

RESOLUTION NO. 3379

A RESOLUTION OF THE BEND CITY COUNCIL AMENDING CERTAIN PROVISIONS OF RESOLUTION NO. 3362 TO INCREASE THE LIMITATIONS ON THE TRUE INTEREST COST OF THE 2024 FULL FAITH AND CREDIT OBLIGATIONS TO BE ISSUED ON A TAXABLE BASIS TO FINANCE REAL AND PERSONAL PROPERTY IN CONNECTION WITH THE POTENTIAL REDEVELOPMENT OF THE CORE AREA

Findings

A. On February 21, 2024, the City Council of the City of Bend, Oregon (the "City Council") adopted Resolution No. 3362 ("Resolution No. 3362"). Resolution No. 3362 authorized, among other things, the issuance, sale, execution and delivery of full faith and credit obligations (the "2024 Obligations") to (i) acquire real and personal property including, without limitation, in connection with the potential redevelopment of the Core Area of the City of Bend, including affordable housing, a civic plaza, and other public uses, such as a new City Hall ("Core Area Redevelopment Projects"), (ii) fund other capital projects permitted under ORS 271.390 (the "Other Capital Projects" and together with the Core Area Redevelopment Projects, the "New Money Projects"), (iii) refund the Refunded Obligations, if feasible, and (iv) pay costs of issuance (collectively, the "Project").

B. Section 1 of Resolution No. 3362 provided that the true interest cost on the 2024 Obligations shall not exceed six percent (6.00%) per annum for fixed-rate 2024 Obligations designated as Taxable Obligations (the "Fixed Rate Taxable TIC Limit").

C. Section 1 of Resolution No. 3362 further provided that the true interest cost of the 2024 Obligations issued on a variable rate basis shall not exceed twelve percent (12.00%) per annum (the "Variable Rate TIC Limit," and together with the Fixed Rate TIC Limit, the "Taxable TIC Limits").

D. The properties to be financed with the 2024 Obligations will be owned by the City of Bend, but it is anticipated they will initially be leased to other parties. As such, the City has determined that the 2024 Obligations shall be issued on a taxable basis to finance the Project.

E. Following solicitation of proposals to purchase the 2024 Obligations, and after reviewing current market conditions, the City has concluded that current market interest rates exceed the maximum Taxable TIC Limits permitted by Resolution No. 3362. Therefore, the City Council finds that it is the best interests of the City to increase the TIC Limits.

Based on these findings,

THE CITY COUNCIL OF THE CITY OF BEND RESOLVES AS FOLLOWS:

Resolution No. 3379

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Section 1. Amend and Restate Section 1 of Resolution No. 3362. Section 1 of Resolution No. 3362 shall be amended and restated as follows (with additions shown in **bold underline** and deletions shown in ~~strike through~~):

The City authorizes the issuance, sale, execution and delivery of the 2024 Obligations, in one or more series, together or separately, from time to time, to be designated the "City of Bend, Oregon Full Faith and Credit Obligations, Series 2024" in an aggregate principal amount not to exceed \$11,300,000, to pay all or a portion of the costs of the New Money Projects and to pay costs of issuance, and in an aggregate principal amount sufficient to refund the Refunded Obligations, if feasible. The 2024 Obligations may be issued in any combination of (1) tax-exempt obligations (the "Tax-Exempt Obligations") or (2) federally taxable obligations (the "Taxable Obligations"). The true interest cost on the 2024 Obligations issued shall not exceed five percent (5.00%) per annum for fixed-rate Tax-Exempt Obligations and the true interest cost shall not exceed ~~six percent (6.00%)~~ **seven percent (7.00%)** per annum for fixed-rate 2024 Obligations designated as Taxable Obligations. In no event shall the true interest cost for 2024 Obligations issued on a variable rate basis exceed ~~twelve percent (12.00%)~~ **fifteen percent (15.00%)** per annum. The terms and conditions for the purchase, sale, issuance, execution, delivery and administration of the 2024 Obligations shall be established consistent with the authorization of this Resolution.

Section 2. Full Effect to Remainder of Resolution No. 3362. Except as amended in **Section 1** herein, Resolution No. 3362 remains in full force and effect.

Section 3. Effective Date of Resolution. This Resolution shall become effective immediately upon adoption by the City Council.

Adopted by a motion of the Bend City Council on May 15, 2024.

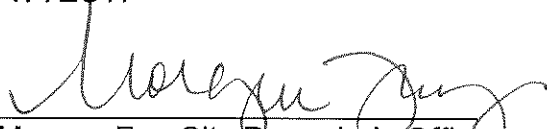
YES: Mayor Melanie Kebler
Mayor Pro Tem Megan Perkins
Councilor Barb Campbell
Councilor Anthony Broadman
Councilor Ariel Méndez
Councilor Mike Riley
Councilor Megan Norris

NO: none



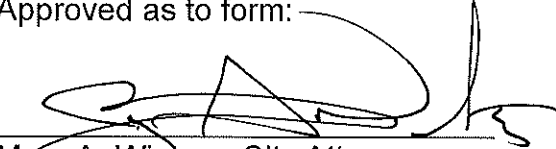
Melanie Kebler, Mayor

ATTEST:



Morgen Fry, City Recorder's Office

Approved as to form:



Mary A. Winters, City Attorney