

RESOLUTION NO. 2019-20-4

A RESOLUTION AUTHORIZING THE SALE OF TAXABLE GENERAL REVENUE BOND AND EXECUTION OF A SUPPLEMENTAL REVENUE BOND DECLARATION

The Board of Commissioners of the Port of Hood River finds that:

- A. The Port Board of Commissioners adopted Resolution No. 2002-03-5 on June 17, 2003 (“**Resolution No. 2002-03-5**”), authorizing the Port to execute and deliver the Master General Revenue Bond Declaration (the “**Master Declaration**”), which establishes the terms under which the Port may issue general revenue bonds, and to issue up to \$8,000,000 of its general revenue bonds (the “**Series 2003 Bonds**”).
- B. The Series 2003 Bonds are dated August 15, 2003, and were issued under Oregon Revised Statutes (“**ORS**”) Section 777.560 in the aggregate principal amount of \$8,000,000.
- C. Section 7 of the Master Declaration provides that Parity Obligations may be issued for any purpose relating to the Facilities that is authorized by law, so long as certain conditions are met.
- D. The Port Board of Commission adopted Resolution No. 2013-14-1 on September 10, 2013, authorizing the Port to execute and deliver a First Supplemental Master Revenue Bond Declaration (the “**First Supplement**”) which established the terms under which the Port issued its General Revenue Refunding Bond, Series 2013 in the principal amount of \$3,703,000 (the “**Series 2013 Bond**”) for the purpose of refunding the Series 2003 Bonds.
- E. The Port Board of Commission adopted Resolution No. 2015-16-3 on October 6, 2015, authorizing the Port to execute and deliver a Second Supplemental Master Revenue Bond Declaration (the “**Second Supplement**”) which established the terms under which the Port issued its Taxable General Revenue Refunding Bond, Series 2015 in the principal amount of \$2,000,000 (the “**Series 2015 Bond**”) for the purpose of financing the acquisition of and improvements to certain Port Facilities, fund any required debt service reserve and pay costs of issuance.
- F. ORS Chapters 287A and 777 authorize the Port to refund outstanding borrowings.
- G. The Port adopts this resolution to authorize the sale of its Taxable General Revenue Bond, Series 2020 (the “**Series 2020 Bond**”) and execution of a Third Supplemental Revenue Bond Declaration (the “**Third Supplement**”) for the purpose of refinancing the Port’s Installment Note dated May 18, 2010, issued in the original principal amount of \$2,250,000 to LJS Manufacturing, Inc. (the “**Note**”), fund any required debt service reserve and pay costs of issuance of the Series 2020 Bond. The Note financed the purchase of property located at 400 Portway Avenue (the “**Property**”) and is secured by a Trust Deed dated May 18, 2010, between the Port, Columbia Gorge Title LLC as trustee and LJS Manufacturing, Inc. as

beneficiary. The outstanding amount of the Note, approximately \$1,866,431, is due May 21, 2020. The Property is part of the Port's Facilities.

- H. The Master Declaration, together with the First Supplement, the Second Supplement and the Third Supplement is referred to as the "**Declaration.**"
- I. Capitalized terms used but not defined herein shall have their respective meanings as set forth in the Declaration.

NOW, THEREFORE, based upon the above findings,

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT OF HOOD RIVER, a municipal corporation of the State of Oregon, as follows:

Section 1. Bond Authorized

- 1.1 The Port hereby authorizes the sale and delivery of the Series 2020 Bond in a maximum aggregate principal amount not to exceed \$1,900,000, to refinance the Note, fund any required debt service reserve, and pay costs of issuance of the Series 2020 Bond in accordance with this Resolution and the Declaration.
- 1.2 The Series 2020 Bond is a Parity Obligation payable from the Net Operating Revenues of the Port as provided in the Declaration. Except as provided in the Declaration, the Owner of the Series 2020 Bond shall not have a lien or security interest on any property of the Port, including any property financed with the proceeds of the Series 2020 Bond.
- 1.3 The purchaser of the Series 2020 Bond shall be Columbia Bank (the "**Bank**").

Section 2. Delegation

The Executive Director or the Chief Financial Officer are designated by the Board of Commissioners to act on behalf of the Port under this resolution and the Declaration (any of whom is referred to in this resolution as a "**Port Official**") and the Port Official may, on behalf of the Port:

- 2.1 Establish the final principal amounts, maturity schedules, interest rates, sale prices, redemption terms, payment terms and dates, reserve amount, record dates and other terms for the Series 2020 Bond.
- 2.2 Determine if any required debt service reserve amount will be funded with Series 2020 Bond proceeds or funds of the Port.
- 2.3 Finalize the terms of, execute and deliver the Third Supplement, which describes the terms under which the Series 2020 Bond may be issued. The Third Supplement shall be in substantially the form attached to this Resolution as Exhibit A, with such insertions and changes as the Port Official may approve. The Port Official may approve and execute and deliver additional covenants and terms for the Series 2020 Bond. The covenants contained in

the Third Supplement and covenants, terms or events of default in the closing documents for the Series 2020 Bond, including but not limited to additional covenants, terms or events of default in any credit facility agreements approved by the Port Official, shall constitute contracts with the Owner of the Series 2020 Bond, and shall be enforceable by them.

- 2.4 Appoint and enter into agreements with professionals and service providers in connection with the Series 2020 Bond.
- 2.5 Execute a credit facility agreement or loan agreement and any other documents, and take any other action in connection with the Series 2020 Bond, that the Port Official finds necessary or desirable.

Section 3. Effective Date

This resolution takes effect upon adoption by the Board of Commissioners.

PASSED by the Board of Commissioners of the Port of Hood River this 17th day of March 2020

John Everitt
President

Ben Sheppard
Vice-President

David Meriwether
Secretary

Kristi Chapman
Treasurer

Hoby Streich
Commissioner

EXHIBIT A

FORM OF THIRD SUPPLEMENTAL DECLARATION