

**RESOLUTION NO. 18-797-21**

**A RESOLUTION AUTHORIZING CITY OF JOHN DAY TO OBTAIN A LOAN FROM THE SPECIAL PUBLIC WORKS FUND BY ENTERING INTO A CERTAIN SPECIAL PUBLIC WORKS FUND DEVELOPMENT PROJECT FINANCING CONTRACT (AND CERTAIN OTHER REQUIRED DOCUMENTS) WITH THE INFRASTRUCTURE FINANCE AUTHORITY OF THE OREGON BUSINESS DEVELOPMENT DEPARTMENT.**

WHEREAS, the City Council (the "Council") of City of John Day ("Recipient") finds as follows:

A. Recipient is a "municipality" within the meaning of Oregon Revised Statutes ("ORS") Section 285B.410(9); and

B. ORS 285B.410 through 285B.482 (the "Act") authorize any municipality to file an application with the Infrastructure Finance Authority of the Oregon Business Development Department ("OBDD") to obtain financial assistance from the Special Public Works Fund; and

C. Recipient has filed an application with OBDD to obtain financial assistance for a "development project" within the meaning of the Act; and

D. OBDD has approved Recipient's application for financial assistance from the Special Public Works Fund pursuant to the Act; and

E. Recipient is required, as a prerequisite to the receipt of financial assistance from OBDD, to enter into a certain Special Public Works Fund Development Project Financing Contract – Project Number L18006 (the "Contract") substantially in the form attached hereto as Exhibit A. The project financed under the Contract is described in "Exhibit C" to the Contract (the "Project"); and

F. Notice relating to Recipient's consideration and adoption of this Resolution No. 18-797-21 was published in full in accordance with Recipient's charter and laws for public notification.

NOW, THEREFORE, BE IT RESOLVED, by and through the Council meeting in regular session, the following:

1. Financing Loan Authorized. Council authorizes Mayor Ron Lundbom (the "Authorized Officer") to execute on behalf of Recipient the Contract and such other documents and instruments as may be required to obtain financial assistance under the Contract (the "Financing Documents"), including a loan from OBDD, on such terms as may be agreed upon between the Authorized Officer and OBDD, on the condition that the principal amount of the loan from OBDD to Recipient is not more than \$350,000.00 and an interest rate of 3.43% per annum, a percent deemed reasonable by the Authorized Officer and in the best interest of Recipient. Loan proceeds will be applied solely to the "Costs of the Project" as such term is defined in the Contract.

2. Sources of Repayment. Amounts payable by Recipient are payable from the sources described in Section 4 of the Contract and ORS Section 285B.437(3), which include the following: (a) revenues of the Project, including special assessment revenues; (b) amounts withheld under ORS 285B.449(1); (c) Recipient's general fund; and/or (d) any other lawful source.

3. Tax-Exempt Status. Recipient will not take any action or omit to take any action if the taking or omission would cause interest paid by Recipient pursuant to the Financing Documents not to

qualify for exclusion from gross income provided under Section 103(a) of the Internal Revenue Code of 1986, as amended. Recipient may enter into covenants to protect the tax-exempt status of the interest paid by Recipient pursuant to the Financing Documents and may execute any tax certificate, Internal Revenue Service forms, and/or other documents as may be required by OBDD or its bond counsel to protect the tax-exempt status of such interest.

4. Miscellaneous. All pronouns contained in this resolution and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word “or” is not exclusive. The words “include,” “includes,” and “including” are not limiting. The provisions of this resolution are hereby declared severable. If any section, subsection, sentence, clause, and/or portion of this resolution is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this resolution. This resolution may be corrected by order of the Council to cure editorial and/or clerical errors.

APPROVED, ADOPTED, AND MADE EFFECTIVE by the Council on July 10, 2018.

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Ron Lundbom, Mayor

ATTEST:

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Nicholas A. Green, City Manager

Exhibit A  
Special Public Works Fund Development Project Financing Contract

[attached]