

**THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE**

**URA RESOLUTION NO. 296**

**A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE, OREGON AUTHORIZING INDEBTEDNESS FOR A CAPITAL PROJECT DESCRIBED IN THE URBAN RENEWAL PLAN FOR THE COFFEE CREEK URBAN RENEWAL AREA.**

WHEREAS, the Urban Renewal Agency of the City of Wilsonville (the “Agency”) is authorized by ORS Chapter 457 to incur indebtedness to carry out the Coffee Creek Urban Renewal Plan, as it has been and may in the future be amended in accordance with its terms (the “Plan”) and by ORS Chapter 190 to enter into intergovernmental agreements; and,

WHEREAS, the Agency has determined that a borrowing secured by the full faith and credit of the City of Wilsonville (the “City”) will provide more beneficial terms to the Agency than a borrowing issued directly by the Agency and secured solely by the Agency’s tax increment revenues; and

WHEREAS, the City has agreed to enter into a borrowing secured by its full faith and credit to finance the Garden Acre Road Project (the “Project”) described in the Plan, in an amount not to exceed \$3,800,000 and wishes to pay the debt service from the tax increment revenues of the Coffee Creek Urban Renewal Area (the “Area”); and,

WHEREAS, all of the Project will be located within the within the Area and owned by Agency or the City; and,

WHEREAS, the Area is projected to have sufficient tax increment revenues to pay the debt service on the City’s financing for the Project; and,

WHEREAS, the Agency is willing to commit tax increment revenues from the Area in amounts sufficient to pay up to \$3,800,000 in principal amount of financing for the Project, plus interest; and,

WHEREAS the City has approved a maximum indebtedness for the Area of \$67,000,000 and the Agency is willing to use \$3,800,000 of that maximum indebtedness to finance the Project; and,

NOW, THEREFORE, THE BOARD OF THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE (THE “BOARD”) HEREBY RESOLVES AS FOLLOWS:

**Section 1. Intergovernmental agreement authorized.** The Board hereby authorizes the Agency to enter into an intergovernmental agreement with the City that obligates the Agency to pay up to \$3,800,000 in principal amount, plus interest, to finance the Project and pay costs of issuance of the financing. The Intergovernmental Agreement shall constitute indebtedness of the Agency that is secured by a pledge of, and payable solely from the tax increment revenues of the

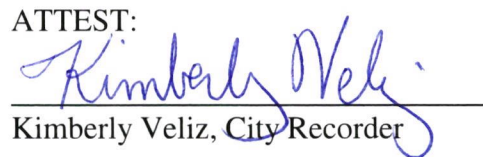
Area. The Intergovernmental Agreement shall be in substantially the form attached to this resolution as Exhibit A but with such changes as are approved pursuant to Section 2.

**Section 2. Delegation.** The City Manager is hereby authorized, on behalf of the Agency and without further action by the Board to negotiate the final terms of and execute the Intergovernmental Agreement described in Section 1 of this resolution, and to execute any documents and take any other actions that are desirable to assist the City in financing the Project.

**Section 3. Effective Date.** This resolution is effective immediately upon adoption.

ADOPTED by the Urban Renewal Agency of the City of Wilsonville at a regular meeting thereof this 18<sup>th</sup> day of March, 2019 and filed with the Wilsonville City Recorder this same date.

  
Tim Knapp, Board Chair

ATTEST:  
  
Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Board Chair Knapp	Yes
Board Member Akervall	Yes
Board Member Stevens	Yes
Board Member Lehan	Yes
Board Member West	Yes

Exhibit:

A. Intergovernmental Agreement Between the City and the Urban Renewal Agency

Exhibit A – Form of Intergovernmental Agreement

Form of

Intergovernmental Agreement  
To Make Financing Payments

By and between the

Urban Renewal Agency of the City of Wilsonville, Oregon

And the

City of Wilsonville, Oregon

Dated as of March 18, 2019

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**Intergovernmental Agreement  
To Make Financing Payments**

This Intergovernmental Agreement to Make Financing Payments is dated as of March 18, 2019, and is entered into by and between the Urban Renewal Agency of the City of Wilsonville, Oregon (the “Agency”) and the City of Wilsonville, Oregon (the “City”). The parties hereby agree as follows:

**Section 1. Definitions and Recitals.**

(1) Definitions.

Unless the context clearly requires otherwise, capitalized terms used in this Intergovernmental Agreement that are defined in this Section 1(1) shall have the following meanings:

“Area” means the Coffee Creek Urban Renewal Area described in the Plan.

“Financing Agreement” means the Financing Agreement (Coffee Creek Urban Renewal Projects) between the City and Columbia State Bank in the principal amount of (\$3,800,000) to finance the Projects, which is dated as of March 5, 2019.

“Financing Payments” means the principal and interest payments the City is required to make to Columbia State Bank under the Financing Agreement.

“Plan” means the Coffee Creek Urban Renewal Plan approved by City Ordinance No. 796 as that plan has been, and may in the future be, amended pursuant to its terms.

“Project” means the Garden Acres Road Project.

“Tax Increment Revenues” means all revenues that the Agency collects for the Area under the provisions of Article IX, Section 1c of the Oregon Constitution and ORS Chapter 457.

(2) Project-Related Agreements.

(A) The City has entered into the Financing Agreement to finance costs of the Project and to pay costs of issuance.

(B) The City and the Agency agree that the proceeds of the Financing Agreement to finance the Project should be deposited directly with the Agency and the City’s lender will make that deposit on April 4, 2019.

(C) The Project is properly described as Urban Renewal Project in the Plan.

- (D) The Agency is authorized to spend Tax Increment Revenues to pay for the costs of the Project.
- (E) The Project will assist the Agency in carrying out its Plan.
- (F) The Agency will only spend the proceeds on the Project.
- (G) Unless the City and Agency receive a written opinion from bond counsel that a sale is permitted, so long as the Financing Agreement is outstanding, the Project will remain owned by the City or Agency.
- (H) This is the Agency's first expenditure against the \$67,000,000 maximum indebtedness limit in the Plan.

### **Section 2. The Financing Payments.**

#### (1) The Financing Payments.

The Agency hereby agrees to pay to the City, not less than one business day prior to the dates on which the City is required to pay the Financing Payments, amounts that are equal to the Financing Payments. The amounts and dates of the Financing Payments are shown in Exhibit A.

#### (2) Security for the Obligation of the Agency to Pay the Financing Payments.

This Intergovernmental Agreement shall constitute indebtedness of the Agency in a principal amount that is equal to the Financing Amount. The Agency is obligated to make the payments due under this Intergovernmental Agreement solely from the Tax Increment Revenues. Pursuant to ORS 287A.310, the Agency pledges the Tax Increment Revenues to pay the amounts described in Section 2.1. The pledge that secures this Intergovernmental Agreement shall be superior to all other pledges or commitments of Tax Increment Revenues that the Agency makes, unless the City agrees in writing to subordinate its claim against the Tax Increment Revenues or to grant a lien on the Tax Increment Revenues on parity.

### **Section 3. Prepayment.**

If the City exercises its option to prepay the Financing Payments in whole or in part, unless the Agency consents in advance and in writing, the Agency shall not be obligated to prepay the amounts due from it under this Intergovernmental Agreement.

### **Section 4. Estoppel.**

The Agency hereby certifies, recites and declares that all things, conditions and acts required by the Constitution and Statutes of the State of Oregon and by this Intergovernmental Agreement to exist, to

have happened and to have been performed precedent to and in the execution and the delivery of this Intergovernmental Agreement, do exist, have happened and have performed in due time, form and manner, as required by law, and that this Intergovernmental Agreement is a valid and binding obligation of the Agency that is enforceable against the Agency in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other laws or judicial decisions or principles relating to or affecting the enforcement of creditor's rights or contractual obligations generally.

#### **Section 5. Title.**

Neither the City nor the owner of the Financing Agreement shall have a lien on or security interest in the Project.

#### **Section 6. Miscellaneous.**

(1) Binding Effect.

This Intergovernmental Agreement shall inure to the benefits of and shall be binding upon the Agency and the City and their respective successors and assigns.

(2) Severability.

In the event any provisions of this Intergovernmental Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

(3) Amendments.

This Intergovernmental Agreement may be amended only by a writing signed by both parties.

(4) Execution in Counterparts.

This Intergovernmental Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute the same instrument.

(5) Applicable Law.

This Intergovernmental Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any action regarding this Intergovernmental Agreement or the transactions contemplated hereby shall be brought in an appropriate court of the State of Oregon in Clackamas County, Oregon, or any court in the State of Oregon where jurisdiction and venue are proper.

(6) Rules of Construction.

References to section numbers in documents that do not specify the document in which the section is located shall be construed as references to section numbers in this Intergovernmental Agreement.

(7) Headings.

The headings, titles and table of contents in this Intergovernmental Agreement are provided for convenience and shall not affect the meaning, construction or effect of this Intergovernmental Agreement.

IN WITNESS WHEREOF, the Agency and the City have executed this Intergovernmental Agreement as of the date indicated above.

**Urban Renewal Agency of the City of Wilsonville, Oregon**

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Bryan Cosgrove, City Manager

**City of Wilsonville, Oregon**

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Brian Cosgrove, City Manager



**EXHIBIT A**

**Financing Payment Schedule**

Interest at the rate of 3.019%, calculated on a 30/360 day basis, is payable semi-annually on each December 1 and June 1 commencing, December 1, 2019. Principal and interest are payable according to the following schedule:

<b>Date</b>	<b>Payment</b>	<b>Interest</b>	<b>Principal</b>	<b>Balance</b>
4/4/2019				\$ 3,800,000.00
12/1/2019	\$ 138,403.92	\$ 79,803.17	\$ 58,600.75	\$ 3,741,399.25
6/1/2020	\$ 138,403.92	\$ 59,675.32	\$ 78,728.60	\$ 3,662,670.64
12/1/2020	\$ 138,403.92	\$ 58,419.60	\$ 79,984.32	\$ 3,582,686.32
6/1/2021	\$ 138,403.92	\$ 57,143.85	\$ 81,260.07	\$ 3,501,426.25
12/1/2021	\$ 138,403.92	\$ 55,847.75	\$ 82,556.17	\$ 3,418,870.08
6/1/2022	\$ 138,403.92	\$ 54,530.98	\$ 83,872.94	\$ 3,334,997.13
12/1/2022	\$ 138,403.92	\$ 53,193.20	\$ 85,210.72	\$ 3,249,786.42
6/1/2023	\$ 138,403.92	\$ 51,834.09	\$ 86,569.83	\$ 3,163,216.59
12/1/2023	\$ 138,403.92	\$ 50,453.30	\$ 87,950.62	\$ 3,075,265.98
6/1/2024	\$ 138,403.92	\$ 49,050.49	\$ 89,353.43	\$ 2,985,912.55
12/1/2024	\$ 138,403.92	\$ 47,625.31	\$ 90,778.61	\$ 2,895,133.93
6/1/2025	\$ 138,403.92	\$ 46,177.39	\$ 92,226.53	\$ 2,802,907.40
12/1/2025	\$ 138,403.92	\$ 44,706.37	\$ 93,697.55	\$ 2,709,209.85
6/1/2026	\$ 138,403.92	\$ 43,211.90	\$ 95,192.02	\$ 2,614,017.83
12/1/2026	\$ 138,403.92	\$ 41,693.58	\$ 96,710.34	\$ 2,517,307.50
6/1/2027	\$ 138,403.92	\$ 40,151.05	\$ 98,252.87	\$ 2,419,054.63
12/1/2027	\$ 138,403.92	\$ 38,583.92	\$ 99,820.00	\$ 2,319,234.63
6/1/2028	\$ 138,403.92	\$ 36,991.79	\$ 101,412.13	\$ 2,217,822.50
12/1/2028	\$ 138,403.92	\$ 35,374.27	\$ 103,029.65	\$ 2,114,792.85
6/1/2029	\$ 2,148,523.80	\$ 33,730.95	\$ 2,114,792.85	\$ 0.00