

RESOLUTION NO. 3655

A RESOLUTION AUTHORIZING SALE OF \$7,900,000 OF
GENERAL OBLIGATION BONDS APPROVED BY THE
VOTERS OF THE CITY OF NEWPORT, OREGON, ON
NOVEMBER 5, 2013, AND PROVIDING FOR RELATED
MATTERS

WHEREAS, on November 5, 2013, the voters of City of Newport (the "City") approved Measure 21-152 authorizing the issuance of \$7.9 million of general obligation bonds (the "Bonds"); and,

WHEREAS, Measure 21-152 stated that the Bonds would finance a new indoor municipal swimming pool and related systems, facilities, and improvements (the "Projects") and fees associated with the Bonds, and would mature over a period not to exceed 20 years; and,

WHEREAS, the explanatory statement for Measure 21-152 stated: "If the measure is approved, it is estimated that the tax rate would increase approximately \$.45 per \$1,000 of assessed value..." and emphasized that the \$.45 increase was only an estimate, and was based on the best information available from the county assessor at the time of the estimate; and,

WHEREAS, the City now desires to sell those bonds;

The City of Newport resolves as follows:

Section 1. Authorization. The City hereby authorizes the sale and issuance of the Bonds in accordance with Measure 21-152 and this resolution.

Section 2. Security for Bonds. The Bonds shall be general obligations of the City. Pursuant to ORS 287A.315 the City hereby pledges its full faith and credit and taxing power to pay the Bonds. The City covenants for the benefit of the owners of the Bonds that the City shall levy annually, as provided by law, in addition to its other ad valorem property taxes and outside the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution, a direct ad valorem tax upon all of the taxable property within the City in sufficient amount, after considering discounts taken and delinquencies that may occur in the payment of such taxes, to pay the Bonds promptly as they mature.

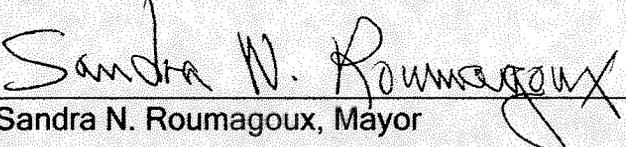
Section 3. Delegation. The Interim City Manager, Interim Finance Director, incoming City Manager, or the person designated by either of those officials to act on behalf of the City under this resolution (each of whom is referred to in this resolution as a "City Official") are each hereby authorized, on behalf of the City and without further action by the City Council, to:

- (1) Sell and issue all or any portion of the Bonds in one or more series which may be sold at different times.
- (2) Participate in the preparation of, authorize the distribution of, and deem final the preliminary and final official statements and any other disclosure documents for each series of the Bonds.
- (3) Establish the final principal amounts, maturity schedules, interest rates, sale prices, redemption terms, payment terms and dates, record dates and other terms for each series of the Bonds.
- (4) With the assistance of the City's financial advisor, Piper Jaffray - Seattle-Northwest Division, solicit competitive proposals for the purchase of any series of Bonds, or select one or more underwriters or other purchasers.
- (5) Sell any series of Bonds to the bidder or purchaser offering the most favorable terms to the City, so long as the aggregate principal amount of the Bonds that are sold pursuant to this resolution does not exceed \$7.9 million, the maturity of each series does not exceed 20 years, and the rates and prices at which the bonds are sold reflect current market conditions.
- (6) Undertake to provide continuing disclosure for each series of the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
- (7) Apply for and purchase municipal bond insurance or other forms of credit enhancements for each series of the Bonds, and enter into related agreements.
- (8) Prepare, execute and deliver one or more Bond Declarations for each series of the Bonds. The Bond Declarations shall specify the terms under which each series of the Bonds are issued, the administrative provisions that apply to each series of the Bonds and the form of each series of the Bonds. The Bond Declarations may also contain covenants for the benefit of the owners of each series of the Bonds and any credit providers of the Bonds.
- (9) Appoint service providers for each series of the Bonds and enter into agreements with those service providers.
- (10) Determine whether each series of Bonds will bear interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, or is includable in gross income under that code. If a series bears interest that is excludable from gross income under that code, the City Official may enter into covenants to maintain the excludability of interest on that series of the Bonds from gross income. If the federal government approves subsidy payments for municipal bonds and those subsidies are estimated to reduce the net debt service payments for the Bonds, the City Official may structure any series of Bonds so that series is eligible for those federal subsidies, and may enter into related covenants.

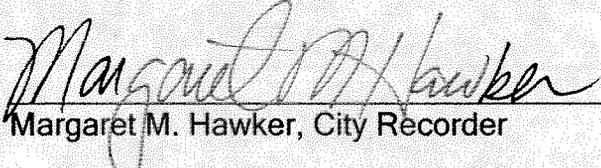
- (11) Designate any Bonds as a qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code, if applicable.
- (12) Issue the Bonds in accordance with this resolution, execute any documents and take any other action in connection with the Bonds that the City Official finds will be advantageous to the City.

Section 4. Effective Date. This resolution is effective immediately.

Adopted by the City Council of the City of Newport on December 2, 2013.


Sandra N. Roumagoux, Mayor

ATTEST:


Margaret M. Hawker, City Recorder