

RESOLUTION NO. 5638

A RESOLUTION AUTHORIZING THE MAYOR TO SIGN THE INTERGOVERNMENTAL AGREEMENT WITH THE ALBANY REVITALIZATION AGENCY PLEDGING CERTAIN REVENUES TO REPAYMENT OF THE OREGON ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT SPECIAL PUBLIC WORKS FUND LOAN.

WHEREAS, in October, 2006 the City of Albany entered into a development agreement with SVC Manufacturing, Inc., the state of Oregon Economic and Community Development Department (OECD), and other state and local partners; and

WHEREAS, the agreement requires the City to complete transportation, sewer, and water improvements to support the SVC manufacturing facility and future development of other properties in the area; and

WHEREAS, the agreement further requires OECD to provide short and long term financing for construction of the improvements; and

WHEREAS, the terms of the loan require the full faith and credit of the City of Albany and a pledge of tax increment financing from the Oak Creek Revitalization Area; and

WHEREAS, the financing contract requires evidence of the City of Albany and the Albany Revitalization Agency's authorization to fulfill the terms of the financing contract; and

WHEREAS, the evidence can be provided through execution of an intergovernmental agreement between the City and the Agency; and

WHEREAS, the financing contract has been reviewed by staff and by the Albany City Council; and

WHEREAS, the Albany City Council hereby determines that it is in the public interest to execute the intergovernmental agreement.

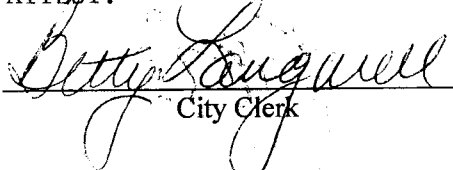
NOW, THEREFORE, BE IT RESOLVED that the Mayor of the City of Albany is hereby authorized to execute, on behalf of the City of Albany, the intergovernmental agreement with the Albany Revitalization Agency in a form substantially the same as the agreement attached as Exhibit A, and incorporated herein, and with future modifications consistent with the direction of the City Council as deemed necessary by the City Attorney and City Manager.

DATED AND EFFECTIVE THIS 23rd DAY OF JULY, 2008.



Mayor

ATTEST:



City Clerk

EXHIBIT A

INTERGOVERNMENTAL AGREEMENT

This Agreement is made and entered into this _____ day of _____ 2008 by and between the City of Albany, Oregon, (hereinafter "City") and the Albany Revitalization Agency, (hereinafter "AGENCY") pursuant to the provisions of ORS Chapter 190.

WHEREAS, City and AGENCY mutually represent to one another that each is a unit of local government as that term is defined by ORS 190.003 and is duly authorized by their governing bodies to enter into this Agreement; and

WHEREAS, in October, 2006 CITY entered into a development agreement with SVC Manufacturing, Inc., the state of Oregon Economic and Community Development Department (OECDD), and other state and local partners; and

WHEREAS, the development agreement requires the City to complete transportation, sewer, and water improvements to support the SVC manufacturing facility and future development of other properties in the area; and

WHEREAS, the City Council will consider a financing contract with OECDD to provide financing for the infrastructure improvements; and

WHEREAS, the financing contract requires the full faith and credit of the City of Albany, a pledge of tax increment financing from the Oak Creek Revitalization Area, and a pledge of LID assessments and other resources set forth in the development agreement; and

WHEREAS, the financing contract requires evidence of CITY and AGENCY's authorization to fulfill the terms of the financing contract; and

WHEREAS, the evidence can be provided through execution of an intergovernmental agreement between CITY and AGENCY.

NOW, THEREFORE, in consideration of the mutual terms and promises set forth herein, the parties agree as follows:

- (1) The above recitals are true and are incorporated herein as if fully set forth.
- (2) The AGENCY hereby pledges the incremental property tax revenues of the Oak Creek Revitalization Area and all earnings thereon to the City for repayment of the OECDD loan.
- (3) The City hereby grants to OECDD a security interest in and irrevocable pledge of the incremental property tax revenues that is senior and superior to any other security interest or lien on the incremental property tax revenues.
- (4) The AGENCY hereby warrants that the OECDD loan is within the maximum amount of indebtedness that may be incurred under the Oak Creek Urban Renewal Plan.

- (5) The CITY and AGENCY shall cooperate to provide other authorization, documentation, and performance necessary to fulfill the terms of the financing contract between CITY and OECD.

Dated this _____ day of _____ 2008.

Mayor, City of Albany

Chair, Albany Revitalization Agency

ATTEST:

City Clerk