

RESOLUTION NO. 1107

**A RESOLUTION OF THE CITY OF WILSONVILLE, OREGON,
RELATING TO THE URBAN RENEWAL AGENCY OF THE CITY OF
WILSONVILLE URBAN RENEWAL BONDS, SERIES 1994.**

WHEREAS, the Urban Renewal Agency of the City of Wilsonville, Oregon, (the "Agency") desires to issue its Urban Renewal Bonds, Series 1994 (the "Series 1994 Bonds"); and,

WHEREAS, the proceeds of the Bonds will be used to finance urban renewal projects within the City, and to pay the costs of issuance of the Bonds; and,

WHEREAS, it will enhance the security for the Bonds and reduce the Agency's borrowing costs if the Agency can covenant with Bondowers to collect tax increment revenues even if those revenues are subject to the limitations of Article XI, Section 11b of the Oregon Constitution; and,

WHEREAS, the City controls the portion of the tax increment revenues which are collected under the limit imposed by Article XI, Section 11b, and may instruct the Assessor not to collect tax increment revenues if they are subject to that limit; and,

WHEREAS, the Agency derives its tax-exempt borrowing abilities from the City of Wilsonville, Oregon (the "City"), and the taxation of interest paid on the Bonds will be determined, in part, by the amount of tax-exempt obligations which the City and its subordinate entities reasonably anticipate they will issue during the calendar year in which the Bonds are issued; and,

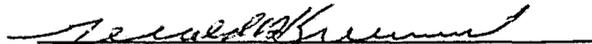
WHEREAS, the City desires to cooperate with the Agency to reduce the Agency's financing costs.

NOW, THEREFORE, BE IT RESOLVED by the City of Wilsonville, Oregon, as follows:

1. Bank Qualification. The City and all its subordinate entities do not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations during the 1994 calendar year. The City hereby designates the Series 1994 Bonds as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code; the City and all its subordinate entities have not, and will not, so designate more than \$10,000,000 of tax-exempt obligations during calendar year 1994.

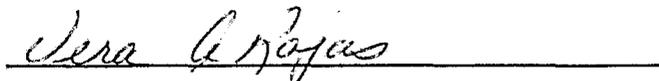
2. Certification and Collection of Increment. Capitalized terms used but not defined in this resolution shall have the meanings defined for such terms in the resolution of the Agency authorizing issuance of the Series 1994 Bonds. The City covenants to cause or permit the Agency to cause all largest legally permissible amount of Tax Increment Revenues to be certified to the County Assessor for collection in the 1994-95 Fiscal Year. So long as Bonds are Outstanding, the City covenants to cause or permit the Agency to cause an amount of Tax Increment Revenues to be certified to the County Assessor for collection each Bond Year which will result in the Agency receiving Tax Increment Revenues in that Bond Year which are at least equal to the amount of Tax Increment Revenues received by the Agency during the Bond Year beginning November 1, 1994. The Agency estimates the amount it will receive during the Bond Year beginning November 1, 1994 will be approximately \$1.7 million, which is equal to approximately 1.4 times the average Debt Service which will be due in each year on the Series 1994 Bonds. The City acknowledges that collection of this amount is required in order to obtain a favorable interest rate on the Series 1994 Bonds, and to provide adequate funds for deposit in the Accelerated Redemption Account in order to redeem Series 1994 Bonds in accordance with the representations the Agency will make in the Agency's disclosure documents for the Series 1994 Bonds.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof on the 6th day of June, 1994, and filed with the City Recorder this date.



GERALD A. KRUMMEL, Mayor

ATTEST:



VERA A. ROJAS, CMC/AAE, City Recorder

SUMMARY of Votes:

Mayor Krummel	<u>AYE</u>
Councilor Lehan	<u>AYE</u>
Councilor Benson	<u>AYE</u>
Councilor Hawkins	<u>AYE</u>
Councilor Sempert	<u>AYE</u>