

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

A RESOLUTION OF MULTNOMAH COUNTY, OREGON AUTHORIZING)
THE ISSUANCE, SALE AND DELIVERY OF NOT TO EXCEED \$53,000,000)
OF MULTNOMAH COUNTY, OREGON EDUCATIONAL FACILITIES)
REVENUE BONDS, SERIES 1997 (UNIVERSITY OF PORTLAND) RESOLUTION NO. 97- 127
PROJECT); DELEGATING THE APPROVAL, EXECUTION AND)
DELIVERY OF THE TRUST INDENTURE, THE LOAN AGREEMENT, THE)
APPROVAL AND AUTHORIZATION OF THE DISTRIBUTION OF THE)
PRELIMINARY AND FINAL OFFICIAL STATEMENTS, AND THE)
NEGOTIATION, EXECUTION AND DELIVERY OF THE BOND)
PURCHASE AGREEMENT; AND RELATED MATTERS.)
)

WHEREAS, Multnomah County, Oregon (the "County"), is a political subdivision of the State of Oregon and a "municipality" as defined in Oregon Revised Statutes Section 352.790(5); and

WHEREAS, the Board of County Commissioners of the County (the "Board") adopted Resolution No. 97-61 on April 3, 1997 (the "Resolution") which, among other things, approved of a letter of intent (the "Letter of Intent") with the University of Portland, a qualified IRS Section 501(c)(3) non-profit corporation and an "Educational Institution" as defined in Oregon Revised Statutes Section 352.790(4). The Board agreed to use its best efforts to issue Educational Facilities Revenue Bonds, Series 1997 (University of Portland Project) in an amount not to exceed \$53,000,000 (the "Series 1997 Bonds"); and

WHEREAS, the Resolution authorized the publication of a Notice of Intent to Issue Revenue Bonds, as set forth in Oregon Revised Statutes Section 288.185(6). The Notice was published April 7, 1997 in *The Oregonian*, a newspaper of general circulation within the County. Additionally, the Notice was given in the same manner as are other public notices of the County and contained the information required in Oregon Revised Statutes Section 288.185(6); and

WHEREAS, pursuant to the provisions of Oregon Revised Statutes Sections 352.790 to 352.820 and ORS 288.815 to 288.945 (collectively, the "Act"), more than 60 days have elapsed since the publication of the notice and no petitions have been received or filed with the County. Therefore, the County is authorized by the Act, in its discretion, to proceed with the authorization and issuance of the Series 1997 Bonds; and

WHEREAS, the County published a Notice of Public Hearing on May 28, 1997 for a public hearing to be held before the Director, Finance Division of the County (the "Director, Finance Division") as the designated hearing official for the County. The Public Hearing was held on June 16, 1997 with respect to the issuance of the Bonds, all pursuant to Section 147(f)(2)(B)(i) of the Internal Revenue Code of 1986, as amended (the "Code"). The Director, Finance Division conducted the hearing pursuant to the Code and the hearing official has reported to the Board that no members of the public were present at the hearing in opposition to the issuance of the Series 1997 Bonds; and

WHEREAS, the Board is advised that the Series 1997 Bonds will be issued pursuant to Section 211 of the Trust Indenture between the County and First Interstate Bank of Oregon, N.A. dated as of May 1, 1994 (the "Original Indenture") as supplemented by a Supplemental Trust Indenture between the County and with a trustee to be designated by the Authorized Representative as described in Section 2 below as "Trustee" (the "Trust Indenture") dated as of August 1, 1997; and

WHEREAS, the proceeds of the Series 1997 Bonds will be loaned to the University of Portland (the "University") by the County pursuant to the Loan Agreement between the County and the University dated as of May 1, 1994 as supplemented by the Supplemental Loan Agreement between the County and the University (the "Loan Agreement") dated as of August 1, 1997; and

WHEREAS, the Board has designated Ater Wynne Hewitt Dodson & Skerritt, LLP, as the County's special counsel to advise the County on matters relating to the issuance of the Bonds and the compliance with federal and state law and to serve as special counsel to the County in the issuance and private negotiated sale of the Bonds; and

WHEREAS, the Director, Finance Division, and special counsel to the County have reviewed the Preliminary Official Statement, the Trust Indenture and the Loan Agreement and other disclosure documents related to the Bonds; and

WHEREAS, the Board authorizes the Director, Finance Division, as the "Authorized Representative", on behalf of the County, to establish the terms and negotiate the sale of the Bonds and to approve, execute and deliver the agreements and documents necessary to complete the Bond financing; and

WHEREAS, the Authorized Representative, at the request of the University, has appointed Seattle-Northwest Securities Corporation as the Underwriter of the Bonds; and

WHEREAS, prior to the execution of the Bond Purchase Agreement, the County will receive an evaluation of, among other things, the terms, conditions and pricing of the negotiated sale of the Bonds by the Underwriter from an independent financial expert, The Charles Carter Company, pursuant to Oregon Revised Statutes Section 288.845.

NOW, THEREFORE, BE IT RESOLVED:

SECTION 1. AUTHORIZATION TO ISSUE, SELL, EXECUTE AND DELIVER SERIES 1997 BONDS. The County is authorized to enter into the transactions as described above and specifically to issue, sell, execute and deliver the Series 1997 Bonds and to loan the proceeds of the Series 1997 Bonds to the University for the purposes contemplated by the Trust Indenture, the Loan Agreement, and the Preliminary Official Statement. The Series 1997 Bonds are approved pursuant to Section 147(f)(2) of the Code.

SECTION 2. DELEGATION FOR ESTABLISHMENT OF TERMS FOR THE NEGOTIATED SALE OF THE SERIES 1997 BONDS.

The Authorized Representative is hereby authorized pursuant to ORS 288.520(4) to:

- a. establish the principal and interest payment dates, principal amounts, optional and mandatory redemption provisions, if any, interest rates, and denominations and all other terms for the Series 1997 Bonds;
- b. negotiate the terms under which the Series 1997 Bonds shall be sold; enter into a bond purchase agreement for the sale of the Series 1997 Bonds which incorporates those terms; and execute and deliver such bond purchase agreement;
- c. authorize, execute and deliver the Trust Indenture and the Loan Agreement and to take all other action necessary in the opinion of the County and special counsel to consummate this financing;
- d. approve and authorize the preparation and distribution of preliminary and final official statements for the Series 1997 Bonds;
- e. obtain municipal bond insurance on the Series 1997 Bonds if determined by the Authorized Representative, the University, the Expert Advisor and the Underwriter to be in the best interest of the County, and expend Series 1997 Bond proceeds to pay any bond insurance premium;
- f. assist in obtaining a rating on the Bonds, if requested by the Underwriter;
- g. take such actions as are necessary to qualify the Series 1997 Bonds for the Book-Entry System of DTC;
- h. designate a trustee to act under the Trust Indenture;
- i. approve, execute and deliver the Series 1997 Bond closing documents and certificates;
- j. enter into covenants regarding the use of the proceeds of the Series 1997 Bonds and the projects financed with the proceeds of the Series 1997 Bonds, to maintain the tax-exempt status of the Series 1997 Bonds; and
- k. execute and deliver a certificate specifying the action taken pursuant to this Section 2, and any other certificates, documents or agreements that the Authorized Representative determines are desirable to issue, sell and deliver the Series 1997 Bonds in accordance with this Resolution.

SECTION 3. EXECUTION OF SERIES 1997 BONDS. The Series 1997 Bonds will be executed on behalf of the County by manual or facsimile signature of the Chair of the Board of County Commissioners and shall be attested by the manual or facsimile signature of the Director, Finance Division. Additionally, the Series 1997 Bonds shall be authenticated by the manual signature of an authorized officer of the Bond Registrar.

SECTION 4. FUNDS AND ACCOUNTS. There are established and created with the Trustee the following funds as more fully described in Article IV of the Trust Indenture: the Bond Fund; the Reserve Fund; the Project Fund; and the Rebate Fund. The University shall expend the proceeds of the Bonds

from such funds as set forth in Article IV and to pay into the Bond Fund the Loan Repayments, as defined in the Loan Agreement sufficient in amount for the timely payment of the Series 1997 Bonds.

SECTION 5. NO DESIGNATION AS "QUALIFIED TAX-EXEMPT OBLIGATIONS". The County has not designated the Series 1997 Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

SECTION 6. LIMITED OBLIGATIONS. The Series 1997 Bonds will be special limited obligations of the County payable solely and only from the amounts required to be paid by the University pursuant to the Loan Agreement and from the Bond Fund, the Project Fund and the Reserve Fund established under the Trust Indenture. In accordance with Oregon Revised Statutes Section 352.805(4), the County pledges to the payment of the Series 1997 Bonds solely the educational facility revenues required to be paid by the University pursuant to the Loan Agreement. This pledge is noted in this Resolution authorizing the issuance of the Series 1997 Bonds, which notice shall be constructive notice thereof to all parties as provided in Oregon Revised Statutes Section 352.805(4). The County also shall not have a duty to provide continuing disclosure pursuant to SEC Rule 15c2-12. The University shall be obligated to provide all such continuing disclosure pursuant to the Loan Agreement and a continuing disclosure certificate to be executed and delivered by the University.

SECTION 7. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of any or all of the Series 1997 Bonds by those who shall own the same from time to time (the "Bondowners"), the provisions of this Resolution shall be part of the contract of the County with the Bondowners and shall be deemed to be and shall constitute a contract between the County and the Bondowners.

SECTION 8. PARITY BONDS. The Series 1997 Bonds are issued on a parity with the Multnomah County Educational Facilities Reserve Bonds, Series 1994 (University of Portland Project) and any Additional Bonds that may be issued in the future pursuant to the Original Indenture.

ADOPTED this 26th day of June, 1997.



**BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON**

By 
Beverly Stein
Multnomah County Chair

REVIEWED:

THOMAS SPONSLER, COUNTY COUNSEL
for MULTNOMAH COUNTY, OREGON

By 