

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

In the Matter of an Ordinance Authorizing a Loan from)
the Special Public Works Fund by Entering into a Loan)
Contract with the Oregon Economic and Community) Ordinance No. 2002-05
Development Department)

The Board of County Commissioners for Columbia County, Oregon, ordains as follows:

Section 1. Title.

This Ordinance shall be known as Ordinance No. 2002-05.

Section 2. Authority.

This Ordinance is adopted pursuant to ORS 203.035 and ORS 285B.433(3):

Section 3. Findings.

The Board of County Commissioners for Columbia County, Oregon, makes the following findings:

- A. Columbia County is a “municipality” within the meaning of ORS 285.410(1).
- B. ORS 285B.410 through 285B.479 (the “Act”) authorizes any municipality to file an application with the Oregon Economic and Community Development Department (“OECDD”) to obtain financial assistance from the Special Public Works Fund.
- C. Columbia County has filed a joint application with the City of Clatskanie with OECDD to obtain financial assistance for an “infrastructure project” within the meaning of the Act.
- D. OECDD has approved Columbia County’s application for financial assistance from the Special Public Works Fund pursuant to the Act.
- E. Columbia County is required, as a prerequisite to the receipt of financial assistance from OECDD, to enter into a Financial Assistance Award Contract and a Loan Agreement with OECDD.
- F. The project described in Exhibit “B” to the Loan Agreement (the “Project”) is an “infrastructure project” within the meaning of the Act which is needed by and is in the public interest of Columbia County.

G. Notice relating to Columbia County's consideration of the adoption of this Ordinance was published at least once in a newspaper of general circulation within Columbia County. Such notice was published at least 14 days in advance of the adoption of this Ordinance.

Section 4. Loan Authorized.

The Board of County Commissioners authorizes its Chair to execute the Financial Assistance Award Contract, Loan Agreement, the Promissory Note attached as Exhibit "F" to the Loan Agreement (the "Financing Documents") and such other documents as may be required to obtain interim financial assistance including a line of credit loan from OECDD, upon review and approval of County Counsel, and on the condition that the line of credit from OECDD is not in excess of Three Million, Six Hundred and Fifty Three Thousand Dollars (\$3,653,000), and the interest rate on such loan is not in excess of 1.52% per annum for a period of Thirty (30) months. The proceeds of the line of credit loan from the Department shall be applied solely to the "Costs of the Project" as such term is defined in the Loan Agreement.

Section 5. Security.

Amounts payable by Columbia County shall be payable from the sources described in the Loan Agreement and ORS 285B.433(2) which include:

- a. Any sources of funds that are legally available to Columbia County;
- b. The revenues, if any, of the Project, including special assessment revenues, if any; and
- c. Columbia County's General Fund, including the tax and other general revenues of Columbia County, subject only to the restrictions of Article XI, Sections 10, 11, and 11b of the Constitution of the State of Oregon. Columbia County acknowledges its current intention to make all payments due pursuant to the financing Documents and, to the extent that funds are appropriated to make payments, the full faith and credit of Columbia County are pledged to such payments.

Section 6. Additional Documents.

The Chair of the Board of County Commissioners is hereby authorized to enter into any agreements and to execute any documents or certificates which may be required to obtain financial assistance from the Department for the Project pursuant to the Financial Assistance Award Contract and the Loan Agreement, upon review and approval of County Counsel.

Section 7. Tax-Exempt Status.

Columbia County covenants not to take any action or omit to take any action if the taking or Ordinance 2002-05

omission would cause interest paid by Columbia County pursuant to the Loan Agreement not to qualify for the exclusion from gross income provided by Section 103(a) of the Board of the Internal Revenue Code of 1986, as amended. The Chair of the Board of County Commissioners of Columbia County may enter into covenants on behalf of Columbia County to protect the tax-exempt status of the interest paid by Columbia County pursuant to the Loan Agreement and may execute any Tax Certificate, Internal Revenue Service forms or other documents as shall be required by OECD or their bond counsel to protect the tax-exempt status of such interest.

Section 8. Reimbursement Bonds.

Columbia County may reimburse expenditures for the Project with amounts received from the Department pursuant to the Financing Documents. Additionally, Columbia County understands that the Department may fund or reimburse itself for the funding of the amounts paid to Columbia County pursuant to the Financing Documents with the proceeds of bonds issued by the State of Oregon pursuant to the Act. This Ordinance shall constitute "official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations promulgated by the United States Department of Treasury with respect to the funding or the reimbursement for the funding of the costs of the Project with the proceeds of Columbia County's loan pursuant to the Financing Documents and with the proceeds of any bonds issued by the State of Oregon pursuant to the Act.

Section 9. Emergency.

This ordinance being immediately necessary in order that there be no delay in financing the project as provided in this Ordinance, an emergency is declared to exist and this Ordinance shall take effect immediately upon its adoption.

Dated this 17th day of July 2002.

Approved as to form

By: Sarah Tyson
Office of the County Counsel

Attest:
By: Jan Sienkewich
Recording Secretary

First Reading : 6/26/02
Second Reading: 7/17/02
Effective Date: 7/17/02

BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY OREGON

By: [Signature]
Chair

By: Joe Consiglio
Commissioner

By: Steve B. Gerhardt
Commissioner