

RESOLUTION NO. 2022-58

A RESOLUTION OF THE CITY OF SALEM, OREGON AUTHORIZING THE SALE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, AND RELATED MATTERS

Whereas, the City of Salem, Oregon (the “City”) adopted a resolution on July 11, 2022, as amended by a resolution adopted on July 25, 2022, submitting to the voters of the City ballot measure 24-474 (the “Measure 24-474”) authorizing the City to issue general obligation bonds to finance capital costs, as more fully described in Measure 24-474 (the “Projects”); and,

Whereas, the election held on November 8, 2022 (the “2022 Bond Election”) and the general obligation bonds described in Measure 24-474 were approved by a majority of the qualified voters of the City voting at that election; and,

Whereas, because of a technical omission in Measure 24-474 the City is seeking a validation pursuant to ORS 33.710 and 33.720 by the Marion County Circuit Court; and,

Whereas, ORS 287A.050 limits the amount of general obligation bonds cities can issue for certain kinds of projects to three percent of the real market value of taxable property in the City, and issuing the Bonds will not cause the City to exceed this limit; and,

Whereas, it is now desirable to authorize the sale of the general obligation bonds authorized by the 2022 Bond Election;

NOW, THEREFORE, the City Council of the City of Salem resolves as follows:

Section 1. Bonds Authorized. Subject to validation by the Marion County Circuit Court, the City Council hereby authorizes the issuance and sale of general obligation bonds (the “Bonds”) in an aggregate principal amount not to exceed \$300,000,000 pursuant to the 2022 Bond Election to pay for Projects.

Section 2. Delegation. The City Manager, the Chief Financial Officer, or any person designated by either the City Manager or the Chief Financial Officer to act on behalf of the City pursuant to this Resolution (each a “City Official”) may, on behalf of the City and without further action by the City Council:

- a. Sell and issue the Bonds in one or more series, which may be sold at different times.
- b. Establish the form, final principal amount, maturity schedule, interest rates, and other terms of each series of Bonds.
- c. Execute and deliver a bond declaration for each series of Bonds specifying the terms under which each series of Bonds are issued and containing covenants for the benefit of Bond owners and any providers of credit enhancement for the Bonds.
- d. Publish a notice of sale, solicit competitive bids for the purchase of each series of the Bonds and award their sale to the bidder offering the most favorable terms to

the City, select one or more underwriters, commercial banks or other lenders and negotiate the sale of any series with those underwriters, commercial banks or lenders.

e. Undertake to provide continuing disclosure for each series of Bonds and to comply with Rule 15c2-12 of the United States Securities and Exchange Commission.

f. Participate in the preparation of, authorize the distribution of, and deem final any official statement or other disclosure documents relating to each series of the Bonds.

g. Apply for ratings for each series of Bonds, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancement for each series of Bonds, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.

h. Engage the services of paying agents and any other professionals whose services are desirable for each series of the Bonds, and negotiate the terms of and execute any agreements with those professionals.

i. Determine whether each series of Bonds will bear interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended (the "Code"), or is includable in gross income under the Code. If a series bears interest that is excludable from gross income under the Code, the City Official may enter into covenants to maintain the excludability of interest on that series of the Bonds from gross income.

j. Designate any series of Bonds as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code, if applicable.

k. If permitted by federal law, issue any series of Bonds as taxable bonds that are eligible for federal interest subsidies or tax credits, and enter into related covenants.

l. Execute any documents and take any other action in connection with each series of the Bonds which the City Official finds is desirable to permit the sale and issuance of that series of the Bonds in accordance with this Resolution and that will be advantageous to the City.

Section 3. 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, and the City covenants for the benefit of the Bond owners that the City shall levy annually, as necessary and 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 4. Duration. The authority granted by this Resolution shall remain in effect as long as necessary to permit the sale, delivery, administration and payment of all Bonds authorized by this Resolution.

Section 5. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted by the Council this 12th day of December, 2022.

ATTEST:

City Recorder

Approved by City Attorney

Checked by: J. Eggleston