

RESOLUTION NO. 5011

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALBANY, LINN AND BENTON COUNTIES, OREGON, CALLING A MEASURE ELECTION TO SUBMIT TO THE ELECTORS OF THE CITY THE QUESTION OF CONTRACTING GENERAL OBLIGATION BONDED INDEBTEDNESS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,051,000 TO FINANCE THE COSTS OF CONSTRUCTING, EQUIPPING, FURNISHING AND IMPROVING A NEW LIBRARY ADDITION, REMODELING THE EXISTING MAIN LIBRARY BUILDING, ACQUIRING LAND AND CONSTRUCTING SURFACE PARKING FOR THE MAIN LIBRARY; DECLARING INTENT TO REIMBURSE EXPENDITURES; DESIGNATING AN AUTHORIZED REPRESENTATIVE AND DELEGATING RESPONSIBILITIES; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of the City of Albany, Linn and Benton Counties, Oregon, (the "City"), a municipal corporation of the State of Oregon, has determined that a need exists for the City to finance the costs of capital construction and capital improvements, including, but not limited to, providing funds to:

- construct, equip, furnish and improve a new two-story library addition which would be connected to the existing Main Library;
- remodel the existing Main Library;
- acquire land and construct surface parking for the Main Library; and
- pay bond issuance costs.

Upon completion of the above listed purposes, the City may use any remaining bond proceeds for any capital project. The listed purposes are collectively referred to herein as the "Project;" and

WHEREAS, the costs of the Project are estimated to not exceed \$12,051,000; and

WHEREAS, Oregon Revised Statutes Chapter 287 and 288 (the "Act"), subject to voter approval, authorizes the City to issue general obligation bonds to provide funds to finance the costs of the Project and to pay bond issuance costs; and

WHEREAS, the City anticipates incurring expenditures (the "Expenditures") to finance the costs of the Project and wishes to declare its official intent to reimburse itself for any Expenditures it may make from its general funds on the Project from the proceeds of voter-approved general obligation bonds (the "Bonds"), the interest on which shall be excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"); and

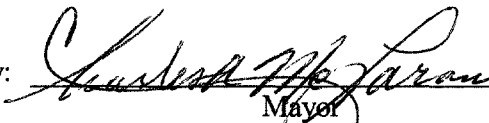
WHEREAS, Section 1.150-2 of the Treasury Regulations (the "Treasury Regulations") requires the City to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing.

NOW, THEREFORE, the City Council of the City of Albany in Linn and Benton Counties, Oregon, resolves as follows:

1. A measure election is hereby called for the purpose of submitting to the electors of the City the question of issuing general obligation bonds in an aggregate principal amount not to exceed \$12,051,000. Bond proceeds will be used to finance the Project. The Bonds will mature with 20 annual principal payments to be paid over a period of twenty-one (21) years or less.

2. The measure election hereby called shall be held in the City on the 2nd day of November, 2004. As authorized by the County Clerk of Linn County, Oregon, and the Oregon Secretary of State, the election shall be conducted by mail pursuant to ORS 254.465 and ORS 254.470.
3. The City authorizes the City Manager, Assistant City Manager/Chief Financial Officer, or their designee as authorized representative (collectively, the "Authorized Representative") to act on behalf of the City and take such further action as is necessary to carry out the intent and purposes herein in compliance with the applicable provisions of law.
4. The city elections officer of the City (the "City Elections Officer") shall cause to be delivered to the County Clerk of Linn County, Oregon, a Notice of Measure Election (the "Notice") attached as Exhibit "A" and as approved and filed by the Authorized Representative of the City, not later than September 2, 2004 (61 days prior to the election date). Pursuant to ORS 254.095(5) the County Clerk of Linn County, Oregon shall immediately file the Notice with the County Clerk of Benton County, Oregon. The City Elections Officer is hereby requested to publish the Notice in the next available edition of *The Democrat-Herald*, in Albany, Oregon, or in some other newspaper of general circulation within the City, and a notice of receipt of the ballot title including notice that pursuant to ORS 250.296(1) an elector may file a petition for review of the ballot title not later than the seventh (7th) business day after the title is filed with the City Elections Officer. (Attached as exhibit "A")
5. This Resolution is adopted for the purpose of establishing the requirements of Section 1.150-2 of the Treasury Regulations.
6. The City hereby declares its official intent to reimburse itself with the proceeds of the Bonds for any of the Expenditures incurred by it prior to the issuance of the Bonds.
7. The law firm of Orrick, Herrington & Sutcliffe LLP, is hereby appointed to serve as Bond Counsel with respect to the Bonds and Regional Financial Advisors, Inc. is appointed to serve as the City's Financial Advisor with respect to the Bonds.

ADOPTED by the City Council of the City of Albany, Linn and Benton Counties, Oregon, and Effective this 28th day of JULY, 2004.

By: 
Mayor

ATTEST:

By: 
City Clerk

EXHIBIT "A"

NOTICE OF MEASURE ELECTION

CITY OF ALBANY, LINN AND BENTON COUNTIES, OREGON

NOTICE IS HEREBY GIVEN that on Tuesday, November 2, 2004, an election will be held within the boundaries of the City of Albany, Linn and Benton Counties, Oregon. The election shall be conducted by mail. The following question will be submitted to the qualified voters thereof:

CAPTION:

CITY OF ALBANY, OREGON GENERAL OBLIGATION LIBRARY BOND AUTHORIZATION

QUESTION:

Shall the City be authorized to issue general obligation library bonds in a principal amount not exceeding \$12,051,000? If the Bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

SUMMARY:

The Bonds would finance the costs of capital construction and capital improvements, including, but not limited to, providing funds to:

- construct, equip, furnish and improve a new two-story library addition which would be connected to the existing Main Library;
- remodel the existing Main Library;
- acquire land and construct surface parking for the Main Library; and
- pay bond issuance costs.

Upon completion of the above purposes, the City may use any remaining bond proceeds for any capital project.

The Main Library was built in 1974 when the City was half the size of its current population. Expansion of the Main Library will address the growing demand for library services.

The City estimates that taxes would increase by approximately \$.46/\$1,000 of assessed value or \$69.00 per year for property valued at \$150,000. This tax estimate is an ESTIMATE ONLY based on the best information available to the City at the time of the estimate and was not calculated by the county assessor.

The Bonds will mature with 20 annual principal payments to be paid over a period of 21 years or less.

Notice is hereby given that a ballot title for a measure referred by the City has been filed with the County Clerk of

Linn County, Oregon on August 23, 2004. Pursuant to ORS 254.095(5) the County Clerk of Linn County, Oregon shall immediately file the Notice with the County Clerk of Benton County, Oregon. The ballot title caption is CITY OF ALBANY, OREGON GENERAL OBLIGATION LIBRARY BOND AUTHORIZATION. Pursuant to ORS 250.296(1), an elector may file a petition for review of this ballot title in the Linn County Circuit Court no later than 5:00 p.m., August 30, 2004 (7 business days after filing of this notice with the County Clerk of Linn County, Oregon).

Signature of authorized City Elections Officer

Date signed

Printed name of authorized City Elections Officer

Title

This legal notice is to be published by the City Elections Officer in *The Democrat-Herald*, Albany, Oregon, or in another newspaper of general circulation within the City, in the next available edition of such newspaper after this Notice of Measure Election is filed with the City Elections Officer.