

RESOLUTION NO. 21

URBAN RENEWAL AGENCY OF THE CITY OF HERMISTON

A RESOLUTION AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF HERMISTON TO FINANCE CAPITAL PROJECTS AND TRANSFER TAX INCREMENT REVENUES FOR THE PURPOSE OF PAYING FINANCING PAYMENTS OF THE CITY; DESIGNATING AN AUTHORIZED REPRESENTATIVE; AND RELATED MATTERS.

RECITALS:

- A. The North Hermiston Urban Renewal Plan (the “**Plan**”) of the Urban Renewal Agency of the City of Hermiston, Oregon (the “**Agency**”), was formed by the City of Hermiston (the “**City**”) City Council in July 2023 for the purpose of addressing infrastructure deficiencies and parcel patterns that are limiting the development potential in the Plan Area (the “**Area**”). The Agency established a maximum indebtedness for Plan in the amount of \$5,000,000 (the “**Maximum Indebtedness Limit**”).
- B. Projects in the Plan, including street and water improvements, are needed (the “**Projects**”).
- C. The City is planning to enter into one or more tax-exempt and/or taxable obligations (the “**City Obligations**”) to finance the Project; and
- D. The Agency anticipates incurring expenditures (the “**Expenditures**”) to finance the costs of the Projects and wishes to declare its official intent to reimburse itself for any Expenditures it may make from Agency funds on the Projects from the proceeds of obligations the interest on which may be excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the “**Code**”).
- E. The Agency and the City wish to enter into an intergovernmental agreement (the “**IGA**”) whereby the Agency shall transfer tax increment revenues and proceeds accumulated by the Agency for the payment of the portion of the City Obligations allocable to Projects at the times, in amounts and under the terms determined by the City.

THE BOARD OF DIRECTORS OF THE URBAN RENEWAL AGENCY OF THE CITY OF HERMISTON RESOLVES AS FOLLOWS:

1. Authorization. Pursuant to the authority of ORS Chapter 457, the Agency is hereby authorized to enter into an IGA to repay the City Obligations allocated to the Project in an amount not to exceed \$5,000,000 and within the Maximum Indebtedness Limit from the tax increment revenues of the Area. The Agency authorizes and directs the City Manager or the Assistant City Manager of the City acting on behalf of the Agency or any of their designees (each an “**Authorized**

Representative”) to approve the final form of the IGA and execute the IGA on behalf of the Agency. The Authorized Representative is authorized, on behalf of the Agency, to:

- A. establish the terms of the IGA, including the maturity and interest payment dates, dated dates, principal amounts, prepayment provisions, capitalized interest (if any), tax-exempt and/or taxable interest rates, draw-down provisions, amortization schedules, covenants, fees, financial reporting requirements, term, denominations, and all other terms under which the IGA shall be executed and delivered; and
 - B. engage the services of any professionals whose services the Authorized Representative determines are necessary or desirable;
 - C. execute and deliver and any other documents, agreements or certificates that the Authorized Representative determines are necessary or desirable, including a tax certificate of the Agency, and take any other actions that the Authorized Representative determines are necessary or desirable in furtherance of the IGA.
2. Reimbursement. It is the reasonable official intent of the Agency to reimburse itself for the capital expenditures associated with the Project with the proceeds of the City Obligation and IGA in the principal amount not to exceed \$5,000,000. This declaration of official intent is given pursuant to United States Treasury Regulations Section 1.150-2.

This resolution shall take effect on the date of its adoption. This resolution is adopted by the Board of Directors of the City of Hermiston Urban Renewal Agency this 12th day of February 2024.

URBAN RENWAL AGENCY OF THE CITY OF HERMISTON
UMATILLA COUNTY, OREGON

By _____
Chair

ATTEST:

Lilly Alarcon-Strong, CMC City Recorder