

THE URBAN RENEWAL AGENCY OF WILSONVILLE

URA RESOLUTION NO.147

AUTHORIZE AN INTERGOVERNMENTAL AGREEMENT TO PAY THE CITY'S COSTS FOR A \$10 MILLION LINE OF CREDIT TO FINANCE ROAD PROJECTS, PROPERTY ACQUISITION, PARK IMPROVEMENTS AND RELATED PROJECT ADMINISTRATION IN THE WEST SIDE 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 its urban renewal plan, and by ORS Chapter 190 to enter into intergovernmental agreements; and,

WHEREAS, the Agency's urban renewal plan for the West Side Urban Renewal Area lists the financing of road projects, property acquisition, park improvements, and related project administration (collectively, the "Projects") as urban renewal projects; and,

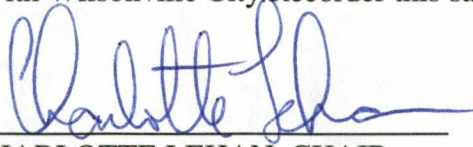
WHEREAS, the City of Wilsonville is proposing to borrow up to \$10,000,000 to pay for costs of the Projects; and,

WHEREAS, the Agency is willing to pay tax increment revenues to the City in amounts the City requires to pay the City's borrowing for the Projects;

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

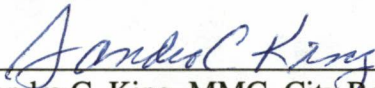
1. To approve the selection by the City of Bank of America, N.A. to provide up to \$10,000,000 of financing at a variable rate to finance the Projects, and to approve a loan origination fee of up to \$10,000.
2. To authorize the City Finance Director, or designee, to enter into an intergovernmental agreement that obligates the Agency to pay to the City debt service on the financing described in Section 1 of this resolution. The intergovernmental agreement shall constitute an indebtedness of the Agency, and shall be secured by a pledge of the Agency's tax increment revenues from the West Side Urban Renewal Area.

ADOPTED by the Urban Renewal Agency of the City of Wilsonville at a regular meeting thereof this 7th day of August, 2006 and filed with Wilsonville City Recorder this same date.



CHARLOTTE LEHAN, CHAIR

ATTEST:



Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Chair Lehan	Yes
Board Member Kirk	Yes
Board Member Holt	Yes
Board Member Knapp	Yes
Board Member Ripple	Excused

ATTACHMENT A

Proposed Terms of the City's Borrowing for the Projects

Type of Facility: Line of credit

Note Amount: \$10,000,000

Maturity: May 1, 2008 [Please confirm]

Origination Fee: \$10,000

Interest Rate: If Prime Rate: A rate per year equal to 63.5% of Bank of America's Prime Rate, minus a spread of 1.21%. The Prime Rate is the rate of interest publicly announced from time to time by Bank of America as its Prime Rate. Any change in the Prime Rate shall take effect at the opening of business on the day specified in the public announcement of a change in Bank of America's Prime Rate.

If LIBOR Fixed Rate: A rate per year equal to 63.5% of the LIBOR Fixed Rate, plus a spread of 0.50%. The LIBOR Fixed Rate is a fixed rate of interest per annum (rounded upwards, if necessary to the nearest 1/100 of 1%) equal to the British Bankers Association LIBOR Rate as published by Reuters (or other commercially available source) as the London interbank offered rate for deposits in United States Dollars for the applicable interest rate period, as adjusted from time to time in Bank of America's sole discretion for then-applicable reserve requirements, deposit insurance assessment rates and other regulatory costs. The LIBOR Rate shall be renewed upon the expiration of the initial interest period for a like tenor (not exceeding the expiration date of the Line of Credit Facility) and the rate adjusted to the applicable LIBOR Fixed Rate in effect at the time of such renewal. LIBOR Fixed Rate advances with tenors up to 12 months would be available (not exceeding the expiration date of the Line of Credit Facility).

Prepayment: At any time without penalty except for reimbursement of Bank of America's breakage and redeployment costs in the case of prepayment of LIBOR based borrowings.

Interest Payable: Calendar quarterly basis

Tax Exempt? Yes

Bank Qualified?

Yes

Disclosure:

None

Security:

Both the tax increment revenue from the West Side urban renewal area and the full faith and credit pledge of the city.