

RESOLUTION NO. 2189

A RESOLUTION AUTHORIZING FINANCING OF ENGLEWOOD WEST APARTMENTS WITH COLUMBIA STATE BANK

Whereas, the Housing Authority of the City of Salem currently owns and operates Englewood West, a 54 unit senior apartment complex;

Whereas, Englewood West has outstanding bank financing which matures on September 5, 2017;

Whereas, Englewood West would benefit from roof and heating system improvements that are estimated to cost about \$100,000;

Whereas, Columbia State Bank, doing business as Columbia Bank, has submitted the attached proposal to refinance the outstanding financing for Englewood West and make an additional loan for Englewood West;

Whereas, Englewood West is a “housing project” as defined in ORS 456.065(2) because it is a work or undertaking that provides decent, safe and sanitary urban or rural housing for persons or families of lower income;

Whereas, ORS Chapter 456 authorizes the Authority to issue bonds, as defined in ORS Chapter 287A, to finance housing projects.

NOW, THEREFORE, THE HOUSING AUTHORITY OF THE CITY OF SALEM, OREGON, RESOLVES AS FOLLOWS:

Section 1. Authorization. The Authority is hereby authorized to issue bonds pursuant to ORS Chapter 456 and the applicable provisions of ORS Chapter 287A to refinance the outstanding debt for Englewood West, to pay for roof and heating improvements, to fund any necessary reserves and to pay costs of issuance. The maximum principal amount of bonds issued pursuant to this resolution shall not exceed \$600,000. The bonds authorized by this resolution shall have the terms specified in the term sheet from Columbia Bank (Exhibit 2), but with such changes as Executive Director, or the Executive Director’s designee, may approve.

Section 2. Delegation. The Executive Director or the Executive Director’s designee, (“Authorized Representative”) is hereby authorized, on behalf of the Authority and without further action by the Commission, to:

- (1) execute and deliver a bond, which may be in the form of a credit facility or loan agreement, a trust deed, and any other documents that are required for the Authority to borrow from Columbia Bank to refinance the outstanding loan for Englewood West and to finance costs of roof and heating improvements.
- (2) enter into covenants to secure the financing authorized by this resolution;

- (3) determine that the financing will bear interest that is excludable from gross income for federal income tax purposes;
- (4) covenant to comply with any requirements of federal law that are necessary for interest on the financing to be excludable from gross income for federal income tax purposes;
- (5) designate the financing as a qualified tax-exempt obligation pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended; and
- (6) take any other action in connection with the financing that the Authorized Representative finds is desirable to carry out this resolution.

ADOPTED by the Commission of the Housing Authority of the City of Salem this 6th day of June, 2016.

ATTEST:

Recording Secretary

APPROVED BY CITY ATTORNEY: _____

Checked by: A. Wilch