

RESOLUTION NO. 643

A RESOLUTION OF THE CITY OF WILSONVILLE, CLACKAMAS AND WASHINGTON COUNTIES, OREGON AUTHORIZING THE ISSUANCE AND SALE OF LIMITED TAX GENERAL OBLIGATION REFUNDING BOND ANTICIPATION NOTES IN AN AGGREGATE AMOUNT NOT TO EXCEED \$1,015,000 FOR THE REFUNDING OF INTERIM FINANCING OF LOCAL IMPROVEMENT DISTRICT NO. 6.

The City of Wilsonville, Clackamas and Washington Counties, Oregon (the "City") finds as follows:

The City previously created Local Improvement District LID No. 6 (Wilsonville Road/Boeckman Creek Bridge Crossing) (the "District").

The City has outstanding Limited Tax General Obligation Refunding Bond Anticipation Notes, Series 1986A in the amount of \$758,212.10, and Limited Tax General Obligation Refunding Bond Anticipation Notes, Series 1986B in the amount of \$191,787.90, all dated December 10, 1986 and all maturing December 1, 1987 (the "1986 Notes"); and

It now appearing that insufficient funds are available to redeem the 1986 Notes and the City proposes to issue additional bond anticipation notes pursuant to ORS 287.504(2);

NOW, THEREFORE, THE CITY OF WILSONVILLE, OREGON RESOLVES AS FOLLOWS:

1. Refunding Notes Authorized. The City Council authorizes the issuance of Limited Tax General Obligation Refunding Bond Anticipation Notes, Series 1987 (the "Refunding Notes") in an aggregate principal amount not to exceed \$1,015,000 pursuant to ORS 287.502, as amended, for the purpose of refunding the 1986 Notes and funding the costs of issuing these Refunding Notes. The Refunding Notes shall be dated with the date specified by the City Administrator and shall bear interest at a rate which shall not exceed a net effective rate of eight percent (8.00%) per annum. The Refunding Notes shall be in such series and denominations as specified by the City Administrator in consultation with the purchaser of such Refunding Notes.

2. Redemption. The City reserves the right to redeem all or any portion of the Refunding Notes, upon thirty days' notice of such redemption to the noteholders, on June 1, 1988 or on the first day of any month thereafter until maturity, at par plus accrued interest to the date fixed for redemption.

3. Security. The Refunding Notes are payable from the proceeds of bonds to be sold upon completion of the projects and as otherwise provided in Section 4 hereof. The full faith and credit of the City are also pledged to the punctual payment of principal and interest on the Refunding Notes.

4. Sinking Fund. The City Administrator is directed to establish appropriate funds (the "Fund") to which shall be deposited all proceeds from the collection of unbonded assessments, the sale of improvement bonds pursuant to ORS 223.205 et seq. or ORS 223.785, and the foreclosure of improvement liens for unbonded assessments realized from the improvements with respect to such Refunding Notes. The deposits in the Fund shall be applied to the call and payment of such Refunding Notes and such funds shall not be transferred, borrowed, diverted or used for any other purpose. The City Administrator shall be personally liable and shall also be liable on the official bond to the holder of such Refunding Notes for failure to hold, account for and apply such funds as provided in this section.

5. Purchase Contract. The City Administrator is hereby authorized to negotiate the terms and execute, on behalf of the City a purchase agreement for the Refunding Notes, binding upon the City upon execution by the Mayor and the City Administrator. The City Administrator shall report the terms of the purchase contract to the City Council.

6. Form; Temporary Refunding Notes. The Refunding Notes shall be executed on behalf of the City with the facsimile signature of the Mayor and City Recorder and shall be in substantially the form attached as Exhibit A. The Refunding Notes may be issued as one or more temporary Refunding Notes, which may be typewritten and exchanged for definitive Refunding Notes when available.

7. Bank Purchase. The City reasonably anticipates that it will not issue more than \$10,000,000 of tax-exempt obligations during calendar year 1987. The City hereby designates the Refunding Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

8. Authority of City Administrator. The City Administrator and the Mayor are hereby authorized to enter into any agreements and to execute any documents or certificates which may be required to issue, sell and deliver the Refunding Notes in accordance with this Resolution.

9. Tax-Exempt Status. The City covenants not to take any action or omit any action if the taking or omission would cause interest paid on the Refunding Notes to be includable in

gross income of the noteholders for federal income tax purposes (except for taxes on corporations). The City may not permit more than ten percent of the public improvements to be used for any private business use. The City Administrator may enter into covenants on behalf of the City to protect the tax-exempt status of the Refunding Notes.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this 16th day of November, 1987, and filed with the Wilsonville City Recorder this same date.

William E. Stark
Mayor

ATTEST:

Vera A. Rojas
City Recorder

ENACTED by the Council on the 16th day of November, 1987, by the following votes: YEAS: 5 NAYS: 0.

EXHIBIT A

STATE OF OREGON
CITY OF WILSONVILLE
CLACKAMAS AND WASHINGTON COUNTIES
LIMITED TAX GENERAL OBLIGATION REFUNDING
BOND ANTICIPATION NOTE
SERIES 1987-__

NO. _____

\$ _____

THE CITY OF WILSONVILLE, a municipal corporation in the counties of Clackamas and Washington, State of Oregon (the "City"), for value received, hereby promises to pay to the bearer of this note the principal sum of

_____ DOLLARS

in lawful money of the United States of America on the presentation and surrender of this obligation on the 30th day of November, 1988, with interest at the rate of

_____ PERCENT (_____ %) PER ANNUM

on the basis of a 30-day month, 360-day year payable from the date of issuance of this note to the date of maturity, from available funds as provided by Oregon Revised Statutes 287.502 to 287.510, at the principal corporate trust office of The Oregon Bank, Portland, Oregon (the "Paying Agent"). This note is issued for the purpose of refunding the City's outstanding Limited Tax General Obligation Refunding Bond Anticipation Notes, Series 1986A and Series 1986B, dated December 10, 1986 and funding the costs of issuing this series of notes.

This note is one of a series of notes in the aggregate principal amount of _____ Dollars (\$ _____).

The City reserves the right to redeem all or any portion of the notes, upon thirty days' notice of such redemption to the noteholders, on June 1, 1988 or on the first day of any month thereafter until maturity, at par plus accrued interest to the date fixed for redemption.

This note is authorized by Oregon Revised Statutes 287.502 to 287.510 and specifically ORS 287.504, providing for the issuance of notes to provide funds for payment of outstanding bond anticipation notes. It is hereby certified that this note is a limited general obligation of the City and is not part of the limitation imposed by law as to the indebtedness of the City and that all requirements of law have been fully complied with by

the proper officers in the issuing of this note. For the fulfillment of the conditions of this obligation, the full faith and credit of the City are pledged.

This note shall be payable from the proceeds of bonds to be sold upon completion of a certain improvement project of the City and from the sources provided for in Sections 2 and 3 of Resolution No. _____ of the City adopted by the City Council on November __, 1987, and as provided in ORS 287.504(2) and (4). It is certified that all acts, conditions and things required to be done precedent to and in the issuance of this note have been properly done and that this note is a legally binding limited general obligation of the City.

IN WITNESS WHEREOF, the City Council of the City of Wilsonville, Oregon, has caused this note to be signed by facsimile signature of its Mayor and attested by facsimile signature of its Recorder, and has caused its seal to be affixed hereto or printed hereon as of the 1st day of December, 1987.

Mayor,
City of Wilsonville, Oregon

ATTEST:

City Recorder,
City of Wilsonville, Oregon

(SEAL)

CERTIFICATE OF AUTHENTICATION

This is one of the City of Wilsonville,
Oregon's Limited Tax General Obligation
Refunding Bond Anticipation Notes, Series
1987-__

DATED:

THE OREGON BANK as Paying Agent

By _____
Authorized Officer

TAX CERTIFICATE

**CITY OF WILSONVILLE, OREGON
LIMITED TAX GENERAL OBLIGATION REFUNDING
BOND ANTICIPATION NOTES
SERIES 1987-A**

\$805,000

A. In General.

A.1. The undersigned is an officer of the City of Wilsonville, Clackamas and Washington Counties, Oregon (the "Issuer") who is charged, with others, with responsibility for issuing the City of Wilsonville, Oregon Limited Tax General Obligation Refunding Bond Anticipation Notes, Series 1987-A (the "Notes"), which are dated December 1, 1987, and are in the principal amount of Eight Hundred Five Thousand Dollars (\$805,000).

A.2. This Certificate is executed for the purpose of establishing the reasonable expectations of the Issuer regarding the use of the proceeds of the Notes, and the facilities financed with those proceeds.

A.3 The Issuer has not been notified of any listing or proposed listing of the Issuer by the Internal Revenue Service as an issuer that may not certify its bonds or notes.

A.4. This Certificate is made on behalf of the Issuer pursuant to Sections 1.103-13, 1.103-14, and 1.103-15 of the Income Tax Regulations (the "Regulations") of the Internal Revenue Service, and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"); the words and phrases used herein have the same meanings as defined and used in the Regulations.

A.5. This Certificate is based on facts, estimates, and circumstances in existence on the date of this Certificate, which is the date of issue of the Notes, and to the best knowledge, information, and belief of the undersigned, the expectations set forth in this Certificate are reasonable.

B. The Purpose of The Notes. The Notes are issued to refund a portion of the Issuer's outstanding limited tax general obligation refunding bond anticipation notes (the "Project").

C. General Expectations. The Issuer expects:

C.1. None of the proceeds of the Notes will be used directly or indirectly (i) to make or finance loans to

persons or (ii) in any trade or business carried on by any person (other than use as a member of the general public). The Project will be owned and operated by the Issuer, and no part of the Project will be leased or rented to any person. For purposes of this subsection, the term "person" does not include a government unit other than the United States or any agency or instrumentality thereof, and the term "trade or business" means any activity carried on by a person other than a natural person. Accordingly, the Notes are not "private activity Notes" within the meaning of Section 141 of the Code.

C.2. The Issuer has covenanted with the owners of the Notes not to make any use of the proceeds of the Notes or the facilities financed with the proceeds of the Notes that would result in the interest on the Notes being includable in gross income of taxpayers (other than corporations) for federal income tax purposes.

C.3. Issuer has not, and does not expect to, issue tax-exempt obligations in calendar year 1987 in a face amount which exceeds \$5,000,000. Accordingly, under Section 148(f)(4)(C) of the Code, the Issuer is not required to pay rebates to the United States under Section 148(f) of the Code.

D. Temporary Period.

D.1. Within six months after the date of this Certificate the Issuer will enter into contracts with third parties for acquisition or construction of the Project obligating an expenditure of at least \$20,125 (2-1/2% of the principal amount of the Notes).

D.2. Acquisition and construction of the Project will commence and proceed with due diligence to completion.

D.3. All of the Note proceeds and earnings thereon are expected to be expended on the Project by December 1, 1990 (three years after the date of this Certificate).

D.4. Accordingly, the proceeds of the Notes and the earnings thereon qualify for investment for a temporary period which ends on December 1, 1990.

E. Yield Limitation; Temporary Periods.

E.1. Except as provided below in this Section E, none of the gross proceeds of the Notes will be invested in any security, any obligation, any annuity contract or any investment-type property that has a yield that exceeds the

yield on the Notes by more than one-eighth of one percentage point. The term "yield" means that yield which when used in computing the present worth of all payments of Note principal and interest to be paid in the obligation produces an amount equal to the initial reoffering price of the Notes to the general public. Any underwriters discount, issuance costs or costs of carrying or repaying the Notes shall not be taken into account in calculating Note yield. "Gross proceeds" includes the proceeds from the sale of the Notes, earnings thereon, and assessments or other monies collected to pay Note debt service.

E.2. The first exception is for proceeds of the Notes that are invested for the temporary period described in Section D.4 of this Certificate.

E.3. The second exception is for proceeds of the Notes that are deposited in a "bona fide debt service fund" described in Section F.1 of this Certificate.

F. Note Redemption Fund.

F.1 Money deposited in the redemption fund (the "Redemption Fund") will be used to pay the principal of and interest on the Notes and the Issuer reasonably expects that there will be no other funds that will be so used. A portion of the Redemption Fund constitutes a bona fide debt service fund, as the fund was established to achieve a proper matching between assessments collected and taxes and debt service, and moneys in the bona fide debt service fund portion will be used to pay debt service within thirteen months after they are deposited in the Redemption Fund. The balance of the Redemption Fund constitutes a sinking fund, which qualifies for the temporary period described in Regulation 1.103-14(b)(12) until November 30, 1988, as the Issuer has made a reasonable effort to schedule as much debt service as possible before November 30, 1988.

F.2. There are no reserve funds or other funds or accounts which the Issuer reasonably expects to be available to pay the principal of or interest on the Notes.

G. Miscellaneous.

G.1. The Note proceeds and expected earnings thereon do not exceed the amount required by the Issuer to pay the estimated cost of the Project and the costs of issuing the Notes.

G.2. The Project is not expected to be sold while the

Notes are outstanding.

G.3. The Notes are not being issued in order to permit the Issuer to invest other funds at a materially higher yield than the Notes.

G.4. The Issuer's employer identification number is No. _____.

DATED this _____ day of December, 1987.

CITY OF WILSONVILLE, OREGON

By _____
Authorized Officer

TAX CERTIFICATE

**CITY OF WILSONVILLE, OREGON
LIMITED TAX GENERAL OBLIGATION REFUNDING
BOND ANTICIPATION NOTES
SERIES 1987-B**

\$210,000

A. In General.

A.1. The undersigned is an officer of the City of Wilsonville, Clackamas and Washington Counties, Oregon (the "Issuer") who is charged, with others, with responsibility for issuing the City of Wilsonville, Oregon Limited Tax General Obligation Refunding Bond Anticipation Notes, Series 1987-B (the "Notes"), which are dated December 1, 1987, and are in the principal amount of Two Hundred Ten Thousand Dollars (\$210,000).

A.2. This Certificate is executed for the purpose of establishing the reasonable expectations of the Issuer regarding the use of the proceeds of the Notes, and the facilities financed with those proceeds.

A.3 The Issuer has not been notified of any listing or proposed listing of the Issuer by the Internal Revenue Service as an issuer that may not certify its bonds or notes.

A.4. This Certificate is made on behalf of the Issuer pursuant to Sections 1.103-13, 1.103-14, and 1.103-15 of the Income Tax Regulations (the "Regulations") of the Internal Revenue Service, and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"); the words and phrases used herein have the same meanings as defined and used in the Regulations.

A.5. This Certificate is based on facts, estimates, and circumstances in existence on the date of this Certificate, which is the date of issue of the Notes, and to the best knowledge, information, and belief of the undersigned, the expectations set forth in this Certificate are reasonable.

B. The Purpose of The Notes. The Notes are issued to refund a portion of the Issuer's outstanding limited tax general obligation refunding bond anticipation notes (the "Project").

C. General Expectations. The Issuer expects:

C.1. None of the proceeds of the Notes will be used directly or indirectly (i) to make or finance loans to

persons or (ii) in any trade or business carried on by any person (other than use as a member of the general public). The Project will be owned and operated by the Issuer, and no part of the Project will be leased or rented to any person. For purposes of this subsection, the term "person" does not include a government unit other than the United States or any agency or instrumentality thereof, and the term "trade or business" means any activity carried on by a person other than a natural person. Accordingly, the Notes are not "private activity Notes" within the meaning of Section 141 of the Code.

C.2. The Issuer has covenanted with the owners of the Notes not to make any use of the proceeds of the Notes or the facilities financed with the proceeds of the Notes that would result in the interest on the Notes being includable in gross income of taxpayers (other than corporations) for federal income tax purposes.

C.3. Issuer has not, and does not expect to, issue tax-exempt obligations in calendar year 1987 in a face amount which exceeds \$5,000,000. Accordingly, under Section 148(f)(4)(C) of the Code, the Issuer is not required to pay rebates to the United States under Section 148(f) of the Code.

D. Temporary Period.

D.1. Within six months after the date of this Certificate the Issuer will enter into contracts with third parties for acquisition or construction of the Project obligating an expenditure of at least \$5,250 (2-1/2% of the principal amount of the Notes).

D.2. Acquisition and construction of the Project will commence and proceed with due diligence to completion.

D.3. All of the Note proceeds and earnings thereon are expected to be expended on the Project by December 1, 1990 (three years after the date of this Certificate).

D.4. Accordingly, the proceeds of the Notes and the earnings thereon qualify for investment for a temporary period which ends on December 1, 1990.

E. Yield Limitation; Temporary Periods.

E.1. Except as provided below in this Section E, none of the gross proceeds of the Notes will be invested in any security, any obligation, any annuity contract or any investment-type property that has a yield that exceeds the

yield on the Notes by more than one-eighth of one percentage point. The term "yield" means that yield which when used in computing the present worth of all payments of Note principal and interest to be paid in the obligation produces an amount equal to the initial reoffering price of the Notes to the general public. Any underwriters discount, issuance costs or costs of carrying or repaying the Notes shall not be taken into account in calculating Note yield. "Gross proceeds" includes the proceeds from the sale of the Notes, earnings thereon, and assessments or other monies collected to pay Note debt service.

E.2. The first exception is for proceeds of the Notes that are invested for the temporary period described in Section D.4 of this Certificate.

E.3. The second exception is for proceeds of the Notes that are deposited in a "bona fide debt service fund" described in Section F.1 of this Certificate.

F. Note Redemption Fund.

F.1 Money deposited in the redemption fund (the "Redemption Fund") will be used to pay the principal of and interest on the Notes and the Issuer reasonably expects that there will be no other funds that will be so used. A portion of the Redemption Fund constitutes a bona fide debt service fund, as the fund was established to achieve a proper matching between assessments collected and taxes and debt service, and moneys in the bona fide debt service fund portion will be used to pay debt service within thirteen months after they are deposited in the Redemption Fund. The balance of the Redemption Fund constitutes a sinking fund, which qualifies for the temporary period described in Regulation 1.103-14(b)(12) until November 30, 1988, as the Issuer has made a reasonable effort to schedule as much debt service as possible before November 30, 1988.

F.2. There are no reserve funds or other funds or accounts which the Issuer reasonably expects to be available to pay the principal of or interest on the Notes.

G. Miscellaneous.

G.1. The Note proceeds and expected earnings thereon do not exceed the amount required by the Issuer to pay the estimated cost of the Project and the costs of issuing the Notes.

G.2. The Project is not expected to be sold while the

Notes are outstanding.

G.3. The Notes are not being issued in order to permit the Issuer to invest other funds at a materially higher yield than the Notes.

G.4. The Issuer's employer identification number is No. _____.

DATED this _____ day of December, 1987.

CITY OF WILSONVILLE, OREGON

By _____
Authorized Officer

SIGNATURE AND NON-LITIGATION CERTIFICATE

\$805,000
CITY OF WILSONVILLE, OREGON
LIMITED TAX GENERAL OBLIGATION REFUNDING
BOND ANTICIPATION NOTES, SERIES 1987-A

We, the undersigned officers of the City of Wilsonville, Clackamas and Washington Counties, Oregon (the "City"), indicated by the official titles opposite our respective signatures,

DO HEREBY CERTIFY that we have signed, by facsimile signature, the \$805,000 Limited Tax General Obligation Refunding Bond Anticipation Notes, Series 1987-A (the "Notes") of the City which are dated December 1, 1987, bearing interest at the rate of _____%, payable at maturity on November 30, 1988, or upon earlier redemption. We were, at the date of signing the Notes, and are on this _____ day of December, 1987, the date of actual delivery of the Notes to The Oregon Bank, Portland, Oregon, the duly chosen, qualified and acting Mayor and Recorder of the City, and we are authorized to execute the Notes.

We further certify that no litigation of any nature is now pending or threatened restricting or enjoining the issuance and delivery of the Notes to the Purchaser or the collection of assessments to pay the principal and interest of the Notes or in any manner questioning the proceedings and the authority of this City by which same is made, or affecting the validity of the Notes thereunder, and that neither the corporate existence nor boundaries, nor the titles of the present officers to their respective offices are being contested.

Executed at Portland, Oregon, this _____ day of December, 1987.

Name

Office

Mayor

Recorder

I hereby CERTIFY that I am the _____ of the City, and that I am personally acquainted with the officers whose signatures appear above, also that I know they are now and were at the time of signing the same the duly qualified and acting officials of the City as indicated by their titles and I hereby identify the signatures together with the signatures on the above described Notes as being in all respects true and genuine.

DATED this _____ day of December, 1987.

Title: _____

SIGNATURE AND NON-LITIGATION CERTIFICATE

\$210,000
CITY OF WILSONVILLE, OREGON
LIMITED TAX GENERAL OBLIGATION REFUNDING
BOND ANTICIPATION NOTES, SERIES 1987-B

We, the undersigned officers of the City of Wilsonville, Clackamas and Washington Counties, Oregon (the "City"), indicated by the official titles opposite our respective signatures,

DO HEREBY CERTIFY that we have signed, by facsimile signature, the \$210,000 Limited Tax General Obligation Refunding Bond Anticipation Notes, Series 1987-B (the "Notes") of the City which are dated December 1, 1987, bearing interest at the rate of _____%, payable at maturity on November 30, 1988, or upon earlier redemption. We were, at the date of signing the Notes, and are on this _____ day of December, 1987, the date of actual delivery of the Notes to The Oregon Bank, Portland, Oregon, the duly chosen, qualified and acting Mayor and Recorder of the City, and we are authorized to execute the Notes.

We further certify that no litigation of any nature is now pending or threatened restricting or enjoining the issuance and delivery of the Notes to the Purchaser or the collection of assessments to pay the principal and interest of the Notes or in any manner questioning the proceedings and the authority of this City by which same is made, or affecting the validity of the Notes thereunder, and that neither the corporate existence nor boundaries, nor the titles of the present officers to their respective offices are being contested, except as described in the letter of our City Attorney dated November 10, 1986, a copy of which is attached hereto.

Executed at Portland, Oregon, this _____ day of December, 1987.

Name

Office

Mayor

Recorder

I hereby CERTIFY that I am the _____ of the City, and that I am personally acquainted with the officers whose signatures appear above, also that I know they are now and were at the time of signing the same the duly qualified and acting officials of the City as indicated by their titles and I hereby identify the signatures together with the signatures on the above described Notes as being in all respects true and genuine.

DATED this _____ day of December, 1987.

Title: _____