

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 00-035

Authorizing Issuance of Education Facilities Revenue Bonds, Series 2000 (University of Portland Project)

The Multnomah County Board of Commissioners Finds:

- a. 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)
- b. The County adopted Resolution No. 00-017 on January 27, 2000 which, among other things, approved a letter of intent (the "Letter of Intent") with the University of Portland, a qualified Section 501(c)(3) organization, a non-profit corporation and an "education institution" as defined in Oregon Revised Statutes Section 352.790(4) (the "University"). Pursuant to the provisions of Oregon Revised Statutes Sections 352.790 to 352.820 and ORS 288.815 to 288.945 (collectively, the "Act"), the Board of County Commissioners (the "Board") agreed to use its best efforts to issue Education Facilities Revenue Bonds, Series 2000 (University of Portland Project) (the "Bonds") for and on behalf of the University in an amount not exceeding \$19,000,000
- c. Resolution No. 00-017 authorized the publication of a notice of intent to issue revenue bonds, as set forth in Oregon Revised Statutes Section 288.185(6), to be published in The Oregonian, in Portland, Oregon, a newspaper of general circulation within the County in the same manner as other public notices of the County. Such notice was published January 28, 2000 and more than 60 days have elapsed since the publication of the notice and no petitions have been received or filed with the County
- d. Additionally, a Notice of Public Hearing (TEFRA Notice) was published on February 2, 2000 in The Oregonian, in Portland, Oregon pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"). The Public Hearing was held on February 18, 2000 and the Director, Finance Division of the County (the "Director, Finance Division") as the designated hearing official for the County, conducted the hearing pursuant to the Code. The Director, Finance Division has reported to the Board that no members of the public were present and no comments, written or oral, were submitted
- e. The Board is advised that the Bonds will be issued pursuant to a Trust Indenture between Multnomah County, Oregon as "Issuer" and BNY Western Trust Company as the "Bond Trustee" dated as of November 1, 1997, as supplemented by a First Supplemental Trust Indenture between the Issuer and the Bond Trustee, dated as of April 1, 2000 (the Trust Indenture as supplemented by the First Supplemental Trust Indenture, the "Indenture")

- f. The proceeds of the Bonds will be loaned to the University pursuant to a Loan Agreement between the Issuer and the University, dated as of November 1, 1997, as supplemented by a First Supplemental Loan Agreement between the Issuer and the University, dated as of April 1, 2000 (the Loan Agreement as supplemented by the First Supplemental Loan Agreement, the "Loan Agreement") and will be used to finance the Project as defined in the County's Resolution No. 00-017 and the First Supplemental Loan Agreement
- g. The Board designates 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
- h. Prior to the execution of the Bond Purchase Agreement among the County, the University and Seattle-Northwest Securities Corporation, as underwriter (the "Underwriter") of the Bonds (the "Bond Purchase Agreement"), the County will receive an evaluation of, among other things, the terms, conditions and pricing of the negotiated purchase of the Bonds by the Underwriter from an independent financial advisor and expert in accordance with Oregon Revised Statutes 288.845.

The Multnomah County Board of Commissioners Resolves:

- 1. The County hereby authorizes the issuance of the Bonds in an aggregate principal amount not exceeding \$19,000,000 upon such terms and covenants as may be approved by the Authorized Representative as provided in Section 6 hereof.
- 2. The 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 any debt service fund established under the Indenture. The Bonds shall not be deemed to constitute a debt or liability of the County within the meaning of any state constitutional provision or statutory debt limitation and shall not constitute a pledge of the full faith and credit of the County, but shall be payable solely from the funds provided for in the Loan Agreement and in the Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the County to levy any form of taxation therefor or to make any appropriation for their payment. No breach by the County of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the County or any charge upon its general credit or its taxing power.

In accordance with Oregon Revised Statutes Section 352.805(4), the County pledges to the payment of the Bonds the education 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 Bonds, which notice shall be constructive notice thereof to all parties as provided in Oregon Revised Statutes Section 352.805(4).

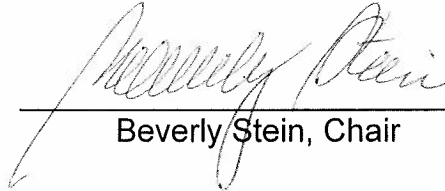
3. The Bonds shall be in substantially the form approved by the Authorized Representative and Bond Counsel. The Bonds may be issued in one or more series, may be printed or typewritten, and may be issued as one or more temporary Bonds, which shall be exchangeable for definitive Bonds when definitive Bonds are available. The Bonds shall be executed by facsimile signature of the Chair and attested to by the facsimile signature of the County Clerk. Additionally, the Bonds shall be authenticated by the manual signature of the authorized officer of the Registrar, as defined below.
4. The Bonds shall be initially issued as a book-entry only security issue with no Bonds being made available to the Owners pursuant to the terms of a Blanket Issuer Letter of Representations (the "Letter of Representations") executed and delivered by the County to The Depository Trust Company ("DTC"), New York, New York, as the securities depository of the Bonds.
5. The County authorizes the Authorized Representative to designate a Registrar and Paying Agent for the Bonds (the "Registrar"). A successor Registrar may be appointed for the Bonds by the Authorized Representative.
6. The Authorized Representative is hereby authorized pursuant to ORS 288.520(4) to:
 - a. establish the dated date, the principal amounts, interest rates, interest rate setting mechanisms, payment dates, redemption, tender and purchase terms, the final maturity date and other terms for the Bonds;
 - b. negotiate the terms under which the Bonds shall be sold, enter into a Bond Purchase Agreement for sale of the Bonds in one or more series, and execute and deliver a Bond Purchase Agreement;
 - c. appoint an "expert advisor" for the purpose of evaluating the terms of the negotiated sale, prior to the sale of the Bonds;
 - d. take such actions as are necessary to qualify the Bonds for the book-entry only system of The Depository Trust Company if required;
 - e. approve of and authorize the distribution of preliminary and final official statements for the Bonds;
 - f. obtain ratings, municipal bond insurance or a letter of credit for the Bonds, and if purchased, direct expenditure of Bond proceeds to pay the costs associated with any such credit enhancement and execute and deliver any agreements necessary to obtain such credit enhancement for the Bonds; and
 - g. execute and deliver the Indenture, the Loan Agreement and any other certificates, documents or agreements that are reasonably required to issue, sell and deliver the Bonds in accordance with this Resolution.

7. In consideration of the purchase and acceptance of any or all of the Bonds by those who shall own the Bonds from time to time (the "Owners"), the provisions of this Resolution shall be part of the contract of the County with the Owners and shall be deemed to be and shall constitute a contract between the County and the Owners. The covenants, pledges, representations and warranties contained in this Resolution, the Indenture, the Loan Agreement or in the other closing documents executed in connection with the Bonds, including without limitation the County's covenants and pledges contained herein, and the other covenants and agreements herein set forth to be performed by or on behalf of the County shall be contracts for the equal benefit, protection and security of the Owners, all of which shall be of equal rank without preference, priority or distinction of any of such Bonds over any other thereof, except as expressly provided in or pursuant to this Resolution.

ADOPTED this 30th day of March, 2000.

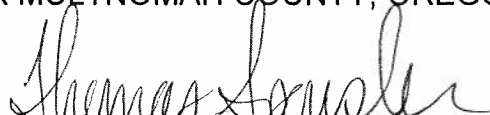


BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON


Beverly Stein, Chair

REVIEWED:

THOMAS SPONSLER, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By 
Thomas Sponsler, County Attorney