

RESOLUTION NO. 20-850-23

A RESOLUTION AUTHORIZING AND APPROVING CITY OF JOHN DAY OBTAINING A LOAN FROM STATE OF OREGON, ACTING BY AND THROUGH ITS OREGON BUSINESS DEVELOPMENT DEPARTMENT, PURSUANT TO THE TERMS AND CONDITIONS OF A CERTAIN OREGON BUSINESS DEVELOPMENT DEPARTMENT BROWNFIELDS REDEVELOPMENT FUND FINANCING CONTRACT.

WHEREAS, ORS 285A.185 through ORS 285A.188 (the “Act”) authorizes any municipality to file an application with Oregon Business Development Department (“OBDD”) to obtain financial assistance from the Brownfields Redevelopment Fund; and

WHEREAS, City of John Day (“Recipient”) has filed an application with OBDD to obtain financial assistance from the Brownfields Redevelopment Fund pursuant to the Act, and OBDD has approved Recipient’s application for financial assistance; and

WHEREAS, Recipient is required, as a prerequisite to receiving financial assistance from OBDD, to enter into a certain Brownfields Redevelopment Fund Financing Contract, Project No.: N21005 (the “Contract”) substantially in the form attached hereto as Exhibit A. The project under the Contract is described in Exhibit C to the Contract (the “Project”); and

WHEREAS, notice relating to Recipient’s consideration and adoption of this Resolution No. 20-850-23 (this “Resolution”) was provided in accordance with Recipient’s charter, laws, rules, and regulations; and

WHEREAS, by adoption of this Resolution, Recipient’s council (the “Council”) desires to authorize and approve (a) the Contract (and all necessary documents, certificates, instruments, and/or agreements) and the loan transaction contemplated thereunder, and (b) the mayor signing and delivering the Contract (and all necessary documents, certificates, instruments, and agreements) to OBDD.

NOW, THEREFORE, BE IT RESOLVED, the City of John Day resolves as follows:

1. Findings. The above-stated findings contained in this Resolution are hereby adopted.
2. Loan Authorized and Approved. The Contract (and underlying loan transaction) and all other necessary documents, certificates, instruments, and/or agreements required to obtain financial assistance from OBDD (individually and collectively, the “Financing Document(s)”) are hereby authorized and approved in all respects. Council authorizes Mayor Ron Lundbom (the “Authorized Officer”) to sign and deliver the Financing Documents for and on behalf of Recipient, each containing such terms and conditions as agreed upon between the Authorized Officer and OBDD provided the principal amount of the loan from OBDD to Recipient is not in excess \$595,000.00 (with \$60,000.00 eligible for principal forgiveness if certain contract conditions are satisfied) and an interest rate of no more than 2.00% per annum. Loan proceeds will be applied solely to the “Costs of the Project” as such term is defined under the Contract.
3. Sources of Repayment; Security. Amounts payable by Recipient under the Contract are payable from the sources described in Section 4 of the Contract, which include the following: (a) Net Revenues (as defined under the Contract); (b) Recipient’s general fund; and/or (c) all other lawful sources. The Council authorizes and approves Recipient’s (y) pledge of its full faith and credit and taxing

powers for payment of all amounts due under the Contract, and (z) Recipient's pledge, assignment, and grant of such other security required under the Financing Documents, including, without limitation, a pledge and grant of a security interest in the Net Revenues and OBDD's placement of a lien on Recipient's real property located at 433 Patterson Bridge Road, John Day, Oregon 97845.

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 December 8, 2020.

Ron Lundbom, Mayor

ATTEST:

Nicholas Green, City Manager

Exhibit A

Brownfields Redevelopment Fund Financing Contract
Project No.: N21005

[attached]