoption.

Duly passed by the City Council this 11th day of November 2003.


Mark O. Cottle, Mayor

Attest:



C.L. Wiley, City Recorder