

RESOLUTION 2160

AUTHORIZE THE SUBORDINATION OF THE CITY'S CLAIM ON THE WEST SIDE URBAN RENEWAL AREA TAX INCREMENT REVENUES.

WHEREAS, the City entered into a \$10 million Tax-Exempt Non-Revolver Credit Facility with Bank of America, N.A. dated August 24, 2006, that was subsequently amended on April 30, 2008 and matures on March 1, 2009 (the "Amended 2006 Facility") to finance urban renewal projects in the West Side Urban Renewal Area (the "Area"); and,

WHEREAS, the Urban Renewal Agency of the City of Wilsonville (the "Agency") entered into an intergovernmental agreement with the City to pay tax increment revenues from the Area to the City in amounts that are due from the City under the Amended 2006 Facility; and,

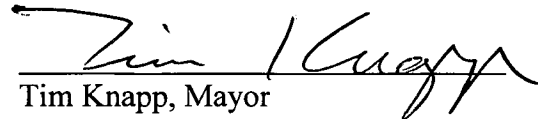
WHEREAS, the Agency will issue a West Side Urban Renewal Area Urban Renewal Bond, Series 2009 (the "Series 2009 Bond") and transfer the proceeds of the Series 2009 Bond to the City to refund the Amended 2006 Facility; and,

WHEREAS, in order to obtain a favorable interest rate on the Series 2009 Bond, the Agency needs to grant the purchaser of that bond a first lien on the tax increment revenues of the Area;

WHEREAS, the City holds a first lien on the tax increment revenues of the Area under two intergovernmental agreements that will remain outstanding after the Amended 2006 Facility is refunded;

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES that the Finance Director or the Finance Director's designee is hereby authorized to amend the intergovernmental agreements with the Agency that will remain outstanding after the Amended 2006 Facility is refunded to subordinate the claim on the tax increment revenues of the Area that are granted to the City in those intergovernmental agreements to the claim on the tax increment revenues of the Area that will secure the Series 2009 Bond and any borrowings issued on a parity with the Series 2009 Bond.

ADOPTED by the City Council of the City of Wilsonville at a special meeting thereof this 18th day of February, 2009 and filed with Wilsonville City Recorder this same date.


Tim Knapp, Mayor

ATTEST:


Starla J. Schur, CMC, Deputy City Recorder

SUMMARY OF VOTES:

Mayor Knapp	Yes
Council President Kirk	Excused
Councilor Hurst	Yes
Councilor Ripple	Excused
Councilor Nunez	Yes