

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

In the matter of authorizing and approving)
of the issuance and negotiated sale of the)
Taxable Certificates of Participation, Series)
1993B; approving the issuance of Certificates)
pursuant to the County Health Systems Facilities) **RESOLUTION**
Master Lease-Purchase and Authorizing a Certificate) **#93- 90**
Purchase Agreement and a Final and Preliminary)
Official Statement; and Designating an Authorized)
Representative; Appointing Underwriter, Trustee,)
Bond Counsel and Financial Advisor;)
Approving of an Advance Refunding Plan.)

WHEREAS, pursuant to Oregon Revised Statutes Sections 279.101 and 288.600, the Board of County Commissioners of Multnomah County, Oregon (the "Board") desire to issue Taxable Certificates of Participation, Series 1993B (the "Certificates") for the following projects:

1. To finance a portion of the acquisition of the Walnut Park Building located at 5329 N.E. Martin Luther King Boulevard in Portland, Oregon known as the Multnomah County Northeast Health Clinic and to remodel and construct improvements to the Northeast Health Clinic, fund a Debt Service Reserve Account and to pay a portion of the costs of issuance of the Certificates. Approximately twenty-five percent (25%) of the Multnomah County Northeast Health Clinic is currently occupied by private tenants. That portion of the project must be financed with taxable certificates. The total estimated cost of the taxable portion of acquisition and improvements to the Northeast Health Clinic shall not exceed \$1,000,000; and

2. To pay principal and accruing interest on a portion of the outstanding Multnomah County, Oregon Taxable Certificates of Participation, Series 1990A (Mead Building Project) maturing January 1, 1994 through and including January 1, 1998 and to pay principal and accruing interest plus a premium of two-percent (2%) on January 1, 1998 on a portion of the outstanding Series 1990A Certificates of Participation maturing January 1, 1999 through and including January 1, 2010. The Series 1990A Certificates of Participation are dated January 1, 1990 and were issued in the original principal amount of \$4,185,000. Approximately twenty-five percent (25%) of the Mead Building is currently occupied by private tenants. That portion of the refunding must be financed with taxable certificates of participation. The total estimated cost of refunding the taxable portion of the Series 1990A Certificates shall not exceed \$1,500,000; and

WHEREAS, the Board does not intend or represent that the interest on the Taxable Certificates of Participation, Series 1993B, will be excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the Board is not obligated to take any action to attempt to secure any such exclusion.

WHEREAS, the Board has reviewed a proposed plan to provide funds for the payment of the costs of such acquisition of land and building, improvements, remodeling, equipment and refinancings of prior issues (the "Project") through the issuance of Taxable Certificates of Participation under the Master Lease-Purchase Agreement (the "Agreement") to be entered into between Multnomah County (the "County") and a Trustee (the "Trustee") and the Board determines that the proposed issuance of the Certificates of Participation, Series 1993B is in the best interest of the County;

THEREFORE BE IT RESOLVED THAT:

Section 1. Issuance of Series 1993B Certificates of Participation. The Board does authorize the issuance and private negotiated sale of taxable Certificates of Participation, Series 1993B, in an amount not to exceed \$2,500,000 (the "Certificates") to finance the Project and to fund, in part, a debt service reserve fund to secure the payment of the Certificates and to provide for the payment of the costs of issuance of the Certificates. The Board authorizes the Director, Finance Division or the Treasury Manager (the "Authorized Representative") to determine and designate the dated date, the maturity dates, but not to exceed twenty (20) years from date of issue, the principal serial maturities, the optional redemption dates and premiums, if any, the term bond maturity or maturities, with or without premium, and to determine the interest payment dates and interest rates not to exceed a net effective rate of nine percent (9%), underwriter's discount and original issue discount, and to confirm and certify the allocation of governmental/private use of the Northeast Health Clinic and the Mead Building, and to determine such other provisions as are deemed necessary and desirable for the sale and issuance of the Certificates.

Section 2. Title and Execution of Certificates. The Certificates shall be entitled "Multnomah County, Oregon Taxable Certificates of Participation, Series 1993B" and shall bear the manual authentication signature of the Trustee. The Certificates shall be initially issued in book-entry form as a single typewritten certificate for each single maturity and issued in the registered name of the nominee of The Depository Trust Company, New York, New York in book-entry-only form. The Certificates will be issued without certificates being made available to the certificate holders.

Section 3. Book-Entry-Only System. Ownership of the Certificates shall be recorded through entries on the books of banks and broker-dealer participants and correspondents that are related to entries on The Depository Trust Company book-entry-only system. The Certificates shall be initially issued in the form of a separate, single, fully registered type-written certificate for each maturity of the Certificates (the "Global

Certificates"). Each Global Certificate shall be registered in the name of Cede & Co. as nominee (the "Nominee") of The Depository Trust Company (the "Depository") as the "Registered Owner", and such Global Certificates shall be lodged with the Depository until redemption or maturity of the Certificates of Participation, Series 1993B, issue. The Paying Agent shall remit payment for the maturing principal and interest on the Certificates to the Registered Owner for distribution by the Nominee for the benefit of the certificate holder (the "Beneficial Owner" or "Record Owner") by recorded entry on the books of the Depository participants and correspondents. While the Certificates are in book-entry-only form, the Certificates will be available in denominations of \$5,000 or any integral multiple thereof.

The Authorized Representative shall file with the Depository a Letter of Representations to induce the Depository to accept the Certificates as eligible for deposit at the Depository. The Underwriters for the Certificate issue are authorized to provide the Depository with the Preliminary Official Statement, together with the completed Depository's underwriting questionnaire.

The execution and delivery of the Letter of Representations and the providing to the Depository of the Preliminary Official Statement and the underwriting questionnaire shall not in any way impose upon the County any obligation whatsoever with respect to persons having interests in the Certificates other than the Registered Owners of the Certificates as shown on the registration books maintained by the Paying Agent and Registrar. The Paying Agent and Registrar, in writing, shall accept the book-entry-only system and shall agree to take all action necessary to at all times comply with the Depository's operational arrangements for the book-entry-only system. The Authorized Representative may take all other action to qualify the Certificates for the Depository's book-entry-only system.

In the event:

(a) the Depository determines not to continue to act as securities depository for the Certificates, or

(b) the County determines that the Depository shall no longer so act, then the County will discontinue the book-entry-only system with the Depository. If the County fails to identify another qualified securities depository to replace the Depository, the Certificates shall no longer be a book-entry-only issue but shall be registered in the registration books maintained by the Paying Agent and Registrar in the name of the Registered Owner as appearing on the registration books of the Paying Agent and Registrar and thereafter in the name or names of the owners of the Certificates transferring or exchanging Certificates in accordance with the provisions of Section 12 herein.

With respect to Certificates registered in the registration books maintained by the Paying Agent and Registrar in the name of the Nominee of the Depository, the County, and the Paying Agent and Registrar shall have no responsibility or obligation to any participant

or correspondent of the Depository or to any Beneficial Owner on behalf of which such participants or correspondents act as agent for the Registered Owner with respect to:

(i) the accuracy of the records of the Depository, the Nominee or any participant or correspondent with respect to any ownership interest in the Certificates,

(ii) the delivery to any participant or correspondent or any other person, other than a Registered Owner as shown in the registration books maintained by the Paying Agent and Registrar, of any notice with respect to the Certificates, including any notice of redemption,

(iii) the selection by the Depository of the beneficial interest in Certificates to be redeemed in the event the County redeems the Certificates in part, or

(iv) the payment to any participant, correspondent or any other person other than the Registered Owner of the Certificates as shown in the registration books maintained by the Paying Agent and Registrar, of any amount with respect to principal or interest on the Certificates. Notwithstanding the book-entry-only system, the County may treat and consider the Registered Owner in whose name each Certificate is registered in the registration books maintained by the Paying Agent and Registrar as the Registered Owner and absolute owner of such Certificate for the purpose of payment of principal and interest with respect to such Certificate, or for the purpose of giving notices of redemption and other matters with respect to such Certificate, or for the purpose of registering transfers with respect to such Certificate, or for all other purposes whatsoever. The County shall pay or cause to be paid all principal of and interest on the Certificates only to or upon the order of the Registered Owner, as shown in the registration books maintained by the Paying Agent and Registrar, or their representative attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligation with respect to payment thereof to the extent of the sum or sums so paid.

Upon delivery by the Depository to the County and to the Registered Owner of a Certificate of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee then the word "Nominee" in this Resolution shall refer to such new nominee of the Depository, and upon receipt of such notice, the County shall promptly deliver a copy thereof to the Paying Agent and Registrar.

Section 4. Negotiated Sale of Certificates. The Authorized Representative is authorized to negotiate and execute, on behalf of the County, a Certificate Purchase Agreement with the Underwriter for the purchase of the Series 1993B Certificates. Regional Financial Advisors is appointed Expert Advisor to the County for the negotiated sale of the Series 1993B Certificates.

Section 5. Issuance of the Certificates Pursuant to the Master Agreement. The Board does approve of the issuance of Certificates pursuant to the County Health Systems Master Lease-Purchase Agreement dated as of May 1, 1993 (the "Master Agreement").

Section 6. Budget Appropriations. The County may budget and appropriate expenditures sufficient to pay the Lease Payments for each fiscal year in the amount of the annual principal component maturities and the accruing interest components on the outstanding Certificates, but the County is not obligated to budget and appropriate such expenditures unless the Board of County Commissioners shall include such payments in the County budget for each fiscal year. 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 termination of the Agreement and the Escrow Agent may exercise such remedies as are provided in the Agreement.

Section 7. Establishment of Trust Accounts. The Board does authorize the establishment of certain trust accounts as provided in the Master Agreement including the "Multnomah County, Oregon Series 1993B Certificates of Participation Reserve Account". There shall be deposited at the close of the sale of the Certificates to the Reserve Account sufficient moneys to be held in trust to fully fund the debt service Reserve Account for the payment of Lease Payments pursuant to the Agreement. In the event of the failure to appropriate funds, or if other appropriated funds for payment of the Certificates are not available in any fiscal year for the payment of the Lease Payments, the Escrow Agent is authorized to transfer from the Reserve Account moneys, until the Reserve Account is exhausted, sufficient to provide for any deficiency in the amount of the Lease Payments due during that ensuing fiscal year. Funds in the Reserve Account shall be applied only upon the Lease Payments.

Section 8. Security for the Certificates. The Certificates shall be secured by a pledge and covenant of the County to apply "appropriated funds" from the general funds or from other available appropriated funds of the County upon the payment of the Lease Payments and to secure the Lease Payments by funds in the Reserve Account and by a pledge of the County's interest in the Facilities.

Section 9. Designation of Trustee, Paying Agent and Registrar, Bond Counsel, and Financial Advisor. The County does designate and appoint Bank of America Oregon as the Trustee 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. The County does appoint the law firm of Rankin Mersereau and Shannon of Portland, Oregon as Bond Counsel for the issuance of the Series 1993B Certificates. Regional Financial Advisors is appointed Financial Advisor to the County for the issuance of the Series 1993B Certificates.

Section 10. Payment of Certificates. If the book-entry-only system has been discontinued, then the principal of the Certificates shall be payable upon presentation of the Certificates at maturity at the principal corporate trust office of the Paying Agent in Portland, Oregon. Payment of each installment of interest due shall be made by check or draft of the Paying Agent mailed on each interest payment date to the registered owner thereof whose name and address appears on the registration books of the County maintained by the Paying Agent as of the close of business on the 15th day of the month next preceding any interest payment date.

Section 11. Form of Certificates. The Certificates shall be issued substantially in the form as approved by the County, Financial Advisor to the County and Bond Counsel.

Section 12. Transfer of Certificates. If the book-entry-only system is discontinued the Certificates will be issued in printed certificate form. Then the Certificates are transferable, or subject to exchange, for fully registered Certificates in the denomination of \$5,000 each or integral multiples thereof by the registered owner thereof in person, or by the owner's attorney, duly authorized in writing, at the office of the Registrar. The Registrar shall maintain a record of the names and addresses of the registered owners of the Certificates. The records of the registered bond ownership are not public records within the meaning of Oregon Revised Statutes 192.410(4).

All certificates issued upon transfer of or in exchange for Certificates shall be valid obligations of the County evidencing the same debt and shall be entitled to the same benefits as the Certificates surrendered for such exchange or transfer. All fees, expenses and charges of the Paying Agent and Registrar shall be payable by the County. The Registrar shall not be required to transfer or exchange any Certificates after the close of business on the 15th day of the month next preceding any interest payment date or transfer or exchange any Certificate called or being called for redemption.

Section 13. Covenant as to Arbitrage. The proceeds of the Certificates shall be used and invested in such manner that the Certificates shall not become "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations. The County covenants that, within its lawful powers, it will not do, and will refrain from doing, anything in the issuance of the Certificates and in the investment and expenditure of the proceeds thereof which would result in the interest on the Certificates becoming taxable for federal income tax purposes.

Section 14. Irrevocable Call and Redemption of Prior Certificates. The County does irrevocably call and redeem the principal of the Series 1990A Taxable Certificates of Participation (Mead Building Project)(the "Series 1990A Certificates") on the first optional redemption date of the Series 1990A Certificates. This irrevocable call and redemption is subject to the sale and delivery of the Series 1993B Certificates and the full funding of the Escrow Fund as provided in the Lease-Purchase and Escrow Agreement.

Section 15. Effect of Refunding on Prior Certificates. The Board determines that, upon deposit into the Escrow Fund of Government Obligations in an amount calculated to be sufficient to pay a portion of the principal and accruing interest on the Series 1990A

Certificates such deposit shall fully defease that portion of the principal amounts of the 1990A Certificates in the manner as set forth in this Resolution. The funds on deposit in the Escrow Fund for the redemption and payment of the refunded principal of such Series 1990A Certificates shall be deducted from the amount of outstanding indebtedness of the County. In addition, such principal amounts of the Series 1990A Certificates shall be deemed fully defeased for the purpose of any statutory debt limitation.

Section 16. Appointment of Underwriters. The County does designate and appoint Lehman Brothers Division of Shearson Lehman Brothers Inc. as Underwriters of the private negotiated sale of the Series 1993B Certificates of Participation.

Section 17. Preliminary and Final Official Statement. The County does approve of the preparation and distribution of the Preliminary Official Statement, does approve of the distribution thereof to prospective purchasers of the Certificates and does authorize the preparation and distribution of the Official Statement. The Authorized Representative may "deem final" the Preliminary Official Statement for purposes of SEC Rule 15c2-12 when the Authorized Representative is satisfied that the tax requirements for such designation have been satisfied. When the Authorized Representative 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 the light of the circumstances under which they are made, then the Authorized Representative may certify the accuracy of the Official Statement on behalf of the County.

Section 18. Execution of Documents. The County does authorize the Authorized Representative of the County to execute such other and necessary documents as are proper to consummate the issuance of the Certificates.



ADOPTED this 1st day of April, 1993.

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

By [Signature]
Multnomah County Chair

Reviewed By:

LAURENCE KRESSEL
County Counsel for
Multnomah County, Oregon

By [Signature]
County Counsel

(scg)\clients\multco\cop1993B.res