

City of St. Helens
RESOLUTION NO. 1930

**A RESOLUTION OF THE CITY OF ST. HELENS, OREGON
AUTHORIZING FULL FAITH AND CREDIT FINANCINGS AND
PROVIDING FOR RELATED MATTERS**

WHEREAS, the City of St. Helens, Oregon (the "City") is authorized by Oregon Revised Statutes Section 271.390 to enter into financing agreements to finance real or personal property which the City Council determines is needed and to authorize obligations evidencing the right to receive the payments due from the City under those financing agreements; and

WHEREAS, the City Council determines that the following projects are needed: a public safety and court facility (collectively, the "Projects"); and

WHEREAS, the estimated weighted average life of a financing agreement shall not exceed the estimated dollar weighted average life of the real or personal property to be financed by such financing agreement; and

WHEREAS, the City may incur expenditures (the "Expenditures") to pay costs of the Projects prior to the issuance of the financing agreement and the City wishes to declare its official intent to reimburse itself for any Expenditures the City may make from its own funds on the Projects from the proceeds of the financing agreement, the interest on which may be excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code").

NOW, THEREFORE, THE CITY OF ST. HELENS RESOLVES AS FOLLOWS:

Section 1. Full Faith and Credit Financing Agreements Authorized. The City Council hereby authorizes the City to obtain up to \$22,000,000 in principal amount of full faith and credit-backed financing for the Projects pursuant to ORS 271.390, ORS 287A.315, and the other relevant provisions of ORS Chapter 287A.

Section 2. Delegation. The Mayor or the City Administrator or a person designated by the Mayor or the City Administrator to act on behalf of the City under this Resolution (each of whom is referred to herein as a "City Official") is hereby authorized, on behalf of the City and without further action by the City Council, to:

- (1) Negotiate, execute, and deliver one or more financing agreements (the "Financing Agreements") to accomplish the financing authorized in Section 1. Subject to the limitations of this Resolution, the Financing Agreements may be in such form and contain such terms as the City Official may approve.

- (2) Negotiate, execute, and deliver one or more escrow agreements or similar documents (the "Escrow Agreements") that provide for the issuance of one or more series of "full faith and credit obligations" (the "Obligations") that represent ownership interests in the principal and interest payments due from the City 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 City Official may approve.
- (3) Deem final and authorize the distribution of a preliminary official statement for each series of Obligations and authorize the preparation and distribution of a final official statement or other disclosure document for each series of Obligations.
- (4) Undertake to provide continuing disclosure for each series of Obligations in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
- (5) Apply for ratings for each series of Obligations, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for each series of Obligations, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
- (6) Enter into covenants which the City Official determines are desirable to obtain more favorable terms for the Financing Agreements.
- (7) Engage the services of escrow agents, and any other professionals whose services are desirable for financings.
- (8) Determine the final principal amount, interest rates, payment terms, and all other terms of each Financing Agreement and each series of Obligations.
- (9) 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 City, or select one or more underwriters to purchase the Obligations and negotiate the terms of the sale of those Obligations with those underwriters, or place any Financing Agreement directly with a commercial bank or other lender.
- (10) Issue any qualifying Financing Agreement as a "tax-exempt bond" bearing interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, (the "Code") and enter into covenants to maintain the excludability of interest on those Financing Agreements from gross income under the Code.
- (11) Designate any qualifying Financing Agreement as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code, if applicable.
- (12) Issue any qualifying Financing Agreement as a "taxable bond" bearing interest that is includable in gross income under the Code.

- (13) Execute and deliver any other certificates or documents and take any other actions which the City Official determines are desirable to carry out this Resolution.

Section 3. Security. Pursuant to ORS 287A.315, the City Official may 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 to pay the amounts due under the Financing Agreements. The City is not authorized to levy additional taxes to pay the amounts due under the Financing Agreements.

Section 4. Reimbursement Declaration. The City hereby declares its official intent to reimburse itself with the proceeds of the Financing Agreements for any of the Expenditures incurred prior to the issuance of the Financing Agreements. This Resolution is adopted as official action of the City in order to comply with Treasury Regulation Section 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Expenditures of the City incurred prior to the date of issue of the Financing Agreements.

Section 5. Effective Date. This resolution is effective immediately upon adoption.

Approved and adopted by the City Council on July 21, 2021, by the following vote:

Ayes:

Nays:

Rick Scholl, Mayor

ATTEST:

Kathy Payne, City Recorder