



*City of Tualatin*

## CITY OF TUALATIN Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**THROUGH:** Sherilyn Lombos, City Manager  
**FROM:** Don Hudson, Assistant City Manager/Finance Director  
**DATE:** May 26, 2020

---

**SUBJECT:**

Consideration of Resolution No. 5495-20, Authorizing a Full Faith and Credit Borrowing and Related Matters.

**RECOMMENDATION:**

Staff recommends that the City Council adopt the attached Resolution.

**EXECUTIVE SUMMARY:**

The financing plan previously presented to the City Council for the Tualatin City Services building included financing half of the project with existing funds and the remaining amount to be financed over a 10-15 year period. Council awarded the construction bid on March 9, 2020 and the project costs are estimated to be \$8 million.

The City currently has a loan with Columbia Bank, with an interest rate of 3.0%, for the construction of the Warehouse in 2014. Paying off the existing loan at a lower interest rate will be considered, if it is beneficial to the City, as part of this financing. Additionally, the City may consider adding the costs of the remodeling needed to prepare the City Offices Building for the staff changes in this building as part of the overall project.

Staff requests the City Council to authorize the Finance Director to enter into a Full Faith and Credit borrowing for an amount, not to exceed \$4.6 million. The City is utilizing the services of Piper Sandler & Co as a Placement Agent to help the City secure the most advantageous financing. The closing of the loan is anticipated to be in early July.

**OUTCOMES OF DECISION:**

Adoption of the attached resolution authorizes the Finance Director to obtain financing for the Tualatin City Services facility.

---

**ATTACHMENTS:**

- Resolution No. 5495-20