

RESOLUTION NO. 3435

A RESOLUTION OF THE CITY OF ALBANY, OREGON AUTHORIZING THE ISSUANCE OF CONSTRUCTION AND CAPITAL IMPROVEMENT REVENUE BONDS.

WHEREAS, the City of Albany, Oregon (the "City") plans to finance the construction and capital improvements to a new Linn County Fairgrounds and Exposition Center (the "Project"); and

WHEREAS, the construction and capital improvement of the Project will cost an estimated \$2,300,000; and

WHEREAS, the City will levy an 8% transient room tax on the City's motels and hotels; and

WHEREAS, the City finds it desirable to issue Construction and Capital Improvement Revenue Bonds in the amount not to exceed \$2,300,000 to finance the cost of the Project pursuant to Oregon Revised Statutes 288.805 and 288.945, inclusive, and to pledge for payment of the Bonds the unobligated net revenues of the City's transient room taxes.

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

Section 1. The City hereby authorizes the issuance of Construction and Capital Improvement Revenue Bonds (the "Bonds") in a principal amount not to exceed \$2,300,000 for the purpose of financing the cost of construction and capital improvements to the Linn County Fairgrounds and Exposition Center and to pay for attorney fees and other related costs and cost of issuance of the Bonds.

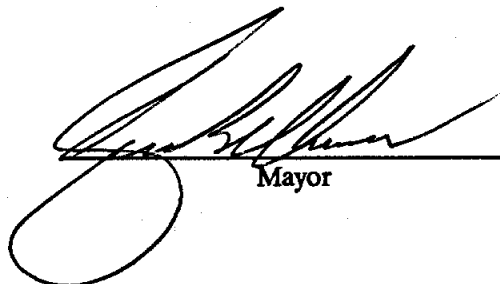
Section 2. The Bonds shall not be general obligations of the City nor a charge upon the property tax revenues of the City. The unobligated net revenues of the City's transient room taxes are pledged to the payment of the principal of and interest on the Bonds. So long as the Bonds are outstanding, the Issuer shall fix rates and collect charges for transient room taxes adequate to provide sufficient revenues to pay, in addition to all other expenses and obligated indebtedness, principal of and interest on the Bonds.

Section 3. The City hereby designates the Bonds for purposes of paragraph (3) of Section 265(b) of the Internal Revenue Code of 1986, as amended (the "Code"), as "qualified tax-exempt obligations" and covenants that the Bonds do not constitute private activity Bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations, the interest on which is excludable under Section 103(a) of the Code from gross income for federal income tax purposes (excluding, however, private activity Bonds other than qualified 501(c)(3) Bonds) including the Bonds, have been or shall be issued by the City, including all subordinate entities of the City, if any, during the calendar year 1995.

Section 4. The Finance Director is authorized and directed to publish a Notice of Intent to Issue Bonds and describing the purposes for which the Bonds are to be sold, in the form attached hereto as Exhibit A, in one issue of the Albany Democrat-Herald, a newspaper of general circulation within the geographical boundaries of the City. In addition, the Finance Director shall cause the Notice of Intent to Issue Bonds to be given in the same manner as are other public notices of the City. The Bonds may not be sold at public competitive bid, nor shall a purchase agreement be executed for a private negotiated sale, for at least 60 days following publication of the Notice of Intent to Issue Bonds.

Section 5. Voters residing within the geographical boundaries of the City may file a petition with the City asking to have the question of whether to issue the Bonds referred to a vote. If the City receives petitions containing valid signatures of the City's electors totaling not less than five percent (5%) of the City's electors, the question of issuing the Bonds shall be placed on the ballot at the next legally available election date. In the event the City receives such a petition within 60 days from publication of the Notice of Intent to Issue Bonds, the Bonds shall not be sold until this Resolution is approved by a majority of the electors of the City voting on this Resolution.

DATED this 9th day of November, 1994.

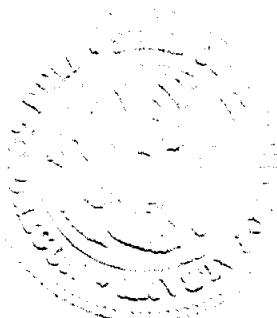


Mayor

ATTEST:



City Recorder



CITY OF ALBANY, OREGON
NOTICE OF INTENT TO ISSUE
CONSTRUCTION AND CAPITAL IMPROVEMENT
REVENUE BONDS

NOTICE IS HEREBY GIVEN that on November 16, 1994 the City Council of the City of Albany, Oregon (the "City") adopted Resolution No. 3435 authorizing the issuance of Construction and Capital Improvement Bonds (the "Bonds") as authorized by Oregon Revised Statutes 288.805 to 288.945, inclusive, in an amount not to exceed \$2,300,000 for the propose of financing construction and capital improvements to a new Linn County Fairgrounds and Exposition Center.

Principal of and interest on the Bonds are expected to be paid from the unobligated net revenues of transient room tax. Such payments and proceeds shall be deposited to the City's Debt Service Fund. The Bonds shall not be a general obligation of the City nor a charge upon the property tax revenues of the City.

Voters residing within the City may file a petition with the City within 60 days from the publication of this Notice, asking to have the question of whether to issue the Bonds referred to a vote. If not less than five percent (5%) of the City's registered voters sign petitions, the question of issuing such Bonds shall be placed on the ballot at the next legally available election date. If sufficient petitions are not filed, the City may proceed to issue the Bonds.

Resolution No. 3435 is available for inspection at the office of the Finance Director, City Hall II, 250 Broadalbin SW, Albany, OR 97321.

CITY OF ALBANY, OREGON
D. GARY HOLLIDAY
FINANCE DIRECTOR/CITY RECORDER