

RESOLUTION NO. 2017-005

**A RESOLUTION OF THE CENTRAL POINT DEVELOPMENT COMMISSION
AUTHORIZING THE FINANCING OF THE EAST PINE STREETScape
PROJECT THROUGH THE USE OF AN INTERGOVERNMENTAL
AGREEMENT WITH THE CITY OF CENTRAL POINT.**

WHEREAS, The Central Point Development Commission ("Development Commission") is authorized by ORS 457.190(1) and Section 1.6.8(E) of the Downtown & East Pine Street Corridor Revitalization Plan ("Plan"), an urban renewal plan of the City of Central Point to accept loans for the purposes of undertaking and carrying out urban renewal projects; and

WHEREAS, the Plan, pursuant to ORS 457.190(3) includes a Maximum Indebtedness amount of \$43,177,530 having a current remaining balance in excess of \$39,000,000; and

WHEREAS, the Development Commission is prepared to fund the East Pine Streetscape Project ("Project") identified as Project Nos. 1, 5(d), 7, and 12 as identified in Section 1.6.1(C) of the Plan, an authorized urban renewal project; and

WHEREAS, the Development Commission is prepared to enter into an Intergovernmental Agreement (IGA) with the City of Central Point ("City") for funding of the Project in the amount of approximately \$3,700,000; and

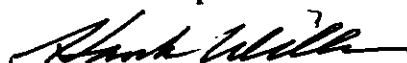
WHEREAS, the Development Commission will use its tax increment revenues to pay all amounts due the City per the IGA; and

WHEREAS, the Development Commission is projected to have sufficient tax increment revenues necessary to meet its financial obligation as stated in the IGA.


NOW, THEREFORE, BE IT RESOLVE, that the Central Point Development Commission hereby approves Resolution No. 2017-005 authorizing the Urban Renewal Manager to enter into an Intergovernmental Agreement with the City of Central Point (Exhibit "A") attached hereto in an amount of approximately \$3,700,000.

PASSED by the Development Commission and signed by me in authentication of its passage this 23rd day of March 2017.

Central Point Development Commission


Hank Williams, Chair

Attest:


Deanna Casey, City Recorder

**Exhibit A:
Form of
Intergovernmental Agreement
to Make Financing Payments**

by and between the

Central Point Development Commission, Oregon

and the

City of Central Point, Oregon

Dated as of . 2017

TABLE OF CONTENTS

Section 1. Definitions and Recitals..... 1
 (1) Definitions..... 1
 (2) Findings..... 1
Section 2. The Financing Payments..... 2
 (1) The Financing Payments..... 2
 (2) Security for the Obligation of the Commission to Pay the Financing Payments..... 2
Section 3. Prepayment..... 2
Section 4. Estoppel..... 2
Section 5. Title..... 3
Section 6. Miscellaneous..... 3
 (1) Binding Effect..... 3
 (2) Severability..... 3
 (3) Amendments..... 3
 (4) Execution in Counterparts..... 3
 (5) Applicable Law..... 3
 (6) Rules of Construction..... 3
 (7) Headings..... 3

Intergovernmental Agreement to Make Financing Payments

This Intergovernmental Agreement to Make Financing Payments is dated as of _____, 2017, and is entered into by and between the Central Point Development Commission, Oregon (the "Commission") and the City of Central Point, 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 Central Point Urban Renewal Area described in the Plan.

"Financing Agreement" means the Financing Agreement (Series 2017) between the City and _____, in the principal amount of \$ _____ to finance the Projects, which is dated as of _____, 2017.

"Financing Payments" means the principal and interest payments the City is required to make to _____ under the Financing Agreement that are attributable to the Projects, which payments are provided in Exhibit A hereto.

"Plan" means the Downtown & East Pine Street Corridor Revitalization Plan approved by City Ordinance No. 1955, as that plan has been, and may in the future be, amended.

"Projects" means a portion of the projects described in the Plan, including East Pine Street improvements, downtown core area signals, and miscellaneous public works projects.

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

(2) Findings.

(A) The City has entered into the Financing Agreement to, in part, finance costs of the Projects and to pay costs of issuance.

(B) The Projects are properly described as urban renewal projects in the Plan.

(C) The Commission is authorized to spend Tax Increment Revenues to pay for the costs of the Projects.

(D) The Projects will assist the Commission in carrying out the Plan.

- (E) The Commission will only spend the proceeds it receives from the City on the Projects so long as the Projects are described in the Plan, located in the Area, and are owned by the City or the Commission.
- (F) The Commission's maximum indebtedness is \$43,177,530, the Commission has made not more than \$182,000 of expenditures that count against that limit, and therefore has at least \$42,995,530 of unused maximum indebtedness available prior to executing this Intergovernmental Agreement.

Section 2. The Financing Payments.

- (1) The Financing Payments.

The Commission 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 in a maximum principal amount of \$. The amounts and dates of the Financing Payments are shown in Exhibit A.

- (2) Security for the Obligation of the Commission to Pay the Financing Payments.

This Intergovernmental Agreement shall constitute indebtedness of the Commission in a principal amount that is equal to the Financing Amount. The Commission is obligated to make the payments due under this Intergovernmental Agreement solely from the Tax Increment Revenues. Pursuant to ORS 287A.310, the Commission 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 Commission 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. However, the pledge that secures this Intergovernmental Agreement shall have a lien on Tax Increment Revenues that is equal to the lien that secures other indebtedness of the Commission issued to the City and secured by a pledge of the Tax Increment Revenues.

Section 3. Prepayment.

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

Section 4. Estoppel.

The Commission 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 been performed in due time, form and manner, as required by law, and that this Intergovernmental Agreement is a valid and binding obligation of the Commission that is enforceable against the Commission 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 of equity relating to or affecting the enforcement of creditors' 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 Projects.

Section 6. Miscellaneous.

(1) **Binding Effect.**

This Intergovernmental Agreement shall inure to the benefit of and shall be binding upon the Commission 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 Jackson 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 Commission and the City have executed this Intergovernmental Agreement as of the date indicated above.

**For the Central Point Development Commission,
Oregon**

Chair Hank Williams

For the City of Central Point, Oregon

City Manager Christopher Clayton

EXHIBIT A

Financing Payment Schedule

Interest at the rate of _____%, calculated on a _____ basis, is payable _____ on _____ 1
and _____ 1 commencing _____ 1, 20____. Principal is payable according to the
following schedule:

Date Principal