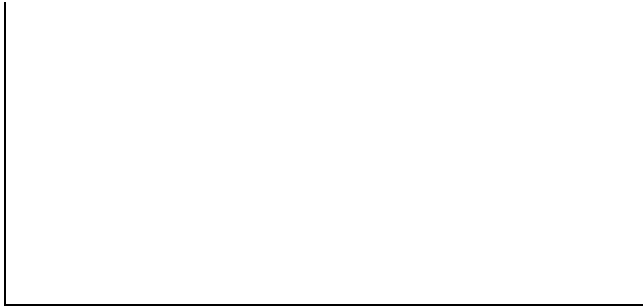


REVIEWED  

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LEGAL COUNSEL



For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

A Resolution Authorizing Financing of a \*  
Project in a Principal Amount not to \* RESOLUTION NO. 2023-051  
Exceed \$20,500,000 and Refunding the \*  
County’s Full Faith and Credit Bonds \*

WHEREAS, Deschutes County, Oregon (the “County”) is authorized by Oregon Revised Statutes (“ORS”) Section 271.390 to enter into financing agreements to finance or refinance real or personal property which the Board of County Commissioners (the “Board”) determines is needed, and to authorize certificates of participation in the right to receive the payments due from the County under those financing agreements, so long as the estimated weighted average life of a financing agreement does not exceed the estimated dollar weighted average life of the real or personal property to be financed or refinanced by such agreement; and

WHEREAS, the County is authorized by ORS 287A.105 to incur bonded indebtedness within the meaning of Section 10, Article XI of the Oregon Constitution in an amount not to exceed one percent of the real market value of the taxable property in the County, in the form of a financing agreement, and to commit the County’s full faith and credit and taxing power pursuant to ORS 287A.315 to pay the amounts due under the financing agreement; and

WHEREAS, it is desirable to obtain financing to provide improvements to and expansion of the county courthouse (the “Project”) in an aggregate principal amount of not more than \$20,500,000 pursuant to ORS Sections 271.390 and ORS 287A.105, and other applicable provisions of ORS Chapter 287A; and

WHEREAS, the Project constitutes real or personal property, and the Board hereby determines the Project is needed; and

WHEREAS, the County issued its Full Faith and Credit Bonds, Series 2013 in the original principal amount of \$8,405,000 (the “Refundable Bonds”) to finance a jail expansion project, including a new medium/maximum security inmate housing unit, improvements and renovations to the existing jail facility and related site work (the “Refunded Project”); and

WHEREAS, the County may be able to reduce its debt service costs by refunding all or a portion of the outstanding Refundable Bonds, and it is desirable to refinance all or a portion of the outstanding Refundable Bonds pursuant to ORS Sections 271.390, 287A.105, and 287A.365 and other applicable provisions of ORS Chapter 287A; and

WHEREAS, the Refunded Project constitutes real or personal property, and the Board hereby determines that the Refunded Project was needed at the time it was financed and continues to be needed; now therefore

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, as follows:

**Section 1. Financing Agreement Authorized.**

The County is hereby authorized to finance the Project under the authority of ORS Sections 271.390 and 287A.105, and other applicable provisions of ORS Chapter 287A, by entering into one or more financing agreements, loan agreements, credit facilities, or other financing documents (the “New Money Financing Agreements”) in an aggregate principal amount of not more than \$20,500,000. The County may also pay costs of issuing the New Money Financing Agreements and any associated Obligations (as defined below) with proceeds.

**Section 2. Refinancing of the Refundable Bonds Authorized.**

The County is also authorized to refinance all or a portion of the outstanding Refundable Bonds under the authority of ORS Sections 271.390, 287A.105, and 287A.365, and other applicable provisions of ORS Chapter 287A, by entering into one or more financing agreement, loan agreements, credit facilities or other financing documents (the “Refunding Financing Agreements” and together with the New Money Financing Agreements, the “Financing Agreements”) to refinance all or a portion of the outstanding Refundable Bonds. The Refunding Financing Agreements may be issued in an amount sufficient to pay and redeem the Refundable Bonds to be refunded, plus an amount sufficient to pay estimated costs related to accomplishing the refunding and the issuing of the Refunding Financing Agreement and any associated Obligations (as defined below);

**Section 3. Delegation.**

The Chief Financial Officer, the County Administrator, or the designee of either of those officials (each of whom is referred to herein as a “County Official”) are hereby authorized on behalf of the County and without further action by the Board, to:

3.1. Negotiate, execute and deliver the Financing Agreements which obligate the County to repay the financed amounts, with interest. Subject to the limitations of this Resolution, the Financing Agreements may be in such form and contain such terms as the County Official may approve, including covenants for the benefit of the lenders or credit enhancement providers.

3.2. Negotiate, execute and deliver one or more escrow agreements or similar documents (the “Escrow Agreements”) which provide for the issuance of one or more series of “certificates of participation” or “full faith and credit obligations” (the “Obligations”) which represent ownership interests in the financing payments due from the County under the Financing Agreements. Subject to the limitations of this Resolution, the Escrow Agreements and each series of Obligations may be in such form and contain such terms as the County Official may approve, including covenants for the benefit of the lenders or credit enhancement providers.

3.3. Determine whether the interest payable on each Financing Agreement will be includable in gross income or excludable from gross income under the Internal Revenue Code of 1986, as amended (the “Code”) and covenant for the benefit of the owners of tax-exempt obligations to comply with all provisions of the Code which are required for the interest component of financing payments payable under the related Financing Agreements to be excluded from gross income for federal income tax purposes.

3.4. Designate the Financing Agreements and Obligations as “qualified tax-exempt obligations” under Section 265(b) of the Code, if applicable.

3.5. Issue any Financing Agreement as a “taxable bond” bearing interest that is includable in gross income under the Code.

3.6. Deem final and authorize the distribution of a preliminary official statement for each series of Obligations, authorize the preparation and distribution of a final official statement or other disclosure document for each series of Obligations, and enter into agreements to provide continuing disclosure for owners of each series of Obligations.

3.7. Apply for and purchase ratings, municipal bond insurance, or other forms of credit enhancements for the Financing Agreements and Obligations, and enter into related agreements, as necessary.

3.8. Enter into additional covenants for the benefit of the purchasers of the Financing Agreements and Obligations which the County Official determines are desirable to sell the Financing Agreements and Obligations on favorable terms.

3.9. Engage the services of verification agents, escrow agents, paying agents, and any other professionals whose services are desirable for the financings and enter into agreement with these service providers.

3.10. Select the maturities of any Refundable Bonds to be refunded.

3.11. Enter into one or more escrow deposit agreements for the refunding, take actions to call, defease, and redeem all or any portion of the outstanding Refundable Bonds, file any required advance refunding plans with the State of Oregon.

3.12. Subject to this Resolution, determine the final principal amount of each Financing Agreement, the interest rate or rates which each Financing Agreement and each series of Obligations shall bear, and the County’s prepayment rights and other terms of each Financing Agreement and each series of Obligations.

3.13. Solicit competitive bids for the purchase of each series of the Obligations and award their sale to the bidder offering the most favorable terms to the County, select one or more underwriters, negotiate the terms of the sale of each series of Obligations, and sell that series to those underwriters; or select one or more commercial banks, negotiate the terms of the sale of each Financing Agreement and sell each Financing Agreement to those commercial banks.

3.14. Execute and deliver any other certificates or documents and take any other actions which the County Official determines are desirable to issue, sell, and deliver the Financing

Agreements and the Obligations and to accomplish the refunding of the Refundable Bonds in accordance with this Resolution.

**Section 4. Security.**

The Financing Agreements shall constitute “limited tax bonded indebtedness” as defined in ORS 287A.105 and the obligation of the County to make financing payments under the Financing Agreements is unconditional. Pursuant to ORS 287A.315, the County Official may pledge the County’s full faith and credit and taxing power within the limitations of Section 11 and 11b of Article XI of the Oregon Constitution, and any and all of the County’s legally available funds, including the proceeds of the Financing Agreements, to make the payments due under the Financing Agreements.

**Section 5. Appointment of Bond Counsel and Municipal Advisor.**

The law firm of Hawkins Delafield & Wood LLP is appointed as bond counsel to the County, and PFM Financial Advisors LLC is appointed as municipal advisor to the County, with respect to the Obligations.

**Section 6. Effective Date.**

This Resolution shall take effect immediately upon its adoption.

DATED this 13th day of September, 2023.

BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON

\_\_\_\_\_  
ANTHONY DEBONE, CHAIR

\_\_\_\_\_  
PATTI ADAIR, VICE CHAIR

\_\_\_\_\_  
PHIL CHANG, COMMISSIONER

ATTEST:

\_\_\_\_\_  
Recording Secretary

Record of Adoption Vote

Commissioner	Yes	No	Abstained	Excused
Anthony DeBone	_____	_____	_____	_____
Patti Adair	_____	_____	_____	_____
Phil Chang	_____	_____	_____	_____