

BEFORE THE BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

In the matter of approving of the issuance)
and negotiated sale of Certificates of)
Participation in the principal component)
amount of \$4,225,168; approving and author-)
izing the Certificate Purchase Agreement;)
approving the Lease-Purchase and Escrow)
Agreement; approving and authorizing the)
execution of the Preliminary Official State-)
ment and Official Statement; and designating)
the Authorized Officer.)

RESOLUTION
No. 88 - 113

WHEREAS, the Board of County Commissioners of Multnomah County, Oregon (the "Board") finds it desirable for the County to issue Certificates of Participation to finance the acquisition and remodeling of the Gill Building for use as office facilities by Multnomah County's Department of Human Services. The County has authorized the Finance Manager to negotiate all documents reasonably required to issue Certificates of Participation; and

WHEREAS, the Finance Manager has negotiated documents for the issuance of Certificates of Participation and has received from Kidder, Peabody & Co. Incorporated (the "Underwriter") a Certificate Purchase Agreement for the purchase of Certificates of Participation evidencing proportionate interests in lease-purchase payments by Multnomah County, Oregon. The Certificates of Participation are to be issued in the principal component amount of \$4,225,168 and shall be dated July 1, 1988 (the "Certificates"); and

WHEREAS, the Board does find and determine that it is reasonable and necessary to approve and authorize the execution of the financing documents and being advised by the Finance Manager or Finance Director that the documents are in final form and ready for approval and authorization:

THEREFORE, BE IT RESOLVED that:

1. The Board does approve of the lease-purchase financing of the acquisition and remodeling of the Gill Building (the "Facilities"), does approve of the Lease-Purchase and Escrow Agreement (the "Agreement"), and does designate either the Finance Manager or the Finance Director as the Authorized Officer to execute the Agreement for and on behalf of the County; and

2. The County does approve of the Certificate Purchase Agreement, dated June 27, 1988, and the terms and conditions of the negotiated sale of the Certificates to the Underwriter and has authorized the Finance Director of the County to execute the Certificate Purchase Agreement for and on behalf of the County and to deliver the Certificates to the Underwriter upon receipt of payment therefore.

3. The County does approve of the issuance of the Current Interest Certificates and Deferred Interest Certificates in fully registered form, to be numbered sequentially beginning with R-1, and to mature serially on the fifteenth (15th) day of July of each year as follows:

<u>YEAR</u>	<u>PRINCIPAL COMPONENT AMOUNT</u>	<u>RATE OR YIELD TO MATURITY*</u>
1989	\$ 235,000	5.25%
1990	250,000	5.50
1991	260,000	5.80
1992	280,000	6.00
1993	295,000	6.20
1994	310,000	6.30
1995	330,000	6.50
1996	355,000	6.65
1997	375,000	6.85
1998	200,192	7.00*
1999	185,568	7.10*
2000	172,064	7.15*
2001	159,388	7.20*
2002	147,500	7.25*
2003	136,372	7.30*
2004	125,960	7.35*
2005	115,280	7.45*
2006	105,304	7.55*
2007	96,892	7.60*
2008	89,928	7.60*

The Current Interest Certificates shall be dated July 1, 1988, shall be in denominations of five thousand dollars (\$5,000) each or integral multiples thereof, and shall bear interest payable semi-annually on the 15th day of July and the 15th day of January of each year commencing January 15, 1989. Interest shall be calculated on the basis of a 30-day month, 360-day year and shall be payable by check or draft mailed to the Certificate Owners whose names appear on the registration books of the County maintained by the Paying Agent as of the close of business on the first (1st) day of the month next preceding any interest payment date.

The Deferred Interest Certificates are dated the date of delivery and interest on the Deferred Interest Certificates is payable only at maturity or upon prior prepayment. Current Interest Certificates are issuable in registered form in denominations of \$5,000 or any integral multiple thereof. Deferred Interest Certificates are issuable in registered form in denominations such that the face amount thereof at maturity (including both principal and interest) equals \$5,000 or any integral multiple thereof.

The County may elect to redeem the Deferred Interest Certificates maturing on and after July 15, 1998 in whole or in part on July 15 or January 15 on or after July 15, 1997 by appropriating funds sufficient to prepay a like sum of Lease Payments. The amounts due upon the Certificates shall be prepaid by the Escrow Agent from Lease Payment prepayments as provided in the Agreement.

Additionally, the Certificates are subject to redemption prior to maturity in the event of substantial damage or destruction to the Facilities, extraordinary redemption if surplus proceeds are available after completion of remodeling or in the Event of Taxability of interest on the Certificates or defeasance of the Certificates as provided in the Agreement.

In the event the County desires to redeem any or all of the Certificates, the County shall appropriate sufficient prepayment of lease payments to provide adequate funds for the redemption of the Certificates.

Notice of such redemption will be given by first class mail, postage prepaid, at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption to the Owners of the Certificates to be redeemed at the addresses of such Owners as shown on the Certificate register.

4. The County may, but is not obligated to, take such action as is necessary to budget and appropriate expenditures from the County's General Fund or from any other available revenues, sufficient to pay lease payments for each fiscal year in the amount of the annual principal maturities and accrued interest on the Certificates; however, the County may not budget funds of any nature or from any source for the Lease Payments. In the event of appropriation of funds for lease payments, the County covenants to maintain such appropriation in full force and effect during that fiscal year and shall expend such appropriated funds only for lease payments. In the event the County determines not to appropriate funds sufficient for lease payments in any fiscal year, such failure shall constitute a default under the terms of the Agreement and the Escrow Agent may exercise such remedies as are provided in the Agreement.

5. The County covenants, for so long as any Certificates are outstanding, not to voluntarily terminate its use of or discontinue occupancy of the Facilities by reason of the substitution of similar or like facilities for the Gill Building facilities.

6. The Certificates shall be secured by a pledge of the County's leasehold interest in the Facilities, the moneys in the accounts created under the Agreement, except for the Rebate Account, and the covenant of the County to apply appropriated funds upon the lease payments from the General Fund of the County or from any other available revenues.

7. The County shall authorize the transfer and payment of the sum of \$271,000 from general funds of the County to the Construction and Acquisition Account as provided in the Agreement in payment of that portion of the cost of acquiring the Gill Building allocable to the space occupied by J.K. Gill Stationers.

8. The County does establish, with the Escrow Agent, the Multnomah County, Oregon 1988 Office Facilities Reserve Account. Upon the closing of the sale of the Certificates, the Escrow Agent shall receive from the County, for deposit to the Reserve Account, an amount not exceeding the maximum annual debt service of the Certificates or 10% of the proceeds of the Certificates, whichever is the lesser. Monies in the Reserve Account shall be held in trust as a reserve for the payment of Lease Payments pursuant to the Agreement, and shall be used and applied only as provided therein.

9. The County does designate and appoint The Oregon Bank as the Escrow Agent and Paying Agent and Registrar for the Certificates and does request the Paying Agent and Registrar to authenticate the Certificates as of the date of delivery to the purchasers thereof.

10. The County does approve of the Underwriter preparing and distributing a Preliminary Official Statement, does ratify the distribution thereof to prospective purchasers of the Certificates, and does authorize the preparation and distribution of the Official Statement. When the Authorized Officer has been advised that the final Official Statement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained in the Official Statement not misleading in light of the circumstances under which they are made, then the Authorized Officer may certify the accuracy of the Official Statement on behalf of the County.

11. The proceeds of the Certificates shall be used by the County and invested by the Escrow Agent in such manner that the Certificates will not become "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, (the "Code") and regulations issued thereunder. Nor shall the County permit the Facilities to be used in a manner causing the Certificates to be or to become "private activity bonds" within the meaning of Section 141 of the Code.

12. The County does authorize either the Finance Manager or the Finance Director of the County, as an Authorized Officer, to execute such other documents for and on behalf of the County as are necessary and proper to consummate the financing pursuant to the Agreement.

ADOPTED this 30th day of June, 1988.



BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

By

Gladys McCoy
Gladys McCoy
Multnomah County Chair

APPROVED AS TO FORM:

LAURENCE KRESSEL
County Counsel for
Multnomah County, Oregon

By *Laurence Kessel*
County Counsel

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