

RESOLUTION NO. 2927

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BEND, OREGON, AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF A CONTINGENT LOAN AGREEMENT AND RELATED DOCUMENTS; DESIGNATING AUTHORIZED REPRESENTATIVES AND DELEGATING AUTHORITY; AND RELATED MATTERS.

Findings

- A. The Bend Urban Renewal Agency (the "Agency") is the urban renewal agency of the City of Bend ("City") under ORS 457.010 to 457.460.
- B. The Bend City Council ("Council") approved the Juniper Ridge Urban Renewal Plan (the "Urban Renewal Plan") for the Juniper Ridge Urban Renewal Area (the "Urban Renewal Area") by Ordinance No. NS-1981, adopted August 29, 2005. The Agency adopted Resolution No. 87 to amend the Urban Renewal Plan on October 6, 2010.
- C. The Agency intends to issue an Urban Renewal Tax Increment Revenue Note, Series 2013 (the "Agency's 2013 Note") to refund its Series 2008 Note issued pursuant to a Tax-Exempt Line of Credit Agreement dated June 19, 2008, as amended. The Agency's 2013 Note will be issued in an amount not exceeding \$3,700,000.
- D. The Bank of the Cascades, as lender to the Agency of the Agency's 2013 Note proceeds (the "Lender"), requires a guarantee by the City to commit to repay amounts owing by the Agency under the Agency's 2013 Note to the extent the payments are not made by the Agency.
- E. The City is authorized by ORS 271.390 and the City Charter to enter into financing agreements, lease-purchase agreements or other contracts of purchase for any real or personal property that the Council determines is needed, and may provide that the obligations of the City under those contracts are payable out of all or any portion of lawfully available funds of the City, and that lawfully available funds may be pledged to the payment of the obligations.
- F. The City and the Agency have determined that it is in the best interests of the City and the Agency to execute and deliver a Contingent Loan Agreement (the "Contingent Loan Agreement"), authorizing, among other things, a commitment by the City to repay amounts owing by the Agency under the Agency's 2013 Note under the circumstances and conditions set forth in the Contingent Loan Agreement, to the extent not paid by the Agency (a "Contingent Loan Payment"), and to provide for the repayment of the indebtedness by the Agency to the City in the event of the City's payment.

Based on these findings, the Bend City Council resolves as follows:

Section 1. Authorization of the Contingent Loan Agreement and Related Agreements. The City authorizes the negotiation, execution and delivery of the Contingent Loan Agreement. The terms of the Contingent Loan Agreement and the

various other documents relating thereto, if any, shall be established by the Authorized Representative, without further approval by the Council.

Section 2. Authorized Representative. The City authorizes and directs each of the City Manager, the Finance Director, or the designee of either of them (each, an "Authorized Representative") to act on behalf of the City and execute and deliver the Contingent Loan Agreement and such other documents related thereto.

Section 3. Security. The Contingent Loan Payments made under the Contingent Loan Agreement shall be payable from the City's general non-restricted revenues and other lawfully available funds, including revenues derived from other taxes, if any, levied by the City in accordance with and subject to limitations and restrictions imposed under applicable law or contract, that are not dedicated, restricted or obligated by law or contract to other use. The City pledges its full faith and credit and taxing powers to the payment of the Contingent Loan Payments as contemplated by ORS 287A.315, or any successor statute. The Lender will not have a lien on or security interest in the Agency's 2013 Note nor any projects financed with the Agency's 2013 Note.

Section 4. Appointment of Special Counsel. The City appoints Orrick, Herrington & Sutcliffe LLP of Portland, Oregon, as special counsel to the City with respect to the Contingent Loan Agreement.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

Adopted by roll call vote on October 2, 2013.

YES: Mayor Jim Clinton
Councilor Jodie Barram
Councilor Scott Ramsay
Councilor Mark Capell
Councilor Victor Chudowsky
Councilor Doug Knight
Councilor Sally Russell

NO: none



Jim Clinton, Mayor

ATTEST:



Robyn Christie, City Recorder

APPROVED AS TO FORM.



Mary A. Winters, City Attorney