



RESOLUTION NO. 2024-04

A RESOLUTION AUTHORIZING A LOAN FROM THE SPECIAL PUBLIC WORKS FUND BY ENTERING INTO A FINANCING CONTRACT WITH THE OREGON INFRASTRUCTURE FINANCE AUTHORITY

WHEREAS, The City of Sandy (the Recipient) is a “municipality” within the meaning of Oregon Revised Statutes 285b.410(9); and

WHEREAS, Oregon Revised Statutes 285B.410 through 285B.482 (the ‘Act’) authorize any municipality to file an application with the Oregon Infrastructure Finance Authority of the Business Development Department (“OBDD”) to obtain financial assistance from the special Public Works Fund; and

WHEREAS, The Recipient has filed an application with the OBDD to obtain financial assistance for a “development project” within the meaning of the Act; and

WHEREAS, The Recipient is required, as a prerequisite to the receipt of financial assistance from the OBDD, to enter into a Financing Contract with OBCC, number B24004, substantially in the form attached hereto as Exhibit 1. The project is described in Exhibit C to the Financing Contract (the “Project”); and

WHEREAS, Notice relating to the Recipient’s consideration of the adoption of this Resolution was published in full accordance with the Recipient’s charter and laws for public notification.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANDY:

Section 1: Financing Loan Authorized The City Council authorizes the City Manager (the “Authorized Officer”) to execute on behalf of the Recipient the Financing Contract and such other documents as may be required to obtain financial assistance (the “Financing Documents’), including a loan from the 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 the OBCC to the Recipient is not in excess of \$9,500,000 and an interest rate of 3.02% per annum. The proceeds of the loan from the OBDD will be applied solely to the “Costs of the Project” as such term is defined in the Financing Contract.

Section 2: Sources of Repayment Amounts payable by the Recipient are payable from the sources described in Section 4 of the Financing Contract and the Oregon Revised Statutes Section 285B.437(3) which include: a) The revenues of the project, including special assessment revenues; b) Amounts withheld under ORS 285B.449 (1); c) The General Fund of the City of Sandy; or d) Any other source.

Section 3: Tax-Exempt Status The Recipient covenants not to take any action or omit to take any action if the taking or omission would cause interest paid by the Recipient pursuant to the Financing Documents not to qualify for the exclusion from gross income provided by Section 103(a) of the Internal Revenue Code of 1986, as amended. The Recipient may enter into covenants to protect the tax-exempt status of the interest paid by the Recipient pursuant to the Financing Documents and may execute any Tax Certificate, Internal Revenue Service forms or other documents as may be required by the OBDD or its bond counsel to protect the tax-exempt status of such interest.

Section 4: Reimbursement Bonds The Recipient may make certain expenditures on the Project prior to the date the Financing Contract is executed with OBDD or the date the State of Oregon issues any bonds to fund the loan. The Recipient hereby declares its intent to seek reimbursement of such expenditures with amounts received from the OBDD pursuant to the Financing Contract, but only as permitted by OBDD policy, the Financing Contract, and federal tax regulations. Additionally, the Recipient understands that the OBDD may fund or reimburse itself for the funding of amounts paid to the Recipient pursuant to the Financing Documents with the proceeds of bonds issued by the State of Oregon pursuant to the Act. This Resolution constitutes “official intent” within the meaning of 26 C.F.R. §1.150-2 of the income tax regulations promulgated by the United States Department of Treasury.

This resolution is adopted by the City Council of the City of Sandy this 5th day of February, 2024.

Stan Pulliam, Mayor

ATTEST:

Jeffrey Aprati, City Recorder