

**CITY OF FLORENCE  
RESOLUTION NO. 2, SERIES 2014**

**A RESOLUTION AUTHORIZING THE CITY OF FLORENCE, OREGON TO ENTER INTO A FINANCING AGREEMENT WITH OREGON PACIFIC BANK FOR A \$400,000 FIVE (5) YEAR LOAN TO FINANCE TWO 2014 CAPITAL INFRASTRUCTURE PROJECTS.**

|                            |  |
|----------------------------|--|
| NAME OF BORROWER:          | CITY OF FLORENCE                                     |
| LOCATED IN:                | LANE COUNTY, OREGON                                  |
| PRINCIPAL AMOUNT BORROWED: | \$400,000  |
| FINANCING TERM:            | FIVE (5) YEARS / Sixty (60) MONTHS                   |
| INTEREST RATE:             | 2.75% FIXED  |
| EXECUTING OFFICIALS:       | Mayor, City Recorder, City Manager, Finance Director |

RESOLUTION APPROVING THE OREGON PACIFIC BANK FINANCING AGREEMENT WHEREBY THE BORROWER FINANCES AND/OR REFINANCES CERTAIN REAL OR PERSONAL PROPERTY; AND AUTHORIZING THE OFFICERS OF THE BORROWER TO EXECUTE THE FINANCING AGREEMENT AND SUCH OTHER DOCUMENTS AND CERTIFICATES AS MAY BE NECESSARY TO CARRY OUT THE TRANSACTIONS CONTEMPLATED BY THE AFOREMENTIONED AGREEMENT.

**WHEREAS**, the above named Borrower (the "Borrower"), is authorized under Oregon Revised Statutes ("ORS") § 271.390 and ORS § 287A to enter into binding financing agreements to finance certain real or personal property; and

**WHEREAS**, Oregon Pacific Bank has expressed its interest in pursuing the approval of a financing agreement with the Borrower for the aforementioned terms in a letter dated April 23, 2014; and

**WHEREAS**, it is intended that the Borrower will enter into a Financing Agreement (the "Financing Agreement"), to finance and/or refinance certain real or personal property more particularly described in Exhibit A attached hereto (the "Capital Projects") and as agreed and approved to by the Executing Official subject to the terms and conditions and for the purposes set forth in the Financing Agreement; and

**WHEREAS**, the Borrower anticipates incurring expenditures (the "Expenditures") to finance the costs of the Capital Projects and wishes to declare its official intent to reimburse itself for any Expenditures it may make from its general funds on the Capital Projects from the proceeds of the Financing Agreement.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. Recitals. All of the above recitals are true and correct and the City Council of the Borrower so finds and determines. The Borrower hereby determines that the Capital Projects is needed for Borrower purposes.

Section 2. Approval of Financing Agreement. The Financing Agreement shall be approved by the representatives of the Borrower executing said documents, said representative's execution thereof to be conclusive evidence of said representative's approval. The City Council designates the Mayor, City Recorder, City Manager, Finance Director (each an "Executing Official") or a designee of the Executing Official and authorizes and directs them to execute, attest to and deliver the Financing Agreement and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution on behalf of and as the act and deed of the Borrower.

Section 3. Terms of Financing. The total principal component of payments shall not exceed the Principal Component designated above. In no event shall the fixed interest rate exceed the Interest Rate designated above. The term of the financing shall not exceed the Financing Term set forth above provided that the term may be rounded up or down to coincide with the payment dates of principal component under the Financing Agreement. Execution of the Financing Agreement by the Executing Official shall be deemed to be final approval of the final payment schedule to the Financing Agreement.

Section 4. The Borrower shall, and the officers and agents of the Borrower are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution and to carry out, comply with and perform the duties of the Borrower with respect to the Financing Agreement.

Section 5. Effective Date. This Resolution shall take effect and be in full force and effect from and after its passage and approval.

APPROVED BY THE FLORENCE CITY COUNCIL THIS 5TH DAY OF MAY, 2014.

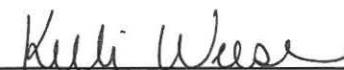
**CITY OF FLORENCE**

**LANE COUNTY, OREGON**

By: 

Nola Xavier, Mayor

**ATTEST:**

By: 

Kelli Weese, City Recorder

## EXHIBIT A

### CAPITAL INFRASTRUCTURE DESCRIPTION

Re: Financing Agreement, between **Oregon Pacific BANK**, as Lender and **THE CITY OF FLORENCE, LANE COUNTY** as Borrower.

The Capital Projects to be financed is as follows:

| <u>Proposed Projects</u>  | <u>Estimated Useful Life</u> | <u>Cost Estimated</u> |
|---|------------------------------|-----------------------|
| Streets - 2014 Streets Preservation & Improvement Project             | 10 years                     | \$ 250,000            |
| Wastewater - 2nd, Ivy and Kingwood Infrastructure Improvement Project | 10 years                     | <u>150,000</u>        |
| Total FY14 Capital Items to Finance                                   |                              | <u>\$ 400,000</u>     |