

RESOLUTION NO. 3237

A RESOLUTION OF THE CITY OF BEND, OREGON, AUTHORIZING THE ISSUANCE, SALE, EXECUTION AND DELIVERY OF FULL FAITH AND CREDIT REFUNDING BONDS, IN AN AGGREGATE PRINCIPAL AMOUNT NECESSARY TO REFUND ALL OR A PORTION OF CERTAIN OUTSTANDING OBLIGATIONS OF THE CITY TO ACHIEVE DEBT SERVICE SAVINGS, AND PAY COSTS OF ISSUANCE RELATED THERETO; AUTHORIZING A PLEDGE OF THE FULL FAITH AND CREDIT OF THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF FINANCING DOCUMENTS; DESIGNATING AUTHORIZED REPRESENTATIVES, DELEGATING AUTHORITY AND RELATED MATTERS.

FINDINGS

The City Council (the "City Council") of the City of Bend, Oregon (the "City") finds the following:

- A. The City is authorized pursuant to the laws of the State of Oregon (the "State"), including the applicable provisions of Oregon Revised Statutes ("ORS") chapter 287A and the City Charter to issue current refunding bonds as provided by ORS 287A.360 and to secure those bonds with a pledge of the full faith and credit of the City as provided in ORS 287A.315.
- B. It is financially feasible and in the best interest of the City and will serve a public purpose to issue its City of Bend, Oregon Full Faith and Credit Refunding Bonds (the "Refunding Bonds"), in one or more series, to (i) refund all or a portion of outstanding obligations of the City including the 2010A Obligations, 2010B Obligations and 2010C Obligations (as defined below), and (ii) pay costs of issuance of the Refunding Bonds, including, without limitation, the funding of any required reserves and payment of costs in connection with obtaining a Credit Enhancement Device (a "Credit Enhancement Device" as defined in ORS chapter 287A) for the Refunding Bonds, if beneficial to the City.
- C. Resolution No. 2765 was adopted by the City Council on December 2, 2009 and Supplemental Resolution No. 2772 was adopted by the City Council on January 6, 2010 (together, the "2010A and 2010B Resolutions"), pursuant to which the City issued the City of Bend, Oregon Full Faith and Credit Obligations, Series 2010A (Federally Taxable Recovery Zone Economic Development Obligations) (the "2010A Obligations") and the City of Bend, Oregon Full Faith and Credit Refunding Obligations, Series 2010B (Tax-Exempt) (the "2010B Obligations"), and Resolution No. 2812 was adopted by the City Council on October 20, 2010, and Resolution No. 2815 was adopted by the City Council on November 3, 2010 (together, the "2010C Resolution" and together with the 2010A and 2010B Resolution, the "2010 Resolutions"), pursuant to which the City issued the City of Bend, Oregon Full Faith and Credit Obligations, Series 2010C (Federally Taxable Recovery Zone Economic

Development Obligations) (the "2010C Obligations" and together with the 2010A Obligations and 2010B Obligations, the "Refunded Obligations").

- D. The City has determined to refund, subject to market conditions, all or a portion of the Refunded Obligations under the authority of ORS 287A.360, to achieve debt service payment savings.

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

SECTION 1. Authorization of the Refunding Bonds; Interest Rate; Execution and Terms.

(a) The City Council authorizes the issuance, sale, execution and delivery of the Refunding Bonds, in one or more series, to be designated as "City of Bend, Oregon Full Faith and Credit Refunding Bonds" in an aggregate principal amount sufficient to refund the Refunded Obligations and pay costs of issuance of the Refunding Bonds. Pursuant to ORS 287A.360, the City authorizes the proceeds of the Refunding Bonds to be applied to refund all or a portion of the Refunded Obligations.

(b) The Refunding Bonds may be issued such that interest on the Refunding Bonds is tax-exempt or federally taxable, as designated by the Authorized Representative (defined below). The true interest cost on the Refunding Bonds issued shall not exceed three percent (3.0%) per annum for Refunding Bonds designated as tax-exempt, and the true interest cost shall not exceed three percent (3.0%) per annum for Refunding Bonds designated as federally taxable.

(c) The Refunding Bonds may be signed with the manual or facsimile signature of an Authorized Representative (defined below) and shall be manually authenticated by the Bond Registrar (defined below). The terms and conditions for the sale, issuance, execution, delivery and administration of the Refunding Bonds shall be established consistent with the authorization of this Resolution.

SECTION 2. Security. The Refunding Bonds shall be secured by and payable from the City's general non-restricted revenues and other funds that are lawfully available for that purpose, including the proceeds of the Refunding Bonds and revenues from an ad valorem tax authorized to be levied under the City's permanent rate limit under sections 11 and 11b, Article XI of the Oregon Constitution, and revenues derived from other taxes and fees, 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 or restricted or obligated by law or contract to an inconsistent expenditure or use. The City pledges its full faith and credit and taxing powers as contemplated by ORS 287A.315. The owners of the Refunding Bonds will not have a lien or security interest in the facilities and projects financed with the proceeds of the Refunded Obligations.

SECTION 3. Designation, Authorization and Direction of Authorized Representative; Bond Documents.

(a) The City authorizes and directs the City Manager or the Chief Financial Officer or each of their respective designees (each, an "Authorized Representative"), without further approval by the City Council, to evaluate, negotiate, enter into, execute, deliver and otherwise implement on behalf of the City, the terms and conditions for the issuance, sale, execution and delivery and administration of the Refunding Bonds, as may in the judgment of such Authorized Representative be in the best interests of the City and in a manner consistent with and in furtherance of this Resolution, including as specified in Section 5 herein.

(b) The Authorized Representative is further authorized and directed on behalf of the City to negotiate, review, execute and deliver all necessary documents, including bond issuance declarations or certificates, financing agreements, escrow agreements, escrow deposit agreements for the Refunded Obligations, if necessary, supplemental actions and such other agreements or certificates (collectively, the "Bond Documents"), in connection with the offering, sale, administration, execution and delivery of the Refunding Bonds pursuant to the authorization of this Resolution.

SECTION 4. Tax Covenants. The City covenants to use the proceeds of the Refunding Bonds and the facilities refinanced with the Refunding Bonds, and to otherwise comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), so that interest paid on any Refunding Bonds that are designated as tax-exempt (the "Tax-Exempt Bonds") will not be includable in gross income of the holders of the Refunding Bonds for federal income tax purposes. The City specifically covenants:

- (1) to comply with the "arbitrage" provisions of Section 148 of the Code, and to pay any rebates to the United States on the gross proceeds of the Tax-Exempt Bonds; and
- (2) to operate the facilities financed or refinanced with the proceeds of the Bonds so that the Tax-Exempt Bonds are not "private activity bonds" under Section 141 of the Code; and
- (3) to comply with all applicable reporting requirements.

Each Authorized Representative is authorized and directed, on behalf of the City without further approval of the City Council, to enter into covenants on behalf of the City to maintain the tax-exempt status of the Tax-Exempt Bonds.

SECTION 5. Delegation for Establishment of Terms and Sale of the Refunding Bonds. Each Authorized Representative is hereby authorized and directed, on behalf of the City without further approval of the City Council, to take or direct to be taken all such further actions as may be necessary, desirable or appropriate in the opinion of the Authorized Representative in connection with the Refunding Bonds or to carry out the purposes of this Resolution, including but not limited to:

(a) select all or any portion of the maturities of the Refunded Obligations to be refunded, irrevocably call for redemption those maturities of the Refunded Obligations selected for refunding with the proceeds of the Refunding Bonds on the earliest date those maturities are subject to redemption, and cause notice of redemption to be given as required;

(b) evaluate and determine favorable terms and conditions for the issuance, sale, execution, delivery and administration of the Refunding Bonds and the Refunding Bond Documents, subject to a determination by the Authorized Representative that such terms are beneficial to the City to obtain good financing terms for the Refunding Bonds, including:

(1) soliciting bids from and selecting the method of purchase of the Refunding Bonds by a banking institution (the "Bank"), which may occur through a direct private placement with a Bank, a negotiated public sale with the Bank serving as underwriter, or a public, competitive offering of the Refunding Bonds for sale; and

(2) evaluating any proposals from providers of Credit Enhancement Devices for the Bonds, obtaining a Credit Enhancement Device for the Refunding Bonds and executing and delivering agreements related to such Credit Enhancement Device and/or including representations, agreements and covenants in the Refunding Bonds or the Bond Documents with respect to such Credit Enhancement Device; and

(c) determine, if necessary, the form and content of the preliminary and final disclosure documents in connection with a public sale of the Refunding Bonds;

(d) request and obtain ratings of the Refunding Bonds if determined by the Authorized Representative to be in the best interest of the City and expend Refunding Bond proceeds to pay for such ratings;

(e) establish and fund a bond debt service reserve, if necessary or desirable, for the Refunding Bonds;

(f) provide for financial reporting for as long as any of the Refunding Bonds are outstanding;

(g) approve the form of the Refunding Bonds and take actions necessary to qualify the Refunding Bonds for the book-entry system of The Depository Trust Company, and provide for the authentication, registration, payment, exchange and transfer of the Refunding Bonds;

(h) if applicable, negotiate and establish, if necessary, the terms of and execute and deliver an undertaking to provide ongoing disclosure (the "Continuing Disclosure Certificate") for the benefit of owners of the Refunding Bonds that satisfies the requirements of Section (b)(5)(i) of the Securities and Exchange Commission Rule 15c2-12;

(i) execute and deliver the Refunding Bonds, a purchase contract or similar agreement between the City and any Bank selected to purchase the Refunding Bonds, the Bond Documents, the Continuing Disclosure Certificate and any other documents and certificates and opinions required in connection with the offering, sale, execution and delivery of the Refunding Bonds;

(j) solicit proposals for services and/or select a paying agent and registrar (the "Bond Registrar") for the Refunding Bonds;

(k) enter into covenants regarding the use of the proceeds of the Tax-Exempt Bonds to maintain the tax-exempt status of such Tax-Exempt Bonds;

(l) designate a federally taxable series of Refunding Bonds, if necessary and beneficial to the City, and enter into any necessary covenants in connection thereto, including, without limitation, covenants regarding the use of the proceeds of the Refunding Bonds;

(m) execute and deliver a certificate specifying the actions taken pursuant to this Resolution and take such other actions and execute and deliver such other certificates, documents or agreements in connection with the Refunding Bonds that the Authorized Representative determines are desirable in connection with the Refunding Bonds and in accordance with this Resolution.

SECTION 8. Appointment of Bond Counsel and Financial Advisor. In connection with the Refunding Bonds, the City confirms its prior appointment of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel to the City, and PFM Financial Advisors LLC, as Financial Advisor to the City. The fees and expenses of Bond Counsel and the Financial Advisor shall be payable out of the proceeds of the Refunding Bonds.


SECTION 9. Electronic Signatures; DocuSign. This City hereby approves the execution and delivery of any and all agreements, documents, certificates and instruments referred to herein with electronic signatures and digital signatures including, without limitation, DocuSign, as may be permitted under the laws of the State.

SECTION 10. Binding Agreement of the City. The covenants, pledges, representations and agreements set forth in this Resolution and the Bond Documents executed in connection with the Refunding Bonds, and the other covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the benefit, protection and security of the owners of the Refunding Bonds, all of which shall be of equal rank without preference, priority or distinction of the Bonds over any other thereof, except as expressly provided in or pursuant to this Resolution.

SECTION 11. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption by the City Council.

Adopted by a vote of the Bend City Council on January 20, 2021.

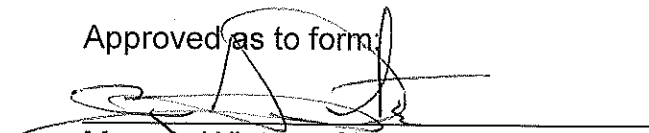
YES: Mayor Sally Russell
Mayor Pro Tem Gena Goodman Campbell
Councilor Barb Campbell
Councilor Melanie Kebler
Councilor Anthony Broadman
Councilor Megan Perkins
Councilor Rita Schenkelberg


Sally Russell, Mayor

Attest:


Robyn Christie, City Recorder

Approved as to form:


Mary A. Winters, City Attorney