

A RESOLUTION OF THE CITY OF ALBANY, OREGON AUTHORIZING A LOAN FROM THE OREGON INFRASTRUCTURE FINANCE AUTHORITY AND AN INTERGOVERNMENTAL AGREEMENT WITH THE ALBANY REVITALIZATION AGENCY FOR THE REPAYMENT OF THAT LOAN.

WHEREAS, the City of Albany, Oregon (the "City") proposes to obtain a loan in the amount of not more than \$8,400,000 from the Special Public Works Fund by entering into a contract with the Oregon Infrastructure Finance Authority (the "IFA Contract") to finance projects described in the urban renewal plan for the Central Albany Revitalization Area, including sidewalk and street improvements, lighting installation, curb extensions, drainage work and landscaping (the "Projects"); and,

WHEREAS, Section 44 of the City Charter states that the City Council shall not authorize any borrowing unless the borrowing is specifically permitted by Section 44 of the City Charter; and,

WHEREAS, Section 44(d) of the Charter states: "The City Council may borrow money without approval of the City's electors if an Oregon statute authorizing the borrowing provides that the authority is not limited by other laws, such as a local charter limitation;" and,

WHEREAS, the City Council may authorize the IFA Contract because ORS 285B.437(3) states "Notwithstanding any other provision of law or any restriction on indebtedness contained in a charter, a municipality may borrow from the Special Public Works Fund by entering into a contract with the authority;" and,

WHEREAS, the Albany Revitalization Agency (the "Agency") is willing to pay the debt service on the IFA Contract from tax increment revenues of the Central Albany Revitalization Area; and,

WHEREAS, Oregon Revised Statutes Chapter 190 authorizes the City to enter into an intergovernmental agreement with the Agency under which the Agency agrees to provide tax increment revenues to the City in sufficient amounts to pay all amounts due from the City under the IFA Contract; and,

WHEREAS, all of the Projects will be located within the Central Albany Revitalization Area and owned by the Agency or the City or held thereby as public right-of-way; and,

WHEREAS, the Agency is projected to have sufficient tax increment revenues to pay the amounts due from the City under the IFA Contract.

NOW, THEREFORE, the City of Albany, Oregon resolves as follows:

Section 1. IFA Contract Authorized. The City Council hereby authorizes the City to enter into the IFA Contract with the Oregon Infrastructure Finance Authority in the amount of not more than \$8,400,000 to finance the Projects. The City Manager, the Finance Director of the City or a person designated by the City Manager shall be authorized to act under this resolution, each of whom is referred to in this resolution as a "City Official," may, on behalf of the City and without further action by the City Council:

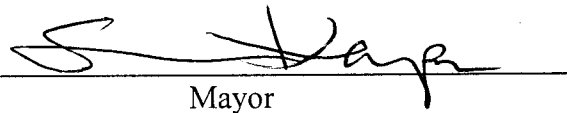
- (1) negotiate the final terms of the IFA Contract;
- (2) pledge the City's full faith and credit and taxing power to pay amounts due from the City under the IFA Contract;
- (3) pledge the tax increment revenues of the Central Albany Revitalization Area that the City receives under the intergovernmental agreement authorized by Section 2 of this resolution to pay amounts due from the City under the IFA Contract; and
- (4) execute the IFA Contract and any other documents, and take any other actions, that the City Official determines are desirable to borrow up to \$8,400,000 from the Special Public Works Fund for the Projects.

Section 2. Intergovernmental Agreement Authorized. The City Council hereby authorizes the City to enter into an intergovernmental agreement with the Agency to pay the amounts due from the City under IFA Contract, but solely from the tax increment revenues of the Central Albany Revitalization Area. The intergovernmental agreement shall be in substantially the form attached to this resolution as Exhibit A, but with such changes as the City Official may approve. The City Official is hereby authorized, on behalf of the City and without further action by the City Council, to finalize the terms of and execute the intergovernmental agreement and take any other action desirable to put the intergovernmental agreement into effect.

Section 3. Effective Date. This resolution is effective immediately upon adoption.

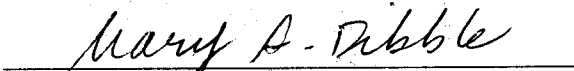
DATED AND EFFECTIVE THIS 26th DAY OF OCTOBER 2016.

City of Albany, Oregon



Mayor

ATTEST:



City Clerk

**Intergovernmental Agreement to Transfer Tax Increment Revenues
of the Central Albany Revitalization Area
to the City of Albany to pay a Special Public Works Fund Loan**

This Intergovernmental Agreement (the “Intergovernmental Agreement”) is dated as of October 19, 2016, and is entered into by and between the Albany Revitalization Agency (the “Agency”) and the City of Albany, Oregon (the “City”). The parties hereby agree as follows:

Section 1. Definitions and Recitals.

(1) Definitions.

Unless the context clearly requires otherwise, capitalized terms used in this Intergovernmental Agreement that are defined in this Section 1(1) shall have the following meanings:

“Area” means the Central Albany Revitalization Area described in the Plan.

“IFA Contract” means the contract with the Oregon Infrastructure Finance Authority under which the City obtains a loan in the amount of not more than \$8,400,000 from the Special Public Works Fund to finance the Projects.

“Plan” means the Agency’s Central Albany Revitalization Area Urban Renewal Plan approved by City Ordinance No. 5496, adopted on August 8, 2001, as that plan has been, and may in the future be, amended.

“Projects” means projects described in the Plan, including sidewalk and street improvements, lighting installation, curb extensions, drainage work, and landscaping.

“Tax Increment Revenues” means all revenues that the Agency collects for the Area under the provisions of Article IX, Section 1c, of the Oregon Constitution and Oregon Revised Statutes Chapter 457.

(2) Findings.

- (A) The City has entered into the IFA Contract to finance costs of the Projects.
- (B) The Agency is authorized to spend Tax Increment Revenues to pay for the costs of the Projects.
- (C) This process enables significant cost savings, through reduced interest rates and fees, for the Agency by having the City as applicant.
- (D) The Projects will assist the Agency in carrying out its Plan.
- (E) The Agency will only spend the proceeds of the IFA Contract on Projects if the Projects are described in the Plan, located in the Area, and owned by the City or the Agency.
- (F) The Agency will appropriate funding needed for payments in each year’s budget.
- (G) The Agency has \$37,767,405 of unused maximum indebtedness available prior to executing this Intergovernmental Agreement.

Section 2. Payments.

(1) The City is obligated under the IFA Contract to pay IFA up to \$8,400,000 in principal amount over a period of 15 years, with interest at a rate of 2.55 percent per annum. The schedule of payments the City must make to IFA under the IFA Contract will be finalized when the Projects are complete and closed. The City will notify the Agency of the payment schedule when the payment schedule is finalized.

(2) The Agency hereby agrees to pay to the City the amount of each payment due from the City under the IFA Contract, not less than one business day prior to the date each payment is due.

(3) This Intergovernmental Agreement shall constitute indebtedness of the Agency. The Agency is obligated to make the payments due under this Intergovernmental Agreement solely from the Tax Increment Revenues. Pursuant to Oregon Revised Statutes Section 287A.310, the Agency pledges the Tax Increment Revenues to pay the amounts described in Section 2.2 of this Intergovernmental Agreement. This pledge shall be subordinate to the tax increment indebtedness of the Agency that are outstanding on the date this Intergovernmental Agreement is executed, but shall be superior to all other obligations of the Agency except to the extent that the City subsequently agrees in writing to subordinate this pledge.

Section 3. Estoppel.

The Agency hereby certifies, recites, and declares that all things, conditions, and acts required by the Constitution and Statutes of the state of Oregon and by this Intergovernmental Agreement to exist, to have happened and to have been performed precedent to and in the execution and the delivery of this Intergovernmental Agreement, do exist, have happened and have been performed in due time, form and manner, as required by law, and that this Intergovernmental Agreement is a valid and binding obligation of the Agency that is enforceable against the Agency in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other laws or judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights or contractual obligations generally.

Section 4. Miscellaneous.

(1) Binding Effect.

This Intergovernmental Agreement shall inure to the benefit of and shall be binding upon the Agency and the City and their respective successors and assigns.

(2) Severability.

In the event any provisions of this Intergovernmental Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

(3) Amendments.

This Intergovernmental Agreement may be amended only by a writing signed by both parties.

(4) Execution in Counterparts.

This Intergovernmental Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute the same instrument.

(5) Applicable Law.

This Intergovernmental Agreement shall be governed by and construed in accordance with the laws of the state of Oregon. Any action regarding this Intergovernmental Agreement or the transactions contemplated hereby shall be brought in an appropriate court of the state of Oregon in Linn County, Oregon.

(6) Rules of Construction.

References to section numbers in documents that do not specify the document in which the section is located shall be construed as references to section numbers in this Intergovernmental Agreement.

(7) Headings.

The headings, titles, and table of contents in this Intergovernmental Agreement are provided for convenience and shall not affect the meaning, construction or effect of this Intergovernmental Agreement.

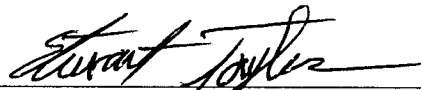
IN WITNESS WHEREOF, the Agency and the City have executed this Intergovernmental Agreement as of the date indicated above.

For the Albany Revitalization Agency



Ed Hodney, Parks & Recreation Director

For the City of Albany, Oregon



Stewart Taylor, Finance Director

ARA RESOLUTION NO. 2016-09

A RESOLUTION OF THE ALBANY REVITALIZATION AGENCY AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF ALBANY TO REPAY A LOAN FROM THE SPECIAL PUBLIC WORKS FUND OF THE OREGON INFRASTRUCTURE AUTHORITY

WHEREAS, the City of Albany, Oregon (the "City") proposes to obtain a loan in the amount of not more than \$8,400,000 from the Special Public Works Fund by entering into a contract with the Oregon Infrastructure Finance Authority (the "IFA Contract") to finance projects described in the urban renewal plan for the Central Albany Revitalization Area, including sidewalk and street improvements, lighting installation, curb extensions, drainage work, and landscaping (the "Projects"); and,

WHEREAS, the Albany Revitalization Agency (the "Agency") is willing to pay the debt service on the IFA Contract from tax increment revenues of the Central Albany Revitalization Area (the "Area"); and,

WHEREAS, Oregon Revised Statutes Chapter 190 and Chapter 457 authorize the Agency to enter into an intergovernmental agreement with the City under which the Agency agrees to provide tax increment revenues to the City in sufficient amounts to pay all amounts due from the City under the IFA Contract; and

WHEREAS, all of the Projects will be located within the Area and owned by the Agency or the City; and,

WHEREAS, the Agency is willing to commit, and reasonably projects that it will have, tax increment revenues from the Area in amounts sufficient to pay up to \$8,400,000 in principal, plus interest, that will be due from the City under the IFA Contract; and,

WHEREAS the remaining maximum indebtedness for the Area exceeds \$8,400,000 and the Agency is willing to use \$8,400,000 of that maximum indebtedness to finance the Projects.

NOW, THEREFORE, the Board of the Albany Revitalization Agency, the urban renewal agency of the City of Albany, Oregon resolves as follows:

Section 1. Intergovernmental agreement authorized. The Agency Board hereby authorizes the Agency to enter into an intergovernmental agreement (the "Intergovernmental Agreement") with the City that obligates the Agency to pay up to \$8,400,000 in principal amount, plus interest, to pay amounts due from the City under the IFA Contract. The Intergovernmental Agreement shall constitute indebtedness of the Agency that is payable solely from the tax increment revenues of Area and interest earnings on those tax increment revenues. The Intergovernmental Agreement shall be in substantially the form attached to this resolution as Exhibit A but with such changes as are approved pursuant to Section 2 of this resolution.

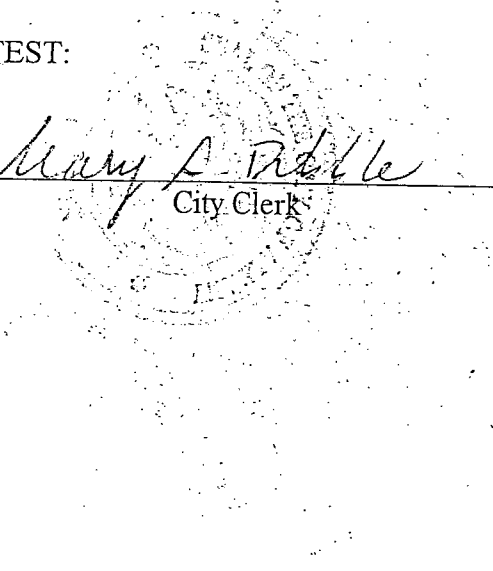
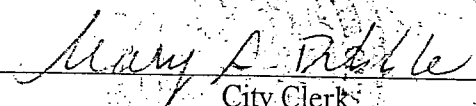
Section 2. Delegation. The Assistant City Manager/Chief Information Officer and Parks & Recreation Director, each of whom is referred to in this resolution as an "Agency Official," is hereby authorized, on behalf of the Agency and without further action by the Agency Board, to negotiate the final terms of and execute the Intergovernmental Agreement authorized by Section 1 of this resolution and to execute any other documents and take any other actions that are desirable to assist the City in financing the Projects.

DATED AND EFFECTIVE THIS 19TH DAY OF OCTOBER 2016.



ARA Chair

ATTEST:

City Clerk