

# City of Wilsonville

Urban Renewal Agency Meeting

March 18, 2019



**URA AGENDA**

**CITY OF WILSONVILLE  
URBAN RENEWAL AGENCY**

**MARCH 18, 2019  
7:00 P.M.**

**CITY HALL  
29799 SW TOWN CENTER LOOP  
WILSONVILLE, OREGON**

*Immediately Following the City Council Meeting*

Chair Tim Knapp

Board Member Kristin Akervall  
Board Member Charlotte Lehan

Board Member Susie Stevens  
Board Member Ben West

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**CALL TO ORDER**

A. Roll Call

**CITIZEN INPUT**

This is an opportunity for visitors to address the Urban Renewal Agency Board on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the Board will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

**CONSENT AGENDA**

A. Minutes of the January 24, 2019 URA Meeting. (Veliz)

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**NEW BUSINESS**

A. **URA Resolution No. 295**

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A Resolution Authorizing The Creation Of The Coffee Creek Plan Capital Project Fund. (Rodocker)

B. **URA Resolution No. 296**

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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. (Rodocker)

**PUBLIC HEARING**

C. **URA Resolution No. 297**

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A Resolution Authorizing A Supplemental Budget Adjustment For Fiscal Year 2018-19. (Rodocker)

**ADJOURN**

**CITY OF WILSONVILLE  
URBAN RENEWAL AGENCY  
JANUARY 24, 2019**

The Urban Renewal Agency held a regular meeting on Thursday, January 24, 2019 in the Wilsonville City Hall immediately following the adjournment of the City Council meeting.

The following Board Members were present:

Chair Knapp  
Member Akervall  
Member Stevens  
Member Lehan – *Present at Executive Session and Work Session. Excused for the City Council and Urban Renewal Agency meetings.*  
Member West

Staff present included:

Bryan Cosgrove, City Manager  
Jeanna Troha, Assistant City Manager  
Barbara Jacobson, City Attorney  
Kimberly Veliz, City Recorder  
Chris Neamtzu, Community Development Director  
Cathy Rodocker, Finance Director  
Zach Weigel, Capital Projects Engineering Manager

**CALL TO ORDER**

Chair Knapp called the URA meeting to order at 7:55 p.m. followed by roll call.

**CITIZEN INPUT**

None.

**CONSENT AGENDA**

A. Minutes of the December 3, 2018 URA Meeting.

**Motion:** Ms. Stevens moved to approve the Consent Agenda. Ms. Akervall seconded the motion.

**Vote:** Motion carried 4-0.

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

**PUBLIC HEARING**

**A. URA Resolution No. 293**

A Resolution Authorizing A Supplemental Budget Adjustment For Fiscal Year 2018-19.

Ms. Jacobson read the title of URA Resolution No. 293 into the record.

Chair Knapp opened the public hearing at 7:56 p.m. after reading the hearing format.

Ms. Rodocker clarified to the Mayor that she had misspoken during the Work Session and URA Resolution No. 293 does include the Fifth Street project.

Mayor Knapp then recused himself from URA Resolution No. 293 and joined the audience. Ms. Akervall took over duties as chair during this portion of the meeting.

Ms. Rodocker then presented the staff report.

Ms. Akervall invited public testimony, seeing none she closed the public hearing.

**Motion:** Ms. Stevens moved to approve URA Resolution No. 293. Mr. West seconded the motion.

Council discussion ensued.

**Vote:** Motion carried 3-0-1.

Chair Knapp	Recused
Member Akervall	Yes
Member Stevens	Yes
Member Lehan	Excused
Member West	Yes

After the vote on URA Resolution No. 293 Mayor Knapp rejoined Council. Further discussion and debate regarding urban renewal districts ensued.

**NEW BUSINESS**

**A. URA Resolution No. 294**

A Resolution Authorizing An Intergovernmental Agreement With The City Of Wilsonville Pertaining To Short Term Subordinate Urban Renewal Debt For The West Side Plan District For The Purpose Of Funding The Construction Of Capital Improvement Projects By The Agency.

Ms. Jacobson read the title of URA Resolution No. 294 into the record.

Ms. Rodocker then presented the staff report.

**Motion:** Ms. Akervall moved to approve URA Resolution No. 294. Mr. West seconded the motion.

**Vote:** Motion carried 4-0.

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

**ADJOURN**

The URA meeting adjourned at 8:19 p.m.

Respectfully submitted,

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Kimberly Veliz, City Recorder

ATTEST:

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Tim Knapp, Chair



**URBAN RENEWAL AGENCY MEETING  
STAFF REPORT**

<p><b>Meeting Date:</b> March 18, 2019</p>	<p><b>Subject: Resolution No. 295</b>                  Authorization for the Creation of the Coffee Creek Plan Capital Project Fund.</p> <p><b>Staff:</b> Cathy Rodocker, Finance Director</p> <p><b>Department:</b> Finance</p>	
<p><b>Action Required</b></p>	<p><b>Advisory Board/Commission Recommendation</b></p>	
<p><input checked="" type="checkbox"/> Motion</p> <p><input type="checkbox"/> Public Hearing Date:</p> <p><input type="checkbox"/> Ordinance 1<sup>st</sup> Reading Date:</p> <p><input type="checkbox"/> Ordinance 2<sup>nd</sup> Reading Date:</p> <p><input checked="" type="checkbox"/> Resolution</p> <p><input type="checkbox"/> Information or Direction</p> <p><input type="checkbox"/> Information Only</p> <p><input type="checkbox"/> Council Direction</p> <p><input type="checkbox"/> Consent Agenda</p>	<p><input type="checkbox"/> Approval</p> <p><input type="checkbox"/> Denial</p> <p><input type="checkbox"/> None Forwarded</p> <p><input checked="" type="checkbox"/> Not Applicable</p>	
<p><b>Comments:</b> N/A</p>		
<p><b>Staff Recommendation:</b> Staff recommends the Urban Renewal Agency (URA) adopt URA Resolution No. 295.</p>		
<p><b>Recommended Language for Motion:</b> I move to approve URA Resolution No. 295.</p>		
<p><b>Project / Issue Relates To:</b></p>		
<p><input type="checkbox"/> Council Goals/Priorities</p>	<p><input type="checkbox"/> Adopted Master Plan(s)</p>	<p><input type="checkbox"/> Not Applicable</p>

**ISSUE BEFORE COUNCIL:**

The Urban Renewal Agency is being asked to create a Coffee Creek Plan Capital Project Fund for the purpose of tracking debt proceeds and the capital project costs.

**EXECUTIVE SUMMARY:**

At the time the Fiscal Year 2018-19 Budget was created, it was not known that the Garden Acres Road Project would need financing this fiscal year. As such, the Coffee Creek Plan budget did not include a Capital Project Fund. With expected bond proceeds to be received April 5, 2019, the Capital Project Fund will be needed to record and maintain the bond proceeds and expenditures related to capital projects and administrative expenses. Per Local Budget Law, the board can approve the creation of a new fund either during the budget adoption process or with a resolution.

The Garden Acres Road Project has been expedited so the District can construct the road project at the same time that the Willamette River Supply Program (WWSP) will be constructing their big pipe project beneath the road thereby reducing costs and overall construction time. The Garden Acres Road Project is necessary for the future growth of the Coffee Creek Plan area.

**EXPECTED RESULTS:**

The creation of the Coffee Creek Plan Capital Project Fund will insure that the proper budgeting and accounting for bond proceeds and capital related expenses will occur.

**TIMELINE:**

Bond proceeds will be received on April 5, 2019. The current timeline for the Garden Acres Road Project is request for proposals will be issued on April 22, 2019 with actual construction to begin in early July 2019.

**FINANCIAL REVIEW / COMMENT:**

Reviewed by: CAR      Date: 3/5/2019

**LEGAL REVIEW / COMMENT:**

Reviewed by: BAJ      Date: 3/7/2019

**COMMUNITY INVOLVEMENT PROCESS:**

N/A

**POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:**

The newly created fund will used to properly account for the bond proceeds to be received this fiscal year.

**ALTERNATIVES:**

Without the authorization of the fund this fiscal year, the accounting records would not be accurate.

**CITY MANAGER COMMENT:**

N/A

**ATTACHMENTS:**

- A. Resolution No. 295

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

**URA RESOLUTION NO. 295**

**A RESOLUTION AUTHORIZING THE CREATION OF THE COFFEE CREEK PLAN CAPITAL PROJECT FUND.**

WHEREAS, the Urban Renewal Agency of the City of Wilsonville, Oregon (the “Agency”) established the Coffee Creek Urban Renewal Plan with Ordinance 796 adopted on October 17, 2016; and,

WHEREAS, the Fiscal Year 2018-19 noted the Capital Project Fund as inactive; and,

WHEREAS, the Capital Project Fund is used to account for bond proceeds, investment income and all other resources and to record all expenditures related to the construction and administration of the Coffee Creek Urban Renewal Plan; and,

WHEREAS, the Agency will be receiving bond proceeds prior to the end of the fiscal year; and,

WHEREAS, the Agency can create a new fund as per ORS 294.305-294.565, Local Budget Law with a resolution,

NOW, THEREFORE, THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE HEREBY RESOLVES AS FOLLOWS:

1. To create a Coffee Creek Urban Renewal Plan Capital Projects Fund, dedicated to the accounting for all revenues and expenditures related to the construction and administration of the Coffee Creek Urban Renewal Plan.
2. Effective Date of this Resolution shall be immediately upon its adoption.

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

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Tim Knapp, Board Chair

ATTEST:

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Kimberly Veliz, City Recorder

**SUMMARY OF VOTES:**

Board Chair Knapp

Board Member Akervall

Board Member Stevens

Board Member Lehan

Board Member West



**URBAN RENEWAL AGENCY MEETING  
STAFF REPORT**

<p><b>Meeting Date:</b> March 18, 2019</p>	<p><b>Subject: URA Resolution No. 296</b> Interagency Agreement – Between the Urban Renewal Agency (URA) and the City for Repayment of Long Term Debt.</p> <p><b>Staff:</b> Cathy Rodocker, Finance Director</p> <p><b>Department:</b> Finance</p>	
<p><b>Action Required</b></p>	<p><b>Advisory Board/Commission Recommendation</b></p>	
<p><input checked="" type="checkbox"/> Motion</p> <p><input type="checkbox"/> Public Hearing Date:</p> <p><input type="checkbox"/> Ordinance 1<sup>st</sup> Reading Date:</p> <p><input type="checkbox"/> Ordinance 2<sup>nd</sup> Reading Date:</p> <p><input checked="" type="checkbox"/> Resolution</p> <p><input type="checkbox"/> Information or Direction</p> <p><input type="checkbox"/> Information Only</p> <p><input type="checkbox"/> Council Direction</p> <p><input type="checkbox"/> Consent Agenda</p>	<p><input type="checkbox"/> Approval</p> <p><input type="checkbox"/> Denial</p> <p><input type="checkbox"/> None Forwarded</p> <p><input checked="" type="checkbox"/> Not Applicable</p> <p><b>Comments:</b> N/A</p>	
<p><b>Staff Recommendation:</b> Staff recommends the Urban Renewal Agency (URA) adopt URA Resolution No. 296.</p>		
<p><b>Recommended Language for Motion:</b> I move to approve URA Resolution No. 296.</p>		
<p><b>Project / Issue Relates To:</b></p>		
<p><input type="checkbox"/> Council Goals/Priorities: Fiscal Discipline</p>	<p><input type="checkbox"/> Adopted Master Plan(s)</p>	<p><input checked="" type="checkbox"/> Not Applicable</p>

**ISSUE BEFORE CITY COUNCIL:**

Consideration is requested to approve, via URA Resolution 296, an Intergovernmental Agreement (IGA) with the Urban Renewal Agency (Agency) and the City whereby the Agency will accept

the fiscal responsibility for the repayment of a \$3,800,000 bond issue that will be backed by the full faith and credit of the City.

**EXECUTIVE SUMMARY:**

The newly created Coffee Creek Urban Renewal Area is preparing for the construction of the Garden Acres Road Project. In order to fund the project, the \$3,800,000 bond proceeds from Columbia Bank will be used for the District's cost of the road construction project. Based on the current assessed values of the district, the estimated tax increment revenues did not meet the bank's debt service ratio. As a result, the bond is being issued with the backing of the full faith and credit of the City. The attached IGA obligates the Agency for the cost of the debt service.

Terms of the borrowing:

1. Interest Rate: Fixed at 3.19%.
2. Years: The term of the bond based on 10 years; however, the payment schedule is based on a 20-year amortization.
3. Security: Full faith and credit of the City is needed to secure the bond, however, the tax increment received by the Coffee Creek Area Plan will be used to make the annual payments.
4. Closing Fees: \$2,500 bank fees, \$3,000 legal fees to be paid at closing. City Bond Counsel fees will also apply in the approximate amount of \$15,000.
5. Prepayment Penalty: There is not prepayment penalty for this loan.

The Garden Acre Road project is critical to upgrade the infrastructure in Coffee Creek to urban standards, allowing industrial development to occur. The project is estimated to cost approximately \$8.9 with the final design work and property acquisition currently underway. Construction will begin in FY2019-20. Sources of funding include Wastewater and Stormwater System Development Charges, reserve funds, contributions from Willamette Water Supply Program and the bond proceeds.

**EXPECTED RESULTS:**

Authorization of the IGA by the respective Resolution of the City and the Agency will provide the necessary funding to pay for the costs association with the Garden Acres Road project within the Coffee Creek Urban Renewal District.

**TIMELINE:**

Loan closing is scheduled for the first week in April. The Garden Acres Road Project-Phase I is expected to go out to bid on April 22 and construction to begin in the summer.

**CURRENT YEAR BUDGET IMPACTS:**

A supplemental budget adjustment will recognize the bond proceeds and financial services expenses in the Coffee Creek Plan Capital Project Fund.

**FINANCIAL REVIEW / COMMENT:**

Reviewed by: CAR      Date: 3/5/2019

**LEGAL REVIEW / COMMENT:**

Reviewed by: BAJ      Date: 3/12/2018

**COMMUNITY INVOLVEMENT PROCESS:**

There was no specific community outreach or involvement pertaining to this borrowing.

**POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:**

The bond sale allows the City/Urban Renewal to take advantage of low interest rates and allows for the construction the Garden Acres Road project in conjunction with the WWSP pipe project and their contribution to the overall cost of the road project.

**ALTERNATIVES:**

1. Negotiate with Bank for longer period term of debt. (Potential downside is more interest paid over the life of the debt.)
2. Postpone construction of the Garden Acres Road Project.

**CITY MANAGER COMMENT:**

N/A

**ATTACHMENTS:**

1. URA Resolution No. 296
  - A. Exhibit: Intergovernmental Agreement Between the Urban Renewal Agency and the City.
2. Columbia Bank

**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.

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Tim Knapp, Board Chair

ATTEST:

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Kimberly Veliz, City Recorder

**SUMMARY OF VOTES:**

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

**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



March 5, 2019

Sent Via Email

RE: Up to \$3,800,000.00 Tax-Exempt Bank Qualified Financing.

City of Wilsonville  
Attn: Cathy Rodocker  
Finance Director  
[Rodocker@ci.wilsonville.or.us](mailto:Rodocker@ci.wilsonville.or.us)

Dear Cathy,

Thank you for giving Columbia State Bank the opportunity to present you with this Commitment for lending services. We are truly proud of our record of excellent customer service and expert consultation, and we are honored to provide the same services to your organization.

We are confident that you will find the enclosed Terms and Conditions will meet your needs for a very competitive structure. Being a community bank, with a local presence we keep your money working in your community.

**Note: The attached Commitment Letter will expire on April 4, 2019 (anticipated closing date) unless extended in writing by the Bank.**

Please feel free to contact me directly should you have any questions.

Sincerely,

A handwritten signature in cursive script that reads 'Sharon Capizzo Guisande'.

Sharon Capizzo Guisande  
Senior Vice President  
Columbia State Bank  
[sguisande@columbiabank.com](mailto:sguisande@columbiabank.com)  
503-279-3906



**LOAN PROPOSAL**

The following Terms and Conditions outlined below are the terms under which the bank is willing to provide credit and is subject to documentation standards required by the Bank.

- Borrower:** City of Wilsonville, Oregon ("the City")
- BONDS:** Up to \$3,800,000.
- Purpose:** Improve infrastructure within the Coffee Creek Urban Renewal District (URA)
- Loan Type** Single advance Tax-exempt Bank Qualified Term Loan.
- Amortization:** 10-year maturity/20-year amortization (10/20).
- Maturity:** June 1, 2029 (10-years)
- Rate:** Tax-exempt Bank Qualified fixed rate of 3.19%. Rate is calculated on a 30/360 day basis.
- Repayment:** Interest due semi-annual based on a 30/360 day basis on December 1 and June 1, commencing December 1, 2019. Principal due Semi-annually on December 1 and June 1, commencing December 1, 2019.
- Prepayment:** The City may prepay the Facility in whole or in part at any time without premium or penalty.
- Fees:** loan fee \$2,500.00, plus Bank's out of pocket expenses for documentation review by Bank's Counsel. Bank's counsel review fees not to exceed \$3,000.00, and assumes all documents are prepared by Borrower Counsel. Borrower shall pay the fees and costs of its counsel. Borrower may use proceeds of this financing to pay fees/cost of this financing.  
All fees are due and payable at closing.

**Following applies to all Facilities:**

- Collateral:** The obligation under the Financing Agreement to make the Payments when due are secured by and payable from a Pledge of the City's Full Faith and Credit and shall be payable from all lawfully available funds as defined in ORS Chapter 287A.  
The obligation is also secured by a pledge of the proceeds until spent.
- Disclosure:** Not required.

**Official Statement:** Not required

**Conditions:**

**Representations and**

**Warranties:** Usual and customary for transactions of this type.

**Covenants:** Usual and customary covenants for transactions of this type will include but are not limited to the following:

**Events of Default:** Usual and customary in transactions of this type. In addition to other legal remedies, if an event of default occurs due to (i) nonpayment of principal, interest, fees or other amounts when due, or (ii) failure to maintain the tax-exempt status of the obligation, then the Bank may increase the interest rate by an additional 5%.

**Reporting**

**Requirements:**

Annually:

CPA prepared Audited fiscal yearend financial statements due no later than 270-days after fiscal year end.

Copy of the City's adopted/approved budget. No later than 90-days after the City's fiscal year end.

Such other financial information as may be reasonably requested by the Bank from time to time.

**Other requirements:**

City's Bond Counsel to provide enforceability opinions, resolution authorizing debt issuance, and Tax Opinion acceptable to the Bank and Bank Counsel.

Documents to be prepared by the City's Bond Counsel acceptable to Bank and Bank Counsel.

**This Term Sheet will expire on April 4, 2019, unless extended in writing by the Bank.**

The above terms are subject to final internal credit approval.

This Summary of Terms and Conditions contain confidential and proprietary loan structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the credit facilities contained in this summary of Terms and Conditions or as may be required by law, the contents of the Summary of Terms and Conditions may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed credit facilities.

**Under Oregon law, most agreements, promises, and commitments made by us, Columbia State Bank, concerning loans and other credit extensions which are not tied to personal, family or household purposes or secured solely by the borrower's residence must be in writing, express consideration and be signed by us to be enforceable.**



**URBAN RENEWAL AGENCY MEETING  
STAFF REPORT**

<p><b>Meeting Date:</b> March 18, 2019</p>	<p><b>Subject:</b> URA Resolution No. 297 Supplemental Budget Adjustment</p> <p><b>Staff:</b> Cathy Rodocker, Finance Director</p> <p><b>Department:</b> Finance</p>	
<p><b>Action Required</b></p> <p><input checked="" type="checkbox"/> Motion</p> <p><input checked="" type="checkbox"/> Public Hearing Date: March 18, 2019</p> <p><input type="checkbox"/> Ordinance 1<sup>st</sup> Reading Date:</p> <p><input type="checkbox"/> Ordinance 2<sup>nd</sup> Reading Date:</p> <p><input checked="" type="checkbox"/> Resolution</p> <p><input type="checkbox"/> Information or Direction</p> <p><input type="checkbox"/> Information Only</p> <p><input type="checkbox"/> Council Direction</p> <p><input type="checkbox"/> Consent Agenda</p>	<p><b>Advisory Board/Commission Recommendation</b></p> <p><input type="checkbox"/> Approval</p> <p><input type="checkbox"/> Denial</p> <p><input type="checkbox"/> None Forwarded</p> <p><input checked="" type="checkbox"/> Not Applicable</p> <p><b>Comments:</b> N/A</p>	
<p><b>Staff Recommendation:</b> Staff recommends the Urban Renewal Agency (URA) adopt URA Resolution No. 297.</p>		
<p><b>Recommended Language for Motion:</b> I move to approve URA Resolution No. 297.</p>		
<p><b>Project / Issue Relates To:</b></p>		
<p><input type="checkbox"/> Council Goals/Priorities</p>	<p><input type="checkbox"/> Adopted Master Plan(s)</p>	<p><input type="checkbox"/> Not Applicable</p>

**ISSUE BEFORE COUNCIL:**

A supplemental budget resolution for the FY2018-19 budget year.

**EXECUTIVE SUMMARY:**

Oregon’s Local Budget Law allows the URA Board to amend the adopted budget for an occurrence or condition that was not known at the time the budget was adopted. The Fiscal Year 2018-19 Budget was adopted by the Agency on June 18, 2018.

**Budget Adjustment Resolution**

The budget adjustment request recognizes the proceeds from the upcoming bond sale in the amount of \$3,800,000. A request for \$15,000 to recognize financing costs, including bond council, will be added to the materials and services line items.

**EXPECTED RESULTS:**

Urban Renewal Districts are required to amend their respective annual budget in accordance with Oregon’s Local Budget Law. It is required to have the supplemental budget adjustment approved by the Board during a public hearing at a regularly scheduled meeting.

**TIMELINE:**

A public notice for the Urban Renewal meeting was published as required. The notice was published in the Spokesman on March 13, 2019. Oregon Budget Law requires all budget adjustments and transfers be approved prior to the end of the fiscal year, June 30, 2019.

**FINANCIAL REVIEW / COMMENT:**

Reviewed by: CAR      Date: 3/4/2019

**LEGAL REVIEW / COMMENT:**

Reviewed by: BAJ      Date: 3/12/2019

**COMMUNITY INVOLVEMENT PROCESS:**

As required by Local Budget Law, a notice for the public hearing has been published in the Wilsonville Spokesman. The notice has also been published on the City’s website. As the accompanying resolution is a budget adjustment, a public hearing must be part of the adoption process.

**POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:**

The amended budget provides for the delivery of services and construction of capital projects throughout the community.

**ALTERNATIVES:**

Not approving the attached supplemental budget could result in overspending current budget appropriations. The City is required to disclose all excess of expenditures over appropriations in the Comprehensive Annual Financial report.

**CITY MANAGER COMMENT:**

N/A

**ATTACHMENT:**

1. Supplemental Budget Adjustments
2. Resolution No. 297
  - A. Need, Purpose And Amount: Detail By Fund & Category

# URBAN RENEWAL

## Attachment #1-Supplemental Budget Adjustments

### Budget Requests - Capital Projects

**Debt Service Request For Coffee Creek URA**

Coffee Creek Capital Projects Fund

\$ (3,800,000)  
15,000

Recognize Debt Proceeds

Financing costs: Bond Council, closing costs

**Total Coffee Creek Urban Renewal Requests**

\$ (3,785,000)

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

**URA RESOLUTION NO. 297**

**A RESOLUTION AUTHORIZING A SUPPLEMENTAL BUDGET ADJUSTMENT FOR FISCAL YEAR 2018-19.**

WHEREAS, the Urban Renewal Board adopted a budget and appropriated funds for fiscal year 2018-19 by Resolution 283; and,

WHEREAS, unanticipated revenues and expenditures are expected to exceed the original adopted budget in some of the Agency's funds and budgetary changes are necessary within these funds to provide increased appropriation levels to expend the unforeseen revenues; and,

WHEREAS, ORS 294.480 provides that a government may increase the current year adopted budget through supplemental appropriations provided publication notice is met and a public hearing is held; and,

WHEREAS, all transfers from contingencies within the fiscal year to date aggregate have exceeded fifteen percent (15%) of the fund's total appropriations; and,

WHEREAS, all expenditure transfers within the fiscal year to date aggregate to not more than ten percent (10%) of the fund's total expenditures; and,

WHEREAS, to facilitate clarification of the adjustments in this resolutions Attachment A to this resolution provides a summary by fund of the appropriation categories affected by the proposed adjustments of budget appropriation and the purpose of the expenditure.

WHEREAS, consistent with local budget law and based upon the foregoing, the staff report in this matter and public hearing input, the public interest is served in the proposed supplemental budget adjustment.

NOW, THEREFORE, THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE HEREBY RESOLVES AS FOLLOWS:

The Agency adopts the Supplemental Budget to the Fiscal Year 2018-19 adopted budget by amending the estimated revenues and appropriations within the funds and categories as delineated and explained in Attachment A, attached hereto and incorporated by reference as if fully set forth herein.

This resolution becomes effective upon adoption.

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

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Tim Knapp, Board Chair

ATTEST:

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Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

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

Attachment:

- A. Need, Purpose And Amount: Detail By Fund & Category

**ATTACHMENT A  
NEED, PURPOSE AND AMOUNT: DETAIL BY FUND & CATEGORY**

	<u>Current Appropriations</u>	<u>Change in Appropriations</u>	<u>Amended Appropriations</u>
<b>Coffee Creek Capital Projects Fund</b>			
Bond Proceeds	\$ -	\$ (3,800,000)	\$ (3,800,000)
Net Change in Resources	\$ -	<b>\$ (3,800,000)</b>	\$ (3,800,000)
Materials and Services	\$ -	\$ 15,000	\$ 15,000
Contingency	\$ -	3,785,000	3,785,000
Net change in requirements	\$ -	<b>\$ 3,800,000</b>	\$ 3,800,000
<p>The increase in bond proceeds reflect the private placement bond sale that will be used to construct Garden Acres Rd. The increase in material and services reflect the cost of bond issuance.</p>			