

BEFORE THE BOARD OF COUNTY COMMISSIONERS

MULTNOMAH COUNTY, OREGON

In the matter of authorizing)
and approving of the issuance)
and negotiated sale of the)
Series 1990B Taxable Certifi-)
cates of Participation;)
approving and authorizing the) RESOLUTION
Certificate Purchase Agreement,)
the Lease-Purchase and Escrow) #90- 88
Agreement, and the Preliminary)
Official Statement and Official)
Statement; and designating an)
Authorized Officer.)

WHEREAS, the Board of County Commissioners of Multnomah County, Oregon (the "Board") desires to acquire the land and building known as the Commercial Securities Building (the "County Government Center") in Portland, Oregon and to make certain renovations and remodeling of the interior of the building, including asbestos removal, for the purpose of housing the County's General Services Division and such other agencies, divisions and departments of the County as may be located therein from time to time;

WHEREAS, the sellers of the Commercial Securities Building desire to close the purchase before July 10, 1990;

WHEREAS, the Board has reviewed a proposed plan to provide funds for the payment of the costs of such acquisition and renovation through the issuance of Taxable Certificates of Participation under a Lease-Purchase and Escrow Agreement to be entered into between Multnomah County (the "County") and a Vendor and Escrow Agent (the "Vendor" and "Escrow Agent") and the Board does determine that the proposed issuance of Certificates of Participation would be in the best interests of the County;

WHEREAS, the Board is advised that pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder, the County may not issue tax-exempt Certificates of Participation in that the Commercial Securities Building will continue to be substantially leased and occupied by private activity tenants during the remaining terms of their existing commercial leases. Therefore, it is proposed that the Certificates of Participation in the principal amount not to exceed \$18,500,000 will be taxable certificates issued for the purpose of the

acquisition of the Commercial Securities Building and the renovation and remodeling thereof and to pay the costs of issuance of the Certificates. The interest component payable on the Certificates of Participation will be includable in gross income for federal income tax purposes;

WHEREAS, the Finance Director has negotiated documents for the issuance of the Certificates and has received from Kidder, Peabody & Co., Incorporated (the "Underwriter") a Certificate Purchase Contract for the purchase of the Certificates evidencing proportionate interests in the Lease-Purchase payments to be made by the County;

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 Director that the documents are in substantially final form and ready for approval and authorization;

THEREFORE BE IT RESOLVED THAT:

1. The Board does authorize and approve of the disbursement of appropriated funds from the Lease/Purchase Project Fund to purchase the Commercial Securities Building prior to the issuance of Certificates of Participation and the Lease/Purchase Project Fund shall be reimbursed from the proceeds of the sale of the Certificates of Participation.

2. The Board does authorize and approve of the Lease-Purchase financing of the acquisition and renovation of the Commercial Securities Building land and property (the "Facilities") as more fully described in the Series 1990B Lease-Purchase and Escrow Agreement (the "Agreement"), does authorize and approve of the Agreement, and does designate the Finance Director or designee, with the advice and consent of the Chair, as the Authorized Officer to execute these documents for and on behalf of the County.

3. The Board does accept the terms and provisions of the Series 1990B Certificate Purchase Contract (the "Purchase Contract") and does approve of the purchase price and interest rate to be borne by the Certificates and does authorize the authorized officer, with the advice and consent of the Chair, to execute the Purchase Contract on behalf of the County.

4. Pursuant to the authority of Oregon Revised Statutes Sections 271.390 and 279.101(2) and 288.600 and applicable provisions of the Charter of the County, the Board does approve of and authorize and direct that the Series 1990B Certificates of Participation be issued and that the interest component of the Certificates shall be taxable for federal income tax purposes to the holders of the Certificates and the County does consent to such taxation of the interest component

of the Certificates and does direct that the adoption of this Resolution and the execution thereof by the Chair of the Board shall constitute the written consent as provided by law.

5. The County does approve of the issuance of the Series 1990B Certificates in fully registered form, in denominations of Five Thousand Dollars (\$5,000) each or integral multiples thereof, to be dated July 1, 1990 and to be numbered sequentially beginning with Number R-1. The Certificates shall mature serially on the first day of July of each year as stated in the Certificate Purchase Agreement.

6. The Certificates shall bear interest payable semiannually on the first day of January and the first day of July of each year commencing January 1, 1991. Interest shall be calculated on the basis of a 30-day month, 360-day year and shall be payable by check or draft mailed on the interest payment date 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 fifteenth day of the month wherein an interest payment is due.

7. The County may elect to redeem the Certificates maturing after July 1, 1997 in whole or in part, and if in part, in inverse order of maturity, and by lot within a single maturity and in such amounts that equal \$5,000 or any integral multiple thereof, on any interest payment date on or after July 1, 1998 at a price equal to the principal component of the Certificates to be redeemed plus the interest component accrued to the redemption date.

8. In addition, the Certificates are redeemable, if, in the opinion of the County, the Facilities suffer substantial damage or destruction to the extent it cannot be reasonably used for its intended purposes or in the event of prepayment of the Lease Payments by the deposit by the County with the Escrow Agent of sufficient cash or government obligations to prepay the outstanding Lease Payments.

9. 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.

10. 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 includes 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.

11. The Board does authorize the establishment of certain trust accounts as provided in the Agreement including the "Multnomah County, Oregon Series 1990B Facilities Reserve Account". There shall be deposited at the close of the sale of the Certificates to the Reserve Account moneys to be held in trust as a reserve for the payment of Lease Payments pursuant to the Agreement. In the event of the failure to appropriate funds in any fiscal year for the Lease Payments or the insufficiency of funds appropriated and available for the Lease Payments, the Escrow Agent is authorized to transfer from the Reserve Account such moneys, until the Reserve Account is exhausted, in sufficient amount to make up any deficiency in the amount of the Lease Payments due during the ensuing fiscal year. Funds in the Reserve Account shall be applied only upon Lease Payments including unappropriated Lease Payments.

12. The Certificates shall be secured by a pledge and covenant of the County to apply appropriated funds from the general funds of the County upon the Lease Payments and to secure the Lease Payments by funds in the Reserve Account and by a pledge of the County's leasehold interest in the Facilities.

13. The County does designate and appoint Security Pacific Bank Oregon as the Vendor, 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.

14. The County does approve of the preparation and distribution of the 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 the 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.

15. The County does authorize the Authorized Officer of the County to execute such other and necessary documents as are proper to consummate the financing.

ADOPTED this 14th day of June, 1990.



BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

By Gladys Meloy
Multnomah County Chair

Reviewed by:

LAURENCE KRESSEL
County Counsel for
Multnomah County, Oregon

By Laurence Kessel
County Counsel

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