

NOTICE OF PUBLIC MEETING

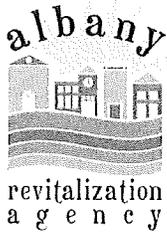
ALBANY REVITALIZATION AGENCY
City Hall Council Chambers
Wednesday, October 19, 2016
Immediately following the CARA Advisory Board meeting

AGENDA

1. CALL TO ORDER (Chair Floyd Collins)
2. ROLL CALL
3. APPROVAL OF MINUTES
➤ September 22, 2016. [Pages 2-3]
Action: _____
4. SCHEDULED BUSINESS
 - a. Business from the Public
 - b. Adoption of Resolution
 - 1) Infrastructure Finance Authority (IFA) loan approval (\$8.4 million). [Pages 4-9] (Reid)
Action: _____ ARA RES. NO. _____
 - c. Staff updates and issues. [Verbal] (Hodney)
Action: _____
5. BUSINESS FROM THE AGENCY
6. NEXT MEETING DATE: *Wednesday, November 16, 2016*
7. ADJOURNMENT

City of Albany Web site: www.cityofalbany.net

The location of the meeting/hearing is accessible to the disabled. If you have a disability that requires accommodation, advance notice is requested by notifying the City Manager's Office at 541-917-7508, 541-704-2307, or 541-917-7519.



APPROVED: Draft

CITY OF ALBANY
Albany Revitalization Agency
City Hall Council Chambers
Thursday, September 22, 2016

MINUTES

Advisory Board Members present: Floyd Collins, Bill Coburn, Bessie Johnson, Sharon Konopa, Ray Kopczynski, Dick Olsen

Advisory Board Members absent: Rich Kellum (excused)

CALL TO ORDER

Chair Floyd Collins called the meeting to order at 6:31 p.m.

APPROVAL OF MINUTES

July 20, 2016

MOTION: Ray Kopczynski moved to approve the minutes as presented. Bill Coburn seconded the motion, and it passed 6-0.

SCHEDULED BUSINESS

Business from the Public

None.

Adoption of Resolution

Small Grant Request: Mike McClain (122-130 Ferry Street SW; \$2,401.50)

MOTION: Coburn moved to adopt the resolution. Kopczynski seconded the motion, and it passed 6-0. The resolution was designated ARA Res. No. 2016-08.

Staff Updates and Issues

None.

BUSINESS FROM THE AGENCY

None.

NEXT MEETING DATE

Wednesday, October 19, 2016

ADJOURNMENT

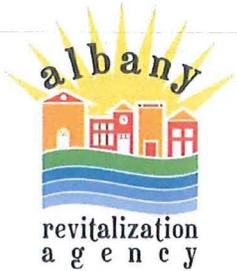
Hearing no further business, Chair Collins adjourned the meeting at 6:34 p.m.

Submitted by,

Reviewed by,

Teresa Nix
Recorder
Director

Kate Porsche
Economic Development & Urban Renewal



TO: Albany Revitalization Agency
VIA: Ed Hodney, Parks & Recreation Director
FROM: Nathan Reid, Urban Renewal Officer
DATE: October 13, 2016, for October 19, 2016, ARA Meeting
SUBJECT: Resolution to Approve Funding Option through State's Infrastructure Finance Authority (IFA) Special Public Works Fund

Recommendation

Staff recommends the ARA adopt the attached resolution in order to fully fund the downtown street project.

Background

Under direction from the CARA Advisory Board, staff applied for a loan from the state's IFA Special Public Works Fund (SPWF) to cover the entire cost of the downtown street project. We have received word that the loan has been approved in the amount of \$8.4 million. Debt service on the loan will be paid from tax increment district revenues.

The Albany Revitalization Agency needs to approve the attached resolution authorizing the execution of an intergovernmental agreement (IGA) and delegating signature authority to the Assistant City Manager/Chief Information Officer and the Parks & Recreation Director. A copy of the IGA is included in the packet for your information.

NHR:ldh

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ARA RESOLUTION NO. _____

A RESOLUTION OF THE ALBANY REVITALIZATION AGENCY AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF ALBANY TO REPAY A LOAN FROM THE SPECIAL PUBLIC WORKS FUND OF THE OREGON INFRASTRUCTURE AUTHORITY

WHEREAS, the City of Albany, Oregon (the “City”) proposes to obtain a loan in the amount of not more than \$8,400,000 from the Special Public Works Fund by entering into a contract with the Oregon Infrastructure Finance Authority (the “IFA Contract”) to finance projects described in the urban renewal plan for the Central Albany Revitalization Area, including sidewalk and street improvements, lighting installation, curb extensions, drainage work, and landscaping (the “Projects”); and,

WHEREAS, the Albany Revitalization Agency (the “Agency”) is willing to pay the debt service on the IFA Contract from tax increment revenues of the Central Albany Revitalization Area (the “Area”); and,

WHEREAS, Oregon Revised Statutes Chapter 190 and Chapter 457 authorize the Agency to enter into an intergovernmental agreement with the City under which the Agency agrees to provide tax increment revenues to the City in sufficient amounts to pay all amounts due from the City under the IFA Contract; and

WHEREAS, all of the Projects will be located within the Area and owned by the Agency or the City; and,

WHEREAS, the Agency is willing to commit, and reasonably projects that it will have, tax increment revenues from the Area in amounts sufficient to pay up to \$8,400,000 in principal, plus interest, that will be due from the City under the IFA Contract; and,

WHEREAS the remaining maximum indebtedness for the Area exceeds \$8,400,000 and the Agency is willing to use \$8,400,000 of that maximum indebtedness to finance the Projects.

NOW, THEREFORE, the Board of the Albany Revitalization Agency, the urban renewal agency of the City of Albany, Oregon resolves as follows:

Section 1. Intergovernmental agreement authorized. The Agency Board hereby authorizes the Agency to enter into an intergovernmental agreement (the “Intergovernmental Agreement”) with the City that obligates the Agency to pay up to \$8,400,000 in principal amount, plus interest, to pay amounts due from the City under the IFA Contract. The Intergovernmental Agreement shall constitute indebtedness of the Agency that is payable solely from the tax increment revenues of Area and interest earnings on those tax increment revenues. The Intergovernmental Agreement shall be in substantially the form attached to this resolution as Exhibit A but with such changes as are approved pursuant to Section 2 of this resolution.

Section 2. Delegation. The Assistant City Manager/Chief Information Officer and Parks & Recreation Director, each of whom is referred to in this resolution as an “Agency Official,” is hereby authorized, on behalf of the Agency and without further action by the Agency Board, to negotiate the final terms of and execute the Intergovernmental Agreement authorized by Section 1 of this resolution and to execute any other documents and take any other actions that are desirable to assist the City in financing the Projects.

DATED AND EFFECTIVE THIS 19TH DAY OF OCTOBER 2016.

ARA Chair

ATTEST:

City Clerk

**Intergovernmental Agreement to Transfer Tax Increment Revenues
of the Central Albany Revitalization Area
to the City of Albany to pay a Special Public Works Fund Loan**

This Intergovernmental Agreement (the “Intergovernmental Agreement”) is dated as of October 19, 2016, and is entered into by and between the Albany Revitalization Agency (the “Agency”) and the City of Albany, Oregon (the “City”). The parties hereby agree as follows:

Section 1. Definitions and Recitals.

(1) Definitions.

Unless the context clearly requires otherwise, capitalized terms used in this Intergovernmental Agreement that are defined in this Section 1(1) shall have the following meanings:

“Area” means the Central Albany Revitalization Area described in the Plan.

“IFA Contract” means the contract with the Oregon Infrastructure Finance Authority under which the City obtains a loan in the amount of not more than \$8,400,000 from the Special Public Works Fund to finance the Projects.

“Plan” means the Agency’s Central Albany Revitalization Area Urban Renewal Plan approved by City Ordinance No. 5496, adopted on August 8, 2001, as that plan has been, and may in the future be, amended.

“Projects” means projects described in the Plan, including sidewalk and street improvements, lighting installation, curb extensions, drainage work, and landscaping.

“Tax Increment Revenues” means all revenues that the Agency collects for the Area under the provisions of Article IX, Section 1c, of the Oregon Constitution and Oregon Revised Statutes Chapter 457.

(2) Findings.

- (A) The City has entered into the IFA Contract to finance costs of the Projects.
- (B) The Agency is authorized to spend Tax Increment Revenues to pay for the costs of the Projects.
- (C) This process enables significant cost savings, through reduced interest rates and fees, for the Agency by having the City as applicant.
- (D) The Projects will assist the Agency in carrying out its Plan.
- (E) The Agency will only spend the proceeds of the IFA Contract on Projects if the Projects are described in the Plan, located in the Area, and owned by the City or the Agency.
- (F) The Agency will appropriate funding needed for payments in each year’s budget.
- (G) The Agency has \$37,767,405 of unused maximum indebtedness available prior to executing this Intergovernmental Agreement.

Section 2. Payments.

(1) The City is obligated under the IFA Contract to pay IFA up to \$8,400,000 in principal amount over a period of 15 years, with interest at a rate of 2.55 percent per annum. The schedule of payments the City must make to IFA under the IFA Contract will be finalized when the Projects are complete and closed. The City will notify the Agency of the payment schedule when the payment schedule is finalized.

(2) The Agency hereby agrees to pay to the City the amount of each payment due from the City under the IFA Contract, not less than one business day prior to the date each payment is due.

(3) This Intergovernmental Agreement shall constitute indebtedness of the Agency. The Agency is obligated to make the payments due under this Intergovernmental Agreement solely from the Tax Increment Revenues. Pursuant to Oregon Revised Statutes Section 287A.310, the Agency pledges the Tax Increment Revenues to pay the amounts described in Section 2.2 of this Intergovernmental Agreement. This pledge shall be subordinate to the tax increment indebtedness of the Agency that are outstanding on the date this Intergovernmental Agreement is executed, but shall be superior to all other obligations of the Agency except to the extent that the City subsequently agrees in writing to subordinate this pledge.

Section 3. Estoppel.

The Agency hereby certifies, recites, and declares that all things, conditions, and acts required by the Constitution and Statutes of the state of Oregon and by this Intergovernmental Agreement to exist, to have happened and to have been performed precedent to and in the execution and the delivery of this Intergovernmental Agreement, do exist, have happened and have been performed in due time, form and manner, as required by law, and that this Intergovernmental Agreement is a valid and binding obligation of the Agency that is enforceable against the Agency in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other laws or judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights or contractual obligations generally.

Section 4. Miscellaneous.**(1) Binding Effect.**

This Intergovernmental Agreement shall inure to the benefit of and shall be binding upon the Agency and the City and their respective successors and assigns.

(2) Severability.

In the event any provisions of this Intergovernmental Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

(3) Amendments.

This Intergovernmental Agreement may be amended only by a writing signed by both parties.

(4) Execution in Counterparts.

This Intergovernmental Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute the same instrument.

(5) Applicable Law.

This Intergovernmental Agreement shall be governed by and construed in accordance with the laws of the state of Oregon. Any action regarding this Intergovernmental Agreement or the transactions contemplated hereby shall be brought in an appropriate court of the state of Oregon in Linn County, Oregon.

(6) Rules of Construction.

References to section numbers in documents that do not specify the document in which the section is located shall be construed as references to section numbers in this Intergovernmental Agreement.

(7) Headings.

The headings, titles, and table of contents in this Intergovernmental Agreement are provided for convenience and shall not affect the meaning, construction or effect of this Intergovernmental Agreement.

IN WITNESS WHEREOF, the Agency and the City have executed this Intergovernmental Agreement as of the date indicated above.

For the Albany Revitalization Agency

Ed Hodney, Parks & Recreation Director

For the City of Albany, Oregon

Stewart Taylor, Finance Director