

RESOLUTION NO. 2782

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BEND, OREGON, AUTHORIZING THE EXECUTION OF A CREDIT FINANCING AGREEMENT TO REFINANCE FULL FAITH AND CREDIT OBLIGATIONS ISSUED FOR THE ACQUISITION OF LAND, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$3,600,000; DESIGNATING AUTHORIZED REPRESENTATIVES AND DELEGATING RESPONSIBILITIES; AND RELATED MATTERS.

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

Section 1: Financings. The City Council finds:

a. Pursuant to the authority under Oregon Revised Statutes ("ORS") 271.390, the City Council of the City of Bend, Oregon (the "City") previously adopted Resolution No. 2539 authorizing the issuance of Full Faith and Credit Obligations, Series 2005 (the "Full Faith and Credit Obligations") and the execution and delivery of related agreements to finance the acquisition of land located within the City as part of the City Hall expansion plan (the "Land"); and

b. In October 2005, the City issued its Full Faith and Credit Obligations to finance the Land in the aggregate principal amount of \$4.78 million as interest-only debt with a balloon payment and maturity on June 1, 2010; and

c. The City desires to use \$1.18 million of cash reserves to pay the Full Faith and Credit Obligations and to refinance \$3.6 million of the Full Faith and Credit Obligations with a bank loan; and

d. The City issued a Request for Proposal for Bank Loans and Bank of America, N.A. submitted a proposal to the City, and the City is authorized by ORS 287A.360 to execute an agreement to currently refund outstanding obligations.

Section 2: Authorization and Security. The City hereby authorizes a borrowing under ORS 271.390 and ORS 287A.360 (the "Loan") in a principal amount of not more than \$3,600,000. The City may pledge its full faith and credit and its taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution to secure the Loan. The City may also pledge proceeds of the sale of the Land, if any, to the payment of principal of and interest on the Loan. Proceeds of the Loan shall be used to refund the Full Faith and Credit Obligations..

Section 3: Delegation. The City Manager, Finance Director, or a person designated by the City Manager or Finance Director to act on behalf of the City pursuant to this resolution (each of whom is referred to in this resolution as the "City Official") may, on behalf of the City and without further action by the City Council:

a. Obtain the Loan from Bank of America;

b. Determine the final principal amount, interest rates, prepayment rights and all other terms of the Loan within the limits stated in this resolution;

c. Pledge the City's full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution, and commit to pay the Loan from all or any portion of the City's legally available funds, including proceeds of the sale of the Land;

d. Negotiate, execute and deliver the Loan documents pursuant to ORS 271.390. Subject to the limitations of this resolution, the Loan may be in such form and contain such terms as the City Official may approve;

e. Provide that the Loan shall bear interest which is includable in gross income under the United States Internal Revenue Code of 1986, as amended ("Code"); and

f. Execute and deliver the Loan documents and any other documents, and take any other actions, which the City Official determines are desirable to carry out this resolution.

Section 4: Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption by the City Council.

ADOPTED by the Council this 19th day of May 2010.

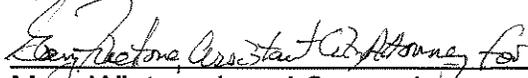
Yes: 6

No: 0

Authenticated by the Mayor the 19th day of May 2010.

CITY OF BEND, OREGON

Approved as to form:

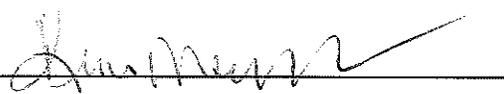


Mary Winters, Legal Counsel

By: 

Kathie Eckman, Mayor

ATTEST:

By: 

Kim Meyers,
Administrative Assistant to the City Manager