
METRO

**RESOLUTION NO. 93-1795
OF THE METRO COUNCIL**

A Resolution authorizing the issuance of general revenue bonds to refund the outstanding Metro General Revenue Bonds (Metro Headquarters Building Project), 1991 Series A; and authorizing, establishing and determining other matters in connection therewith.

**Adopted by Metro Council on
May 13, 1993
Effective on May 13, 1993**

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[Note: This Table of Contents is provided solely for the convenience of the reader and does not constitute a part of this Resolution.]

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RESOLUTION NO. 93-1795

A Resolution authorizing the issuance of general revenue bonds to refund the outstanding Metro General Revenue Bonds (Metro Headquarters Building Project), 1991 Series A; and authorizing, establishing and determining other matters in connection therewith.

BE IT RESOLVED BY THE METRO COUNCIL AS FOLLOWS:

Section A. Findings. The Metro Council hereby finds and determines the matters set forth below in this Section A.

(1) Political Subdivision. Metro is a metropolitan service district and political subdivision organized and existing under and pursuant to the laws of the State of Oregon and the Charter of Metro (the "Charter").

(2) The 1991 Bonds. Pursuant to Metro Ordinance No. 91-439 enacted on December 12, 1991 (the "1991 Master Ordinance") and Metro Ordinance No. 91-440 enacted on December 12, 1991 (the "1991 Supplemental Ordinance"), Metro has heretofore issued its General Revenue Bonds (Metro Headquarters Building Project), 1991 Series A in the original aggregate principal amount of \$22,990,000 (the "1991 Bonds"), such bonds having been issued for the purpose of financing the acquisition, construction and installation of the Metro Headquarters Building in the Lloyd District in the City of Portland. Terms used in this Preamble which are not otherwise defined herein shall have the respective meanings assigned thereto in the 1991 Master Ordinance and the 1991 Supplemental Ordinance. There remain outstanding 1991 Bonds in the aggregate principal amount of \$22,990,000 maturing or being subject to mandatory sinking fund redemption on July 1 of each year, 1994 through 2022 (inclusive), with the 1991 Bonds maturing on or after July 1, 2000 being subject to redemption at the option of Metro on July 1, 1999 at a redemption price equal to the principal amount of the 1991 Bonds to be redeemed plus accrued and unpaid interest thereon to the date of redemption plus a premium equal to 2% of the principal amount to be redeemed.

(3) Current Market Interest Rates. The current rates of interest available in the municipal bond markets for tax-exempt bonds having maturities and credit quality substantially the same as the maturities and credit quality of the outstanding 1991 Bonds are significantly lower than the rates of interest borne by the outstanding 1991 Bonds.

(4) Savings by Issuing Refunding Bonds. In light of the rates of interest currently available, the issuance and sale by Metro of advance refunding bonds for the purpose of refunding, replacing, defeasing and (subject

to the applicable limitations on redemption) redeeming at the earliest practicable date certain of the outstanding 1991 Bonds is in the best interests of Metro and the citizens residing, working and doing business within the jurisdictional boundaries of Metro. The issuance and sale of such advance refunding bonds will enable Metro to realize aggregate debt service payments on such advance refunding bonds which are significantly lower than the aggregate debt service payments now required to be made with respect to the 1991 Bonds to be so refunded.

(5) Issuance of Advance Refunding Revenue Bonds Under 1991 Master Ordinance. Under Section 205(f) of the 1991 Master Ordinance, Metro is permitted to issue Refunding Obligations without regard to the limitations and restrictions set forth in Section 205(a), (b)(c) or (d) of the 1991 Master Ordinance if the Refunding Obligations are issued for the purpose of refunding all Bonds which are Outstanding at the time of issuance of such Refunding Obligations. The 1991 Bonds constitute the only Bonds issued and Outstanding under the 1991 Master Ordinance, and the refunding bonds authorized to be issued under this Resolution as Refunding Obligations will refund all the Outstanding Bonds heretofore issued under the 1991 Master Ordinance. Therefore, the refunding bonds authorized by this Resolution may be issued without regard to the limitations and restrictions set forth in Section 205(a), (b)(c) or (d) of the 1991 Master Ordinance.

(6) Authority to Issue Advance Refunding Bonds. Pursuant and subject to the requirements of the Metro Charter, Title VIII of the Metro Code, and ORS 288.605 to 288.695 (inclusive), as amended (the "Advance Refunding Act"), Metro is authorized and empowered, without a vote of the electors, to issue and sell advance refunding bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding 1991 Bonds as described above.

(7) Compliance with Advance Refunding Act. As required by the Advance Refunding Act, Metro has heretofore prepared and submitted to the State Treasurer for review and approval refunding plans describing the proposed advance refunding and the benefits to be derived therefrom (the "Refunding Plan").

(8) Resolution as Authorizing Action and Supplemental Ordinance. Pursuant to Title VIII of the Metro Code and the 1991 Master Ordinance as modified, supplemented and amended by Metro Ordinance No. 93-495 enacted on April 22, 1993 (the 1991 Master Ordinance as modified, supplemented and amended by Metro Ordinance No. 93-495 being herein called the "General Revenue Bond Master Ordinance"), this Resolution is adopted as, and shall constitute, an Authorizing Action under Section Title VIII of the Metro Code and a Supplemental Ordinance to the General Revenue Bond Master Ordinance.

ARTICLE I DEFINITIONS

Section 101. Terms Defined in General Revenue Bond Master Ordinance; Conflicting Definitions. All terms used in this Authorizing Action and not otherwise defined herein shall have the same meanings assigned thereto in the General Revenue Bond Master Ordinance. In the event of any conflict between the definition of a term as set forth in the General Revenue Bond Master Ordinance and the definition of that same term as set forth herein, then unless the General Revenue Bond Master Ordinance expressly allows the definition of such term to be controlled or varied by a Supplemental Ordinance or unless otherwise expressly provided herein, the definition of such term as set forth in the General Revenue Bond Master Ordinance shall govern and control for all purposes of this Authorizing Action.

Section 102. Definitions. As used in this Authorizing Action, the following terms shall have the respective meanings set forth below:

"Act" when used in the context of the legal authority under and pursuant to which the Metro Headquarters Building 1993 Refunding Bonds are issued, means the Charter, Title VIII of the Metro Code, the Advance Refunding Act, and related provisions of the laws of the State of Oregon.

"Advance Refunding Act" means ORS 288.605 to 288.695 (inclusive), as amended.

"Authorized Denomination" means, with respect to the Metro Headquarters Building 1993 Refunding Bonds, \$5,000 or any integral multiple thereof.

"Authorized Officer" means any one or more of the officers of Metro authorized to act on behalf of Metro pursuant to Section 401(c) hereof.

"Authorizing Action" shall mean this Authorizing Action No. 93-1795, pursuant to which the Metro Headquarters Building 1993 Refunding Bonds are issued.

"Authorizing Legislation" means the Act, the General Revenue Bond Master Ordinance and this Authorizing Action.

"Beneficial Owners" shall mean, whenever used with respect to a Metro Headquarters Building 1993 Refunding Bond, the person or entity in whose name such Metro Headquarters Building 1993 Refunding Bond is recorded as the beneficial owner of such bond by a Participant on the records of such Participant pursuant to the arrangements for book-entry determination of ownership applicable to the Securities Depository.

"Bond Registrar" means, with respect to the Metro Headquarters Building 1993 Refunding Bonds, the Trustee.

"Book-Entry Agreement" shall mean the agreement to be executed among Metro, the Trustee and the Securities Depository with respect to the Book-Entry System for the Metro Headquarters Building 1993 Refunding Bonds.

"Book-Entry System" shall mean that system whereby the clearance and settlement of securities transactions is made through electronic book-entry changes, thereby eliminating the need of physical movement of securities.

"Business Day" means, with respect to the Metro Headquarters Building 1993 Refunding Bonds, any day which is not a Saturday, Sunday or holiday or day upon which the principal corporate trust office of the Trustee is closed.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Metro Headquarters Building 1993 Refunding Bonds.

"Charter" means the Metro Charter as in effect on the date of adoption by the Metro Council of this Authorizing Action.

"Code" means the Metro Code as in effect on the date of adoption by the Metro Council of this Authorizing Action.

"DTC" shall mean The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Escrow Account" means the account established with the Trustee under the Escrow Agreement for the purpose of holding the Escrow Deposit.

"Escrow Agreement" means the agreement between Metro and the Trustee, as escrow agent, pursuant to which the Trustee will hold the Escrow Deposit for the defeasance and redemption of the Refunded Bonds.

"Escrow Deposit" means that portion of the proceeds of the sale of the Metro Headquarters Building 1993 Refunding Bonds that, on the date of issuance and delivery of the Metro Headquarters Building 1993 Refunding Bonds, is required to be transferred to the Trustee for deposit in the Escrow Account and held and applied for the purpose of paying the amounts due on the 1991 Bonds pursuant to and in accordance with the Escrow Agreement, the amount of which deposit shall be specified in writing by an Authorized Officer in connection with the issuance of the Metro Headquarters Building 1993 Refunding Bonds.

"General Revenue Master Bond Ordinance" means Metro Ordinance No. 91-439 enacted on December 12, 1991, as modified, supplemented and amended by Metro Ordinance No. 93-495 enacted on April 22, 1993.

"Interest Payment Date(s)" means, with respect to the Metro Headquarters Building 1993 Refunding Bonds, each February 1 and August 1 of each year, commencing with the first such date following the issuance of such bonds or, if so determined by the Executive Officer pursuant to the authority conferred thereon pursuant to Section 401 hereof, the second such date following the date of issuance of such bonds.

"Mandatory Redemption Amount" shall have the meaning assigned thereto in Section 204(a) hereof.

"Mandatory Redemption Date(s)" shall have the meaning assigned thereto in Section 204(a) hereof.

"Mandatory Redemption Schedule" means, with respect to the Metro Headquarters Building 1993 Refunding Bonds issued hereunder as Term Bonds, the mandatory redemption schedule established and determined therefor by the Executive Officer pursuant to the authority conferred thereon under Section 401 hereof.

"Metro Headquarters Building" means the building and related facilities situated on the site located at 524 NE Grand, Portland, Oregon owned by Metro, such building and facilities being formerly known as the Sears Building and currently being known as the Metro Regional Center.

"Metro Headquarters Building 1993 Refunding Bonds" means Metro's General Revenue Refunding Bonds (Metro Regional Center) 1993 Series A authorized to be issued and sold under this Authorizing Action in an aggregate principal amount of not to exceed \$26,000,000 for the purpose of defeasing, refunding, replacing and redeeming the 1991 Bonds.

"1991 Bonds" means Metro's General Revenue Bonds (Metro Headquarters Building Project), 1991 Series A authorized to be issued and sold under Metro Ordinance No. 91-440 in original aggregate principal amount of \$22,990,000 for the purpose of financing any Capital Costs of the Metro Headquarters Building.

"1993 Credit Facility" means a Credit Facility provided to the Trustee as credit enhancement and security for the payment when due of the principal and interest on the Metro Headquarters Building 1993 Refunding Bonds, all as contemplated by Section 305 hereof.

"1993 Reserve Credit Facility" shall have the Credit Facility to be provided by Metro to the Trustee for the purpose of meeting the Reserve Requirement with respect to the Metro Headquarters Building 1993 Refunding Bonds, all as contemplated by and provided in Section 303 hereof.

"Participant" shall mean a broker-dealer, bank or other financial institution for which DTC holds Metro Headquarters Building 1993 Refunding Bonds as Securities Depository.

"Paying Agent" means, with respect to the Metro Headquarters Building 1993 Refunding Bonds, the Trustee.

"Renewal and Replacement Account" shall mean the account by that name originally established pursuant to Metro Ordinance No. 91-440 and continued pursuant to Section 306 of this Authorizing Action.

"Requisition Certificate" means, with respect to the Metro Headquarters Building 1993 Refunding Bonds, a certificate substantially in the form of Exhibit A attached hereto, but with such variations, deletions, insertions and other changes as may be deemed necessary or appropriate by the Executive Officer.

"Securities Depository" shall mean, initially, The Depository Trust Company, New York, New York, and its successors and replacement securities depository appointed hereunder.

"User Contract" means, at any particular time, any agreement(s) (whether styled as a lease, license, management agreement, use agreement or otherwise) then in effect between Metro and any User pursuant to which the User undertakes to use, operate or manage all or any portion of the Metro Headquarters Building either for the benefit of such User or for the benefit of any person or entity other than a state or political subdivision or an agency or instrumentality thereof.

"User" means any person or entity that is a party to a User Contract entered into with Metro with respect to the Metro Headquarters Building.

**ARTICLE II
AUTHORIZATION, ISSUANCE
AND PROVISIONS OF METRO HEADQUARTERS
BUILDING BONDS**

Section 201. Authorization of Metro Headquarters Building 1993 Refunding Bonds; Limited Obligations.

(a) **Principal Amount.** The Metro Headquarters Building 1993 Refunding Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed \$26,000,000 for the purposes enumerated in the recitals hereto; *provided that*, for purposes of the foregoing, in the event any Metro Headquarters Building 1993 Refunding Bonds are issued and sold at an original issue discount, such original issue discount shall not, for purposes of the amount of Metro Headquarters Building 1993 Refunding Bonds authorized to be issued hereunder, be deemed to be a part of the principal amount thereof, it being the intent hereof that the stated principal amount of the Metro Headquarters Building 1993 Refunding Bonds less any such original issue discount shall not exceed \$26,000,000. The Metro Headquarters Building 1993 Refunding Bonds shall be issued in a single series, such series to be designated "Metro General Revenue Refunding Bonds (Metro Regional Center), 1993 Series A".

(b) **Limited Obligations.** The Metro Headquarters Building 1993 Refunding Bonds and all obligations of Metro under or with respect to the Metro Headquarters Building 1993 Refunding Bonds and this Authorizing Action shall be and remain limited obligations of Metro payable solely and only out of the Revenues and Available Funds and secured by a pledge of and lien on the Trust Estate, all as provided in the General Revenue Bond Master Ordinance. No recourse shall be had against any properties, funds or assets of Metro (other than the Revenues, the Available Funds and the Trust Estate) for the payment of any amounts owing under or with respect to the Metro Headquarters Building 1993 Refunding Bonds or this Authorizing Action. Neither the Metro Headquarters Building 1993 Refunding Bonds, this Authorizing Action nor the obligations of Metro under or with respect thereto or hereto constitute or create a general obligation indebtedness of Metro within the meaning of any constitutional, statutory or Charter debt limitation.

(c) **Tax-Exempt Obligations.** The Metro Headquarters Building 1993 Refunding Bonds are issued as, and are intended to be, Tax-Exempt Obligations.

Section 202. Interest Rates, Maturity Dates, Serial Bonds, Term Bonds and Mandatory Redemption Schedules for the Metro Headquarters Building 1993 Refunding Bonds. The Metro Headquarters Building 1993 Refunding Bonds shall bear interest at such rate or rates and mature on such dates and in such principal amounts as shall be established and determined by the Executive Officer upon the sale thereof as provided in and pursuant to Section 401 hereof; *provided that* in no event shall the final maturity date of the Metro Headquarters Building 1993 Refunding Bonds be later than August 1, 2022. The aggregate principal amounts of the Metro Headquarters Building 1993 Refunding Bonds to be issued as Term Bonds and Serial Bonds and the Mandatory Redemption Schedule for the Metro Headquarters Building 1993 Refunding Bonds issued as Term Bonds shall be established and determined by the Executive Officer upon the sale of the Metro Headquarters Building 1993 Refunding Bonds as provided in and pursuant to Section 401 hereof.

Section 203. Denominations; Dating; Interest Accrual; Computation of Interest; Payments Due on Holidays; Book-Entry System; Form of Bonds.

(a) Denominations, Numbering and Dating. The Metro Headquarters Building 1993 Refunding Bonds shall be issued in Authorized Denominations. Each Metro Headquarters Building 1993 Refunding Bond shall be dated as of the first day of the month in which such bonds are issued. Each Metro Headquarters Building 1993 Refunding Bond also shall bear its date of authentication as noted thereon by the Trustee and shall be numbered consecutively in the order in which it is authenticated by the Trustee.

(b) Interest Accrual. Each Metro Headquarters Building 1993 Refunding Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication:

(i) is an Interest Payment Date to which interest on such Metro Headquarters Building 1993 Refunding Bond has been paid, in which event such Metro Headquarters Building 1993 Refunding Bond shall bear interest from its date of authentication; or

(ii) is prior to the first Interest Payment Date for the Metro Headquarters Building 1993 Refunding Bond, in which event, such Metro Headquarters Building 1993 Refunding Bond shall bear interest from its date.

(c) Payments Due on Holidays. Interest on the Metro Headquarters Building 1993 Refunding Bonds shall be due and payable on each Interest Payment Date for such bonds; *provided that* whenever a payment of principal of, premium (if any) or interest on a Metro Headquarters Building 1993 Refunding Bond is due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day with the same force and effect as if made on the stated due date.

(d) Computation of Interest. Interest on the Metro Headquarters Building 1993 Refunding Bonds shall be computed on the basis of a 360-day year of twelve 30-day months.

(e) Method of Payment. Payments of interest on the Metro Headquarters Building 1993 Refunding Bonds shall be made to the registered Owners thereof (as determined at the close of business on the Record Date next preceding the related Interest Payment Date) by Wire Transfer (if requested in writing of the Trustee by an Owner of not less than \$1,000,000 aggregate principal amount of Metro Headquarters Building 1993 Refunding Bonds not less than five days prior to the applicable Interest Payment Date) or by check or draft mailed on the Interest Payment Date to the address of each such Owner as it appears on the registration books of Metro maintained by the Trustee as Bond Registrar, or to such other address as may be furnished in writing to the Trustee prior to the applicable Record Date by such registered Owner.

Except to the extent other arrangements satisfactory to Metro are made in connection with payments on the Metro Headquarters Building 1993 Refunding Bonds through the Book-Entry System, payment of the principal of and redemption premium (if any) on the Metro Headquarters Building 1993 Refunding Bonds shall be made only upon presentation and surrender of such Metro Headquarters Building 1993 Refunding Bonds on or after the maturity or redemption date, as appropriate, at the principal corporate trust office of the Trustee.

(f) Provisions for Book-Entry System. The Metro Headquarters Building 1993 Refunding Bonds will be subject to a Book-Entry System of ownership and transfer, except as provided in (iii) below. The general provisions for effecting such Book-Entry System are as follows:

(i) Metro hereby designates DTC as the initial Securities Depository hereunder.

(ii) Notwithstanding the provisions regarding exchange and transfer of Metro Headquarters Building 1993 Refunding Bonds under the General Revenue Bond Master Ordinance, the Metro Headquarters Building 1993 Refunding Bonds shall initially be evidenced by one certificate for each maturity (including one certificate for each principal amount due pursuant to a Mandatory Redemption Schedule), in an amount equal to the aggregate principal amount thereof. The Metro Headquarters Building 1993 Refunding Bonds so initially delivered shall be registered in the name of "Cede & Co." as nominee for DTC. The Metro Headquarters Building 1993 Refunding Bonds may not thereafter be transferred or exchanged on the registration books of Metro held by the Trustee as Bond Registrar except:

(A) to any successor Securities Depository designated pursuant to (iii) below;

(B) to any successor nominee designated by a Securities Depository; or

(C) if Metro shall, by Authorizing Action, elect to discontinue the Book-Entry System pursuant to (iii) below, Metro will cause the Trustee to authenticate and deliver replacement Metro Headquarters Building 1993 Refunding Bonds in fully registered form in Authorized Denominations in the names of the beneficial Owners or their nominees; thereafter the provisions of the General Revenue Bond Master Ordinance regarding registration, transfer and exchange of Metro Headquarters Building 1993 Refunding Bonds shall apply.

(iii) Upon the resignation of any institution acting as Securities Depository hereunder, or if Metro determines that continuation of any institution in the role of Securities Depository is not in the best interests of the Beneficial Owners, Metro will attempt to identify another institution qualified to act as Securities Depository hereunder or will discontinue the Book-Entry System by resolution. If Metro is unable to identify such successor Securities Depository prior to the effective date of the resignation, Metro shall discontinue the Book-Entry System, as provided in (ii)(C) above.

(iv) So long as the Book-Entry System is used for the Metro Headquarters Building 1993 Refunding Bonds, the Trustee will give any notice of redemption or any other notices required to be given to Owners of Metro Headquarters Building 1993 Refunding Bonds only to the Securities Depository or its nominee registered as the Owner thereof. Any failure of the Securities Depository to advise any of its Participants, or of any Participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Metro Headquarters Building 1993 Refunding Bonds called for redemption or of any other action premised on such notice. Neither Metro nor the Trustee is responsible or liable for the failure of the Securities Depository or any Participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Metro Headquarters Building 1993 Refunding Bonds or any error or delay relating thereto.

(g) Form of Bonds. The Metro Headquarters Building 1993 Refunding Bonds shall be issued in substantially the form attached hereto as the Bond Form Appendix but with such appropriate modifications, changes, additions and deletions as may be necessary or appropriate and not inconsistent with the provisions of this Authorizing Action or applicable law.

Section 204. Redemption Provisions.

(a) Redemption Pursuant to Mandatory Redemption Schedule(s). The Metro Headquarters Building 1993 Refunding Bonds issued as Term Bonds shall be subject to mandatory redemption prior to maturity in such principal amounts and on such Mandatory Redemption Dates as shall be established pursuant to the applicable Mandatory Redemption Schedule, any such redemption to be at a redemption price equal to 100% of the principal

amount to be redeemed plus accrued and unpaid interest thereon through the date fixed for redemption thereof. The principal amount of Metro Headquarters Building 1993 Refunding Bonds required to be redeemed pursuant to this Section on any particular date is herein called the "Mandatory Redemption Amount" for such date; and "Mandatory Redemption Date" shall mean the Interest Payment Date(s) in each calendar year as shall be selected by the Executive Officer pursuant to Section 401 hereof.

(b) Optional Redemption. The Metro Headquarters Building 1993 Refunding Bonds shall be subject to redemption at the option of Metro, in whole or in part, on such dates as shall be established and determined by the Executive Officer upon the sale thereof as provided in Section 401 hereof, any such redemption to be at a price equal to 100% of the principal amount to be redeemed plus accrued and unpaid interest thereon through the date fixed for redemption thereof plus any applicable premium as may be established and determined by the Executive Officer upon the sale thereof as provided in Section 401 hereof.

(c) Notice of Redemption. Pursuant to and as permitted by Section 403 of the General Revenue Bond Master Ordinance:

(i) the provisions of said Section 403 shall govern the giving of notices of redemption of any Metro Headquarters Building 1993 Refunding Bonds only during any period of time in which bonds are not subject to a Book-Entry System of registration and transfer; and

(ii) so long as the Metro Headquarters Building 1993 Refunding Bonds remain subject to a Book-Entry System of registration and transfer, the giving of notices of redemption shall be governed solely and exclusively by the applicable terms and provisions of Section 203(f) above and the Book-Entry Agreement.

ARTICLE III

DEPOSIT AND APPLICATION OF BOND PROCEEDS; ESTABLISHMENT AND OPERATION OF ACCOUNTS

Section 301. Establishment of Accounts; Purpose. There are hereby established with the Trustee the following accounts:

(i) the Metro Headquarters Building 1993 Series A Costs of Issuance Account (the "1993 Series A Costs of Issuance Account");

(ii) the Metro Headquarters Building 1993 Series A Reserve Account (the "1993 Series A Reserve Account") which shall be a special subaccount of the Reserve Account;

(iii) the Metro Headquarters Building 1993 Series A Debt Service Account (the "1993 Series A Debt Service Account"), which shall be a special subaccount of the Debt Service Account;

(iv) the Metro Headquarters Building 1993 Series A Rebate Account (the "1993 Series A Rebate Account"), which shall be a special subaccount of the Rebate Account; and

(v) the Metro Headquarters Building 1993 Series A Construction Account (the "1993 Series A Construction Account"), which shall be a special subaccount of the Construction Account.

The foregoing special subaccounts of the Debt Service Account, the Reserve Account, the Construction Account and the Rebate Account are being created in connection with the issuance and sale of the Metro Headquarters Building 1993 Refunding Bonds solely to facilitate the compliance by Metro with the provisions of Section 507 of the General Revenue Bond Master Ordinance with respect to the Metro Headquarters Building 1993 Refunding Bonds. Neither the creation, existence nor deposit or retention of any funds in such subaccounts is intended to confer on the Owners of the Metro Headquarters Building 1993 Refunding Bonds any privilege, priority, preference, superior right or special security of any kind whatsoever in or with respect to such subaccounts or funds held therein not enjoyed by the Owners of other Bonds of any Series hereafter issued. The moneys on deposit from time to time in the Series 1993 A Reserve Account, the 1993 Series A Debt Service Account, the 1993 Series A Construction Account and the 1993 Series A Rebate Account shall be used, applied and invested in the manner and subject to the conditions and limitations set forth in the General Revenue Bond Master Ordinance with respect to moneys on deposit in the Accounts of which such subaccounts are a part.

Section 302. Use of Metro Headquarters Building 1993 Refunding Bond Proceeds and Unexpended Construction Account Moneys. The proceeds of sale of the Metro Headquarters Building 1993 Refunding Bonds shall, as soon as practicable upon the delivery thereof to the Trustee, be applied as follows:

(a) an amount equal to the accrued interest paid by the initial purchasers of the Metro Headquarters Building 1993 Refunding Bonds shall be deposited in the 1993 Series A Debt Service Account;

(b) an amount equal to the Escrow Deposit shall be transferred to the Escrow Account pursuant to the Escrow Agreement;

(c) if the Executive Officer determines not to acquire the 1993 Reserve Credit Facility as provided in Section 401(b) hereof to meet any portion of the Reserve Requirement, an amount equal to the Reserve Requirement shall be deposited in the 1993 Series A Reserve Account;

(d) if the Executive Officer determines to acquire the 1993 Reserve Credit Facility as provided in Section 401(b) hereof to meet a portion (but less than all) of the Reserve Requirement, an amount equal to the difference between the Reserve Requirement and the amount available to be drawn under the 1993 Reserve Credit Facility shall be deposited in the 1993 Series A Reserve Account; and

(e) the balance shall be deposited in the 1993 Series A Cost of Issuance Account and used and applied by the Trustee as provided in Section 304 hereof.

In addition, on the date of issuance of the Metro Headquarters Building 1993 Refunding Bonds, any moneys (including investments) then remaining on deposit in the Metro Headquarters Building Construction Account established in connection with the 1991 Bonds shall be transferred by the Trustee to the 1993 Series A Construction Account except to the extent an Authorized Officer directs the Trustee in writing to utilize all or a portion of such moneys for the purpose of making the Escrow Deposit.

Section 303. 1993 Reserve Credit Facility. The provisions of this Section 303 shall apply only in the event the Executive Officer determines to acquire the 1993 Reserve Credit Facility as provided in Section 401(b) hereof for the purpose of meeting all or any portion of the Reserve Requirement. In such event, on the date of issuance and delivery of the Metro Headquarters Building 1993 Refunding Bonds, Metro shall cause to be delivered to the Trustee the 1993 Credit Facility for the purpose of meeting the Reserve Requirement in connection with the Metro Headquarters Building 1993 Refunding Bonds or such portion of said Reserve Requirement as the Executive Officer shall determine. The 1993 Reserve Credit Facility shall:

(i) be issued by a Credit Provider whose long-term debt obligations or claims-paying ability (as appropriate) is rated within one of the three highest categories by each Rating Agency rating, at the request of Metro, the Metro Headquarters Building 1993 Refunding Bonds; and

(ii) permit the Trustee to draw thereunder an amount equal to the Reserve Requirement with respect to the Metro Headquarters Building 1993 Refunding Bonds or such portion of said Reserve Requirement as the Executive Officer shall determine (which available draw amount may be subject to reduction in respect of amounts previously drawn by the Trustee under the 1993 Reserve Credit Facility), which draws shall be permitted to be made under the circumstances and for the purposes for which cash funds would otherwise be able to be withdrawn from the Reserve Account pursuant to Section 506 of the General Revenue Bond Master Ordinance in order to make timely payment when due of the principal of and interest on the Metro Headquarters Building 1993 Refunding Bonds.

The 1993 Reserve Credit Facility shall be held by the Trustee to the credit of the Reserve Account and drawn upon and the proceeds of any draw used and applied in the manner provided in Section 506 of the General Revenue Bond Master Ordinance.

Section 304. Use and Application of the 1993 Series A Cost of Issuance Account. The moneys required to be deposited in the 1993 Series A Cost of Issuance Account shall be used, disbursed and applied by the Trustee in accordance with the provisions of this Section 304. On the date of issuance and delivery of the Metro Headquarters Building 1993 Refunding Bonds, a portion of the moneys on deposit in the 1993 Series A Cost of Issuance Account shall be applied by the Trustee as follows:

(i) if the Executive Officer determines to acquire the 1993 Reserve Credit Facility as provided in Section 401(b) hereof for the purpose of meeting all or any portion of the Reserve Requirement, an amount sufficient to pay the cost of acquiring the 1993 Reserve Credit Facility shall be paid to the provider of such 1993 Reserve Credit Facility in such manner as shall be specified in writing to the Trustee by an Authorized Officer; and

(ii) if the Executive Officer determines to acquire the 1993 Credit Facility as provided in Section 401(b) hereof, an amount sufficient to pay the cost of acquiring the 1993 Credit Facility shall be paid to the provider of such 1993 Credit Facility in such manner as shall be specified in writing to the Trustee by an Authorized Officer.

The balance of the moneys on deposit in the 1993 Series A Cost of Issuance Account shall be disbursed from time to time by the Trustee to pay the Costs of Issuance incurred in connection with the Metro Headquarters Building 1993 Refunding Bonds upon receipt of a Requisition Certificate in the form attached hereto as Exhibit A.

Upon the earlier to occur of December 1, 1993 or the date upon which an Authorized Officer so instructs the Trustee, any moneys remaining on deposit in the 1993 Series A Cost of Issuance Account (including the investment earnings thereon) that are not needed, or have not been fully expended, for the payment of such Costs of Issuance shall be transferred by the Trustee from the 1993 Series A Cost of Issuance Account to the 1993 Series A Debt Service Account and used to pay the amounts next coming due on the Metro Headquarters Building 1993 Refunding Bonds.

Section 305. The 1993 Credit Facility. The provisions of this Section 305 shall apply only in the event the Executive Officer determines to acquire the 1993 Credit Facility as provided in Section 401(b) hereof. In such event, the 1993 Credit Facility shall be held by the Trustee as part of the Trust Estate as security for the payment when due of the principal of and interest on the Metro Headquarters Building 1993 Refunding Bonds and not as security for the payment of any other Bonds issued under the General Revenue Bond Master Ordinance, all as

contemplated and provided by Section 201(c)(ii) of the General Revenue Bond Master Ordinance. If, on any date upon which any amounts of principal of or interest on the Metro Headquarters Building 1993 Refunding Bonds are due, there are insufficient funds on deposit in the 1993 Series A Debt Service Account to pay such amounts in full, the Trustee shall draw upon or make claims under the 1993 Credit Facility in accordance with its terms and use any amounts received as a result of such draw or claim to pay the principal of and interest on the Metro Headquarters Building 1993 Refunding Bonds then due and payable.

Section 306. Continuation, Funding and Use of Renewal and Replacement Account. From and after the issuance of the Metro Headquarters Building 1993 Refunding Bonds, the Renewal and Replacement Account established pursuant to Metro Ordinance No. 91-440 shall be continued, all amounts then on deposit in the Renewal and Replacement Account shall continue on deposit therein, and the moneys on deposit from time to time in the Renewal and Replacement Account shall be maintained and used as provided in this Section 306. From time to time, Metro may cause to be deposited in the Renewal and Replacement Account such additional sums of money as it shall deem necessary or appropriate, such additional deposits to be made from any lawfully available source of funds including but not limited to funds collected pursuant to Section 501(a)(iv) of the General Revenue Bond Master Ordinance as part of the Total Assessments made with respect to the Metro Headquarters Building Bonds.

Amounts in the Renewal and Replacement Account shall be applied to the payment of capital expenditures deemed necessary or appropriate by Metro to or in connection with the Metro Headquarters Building, including but not limited the payment of any item that would have been an appropriate charge against the Metro Headquarters Building Construction Account with respect to the initial acquisition, rehabilitation and furnishing of the Metro Headquarters Building. In addition to the foregoing, amounts in the Renewal and Replacement Fund shall be used for making payments into the Debt Service Account when the moneys in the Debt Service Account and the moneys in the Reserve Account are insufficient to pay when due the amounts owing under the Metro Headquarters Building Bonds.

The investment income on all moneys on deposit from time to time in the Renewal and Replacement Account shall be retained in such Account and used and applied in the same manner as other moneys on deposit therein are required to be used and applied under this Section.

If, at any time and from time to time, Metro shall determine that the amounts on deposit in the Renewal and Replacement Account are in excess of the amounts necessary or appropriate for the intended uses and purposes thereof, such excess may, at the discretion of Metro, be withdrawn from such account and used and applied for any lawful purpose.

Section 307. Investment of Moneys in Accounts. All moneys on deposit from time to time in the Accounts established pursuant to this Authorizing Action shall be invested in such Permitted Investments as the Authorized Issuer Representative shall specify in writing from time to time to the Trustee.

ARTICLE IV MISCELLANEOUS

Section 401. Sale of Metro Headquarters Building 1993 Refunding Bonds; Authorization of Executive Officer to Sell Bonds, Determine Terms and Perform Other Acts.

(a) **Sale of Bonds.** The Metro Executive Officer is hereby authorized, empowered and directed, for and on behalf of Metro, to determine whether the Metro Headquarters Building 1993 Refunding Bonds shall be sold in a public competitive sale or a private negotiated sale, which determination shall be made by the Executive Officer based upon her assessment of the market conditions prevailing at the time such sale is intended to take place and the likely impact of the method of sale on Metro's ability to sell the Metro Headquarters Building 1993 Refunding Bonds on the most favorable terms. In the event the Metro Executive Officer determines to sell the Metro Headquarters Building 1993 Refunding Bonds in a public competitive sale, the Metro Headquarters Building 1993 Refunding Bonds shall be sold in a public competitive sale conducted pursuant to and in accordance with the requirements of Section 8.01.014 of the Metro Code and this Authorizing Action. In the event the Metro Executive Officer determines to sell the Metro Headquarters Building 1993 Refunding Bonds in a private negotiated sale, the Metro Executive Officer shall select the underwriter or underwriters with whom to negotiate such sale and shall cause the Metro Headquarters Building 1993 Refunding Bonds to be sold on terms and conditions which are in accord with the requirements of this Authorizing Action.

In connection with the sale of the Metro Headquarters Building 1993 Refunding Bonds, the Metro Executive Officer is hereby authorized, empowered and directed, for and on behalf of Metro, to:

(i) **Preliminary Official Statement:** cause to be prepared, in accordance with the requirements of ORS 287.018, a preliminary official statement in substantially final form describing the Metro Headquarters Building 1993 Refunding Bonds and setting forth such information concerning Metro and the Metro Headquarters Building 1993 Refunding Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Metro Headquarters Building 1993 Refunding Bonds;

(ii) **Notice of Sale:** in the event the Metro Executive Officer determines to sell the Metro Headquarters Building 1993 Refunding Bonds in a public competitive sale, cause to be prepared and published a notice of sale of the Metro Headquarters Building 1993 Refunding Bonds, which notice of sale shall be published in *The Daily Journal of Commerce*, Portland, Oregon, and *The Bond Buyer*, New York, New York, all in accordance with the provisions and requirements of Section 8.01.014(b) of the Metro Code;

(iii) **Final Official Statement:** upon the competitive award or negotiated sale (as appropriate) of the Metro Headquarters Building 1993 Refunding Bonds to the successful bidder or the designated underwriter(s), to cause to be prepared within the time required by law a final official statement describing the Metro Headquarters Building 1993 Refunding Bonds and setting forth such information concerning Metro and the Metro Headquarters Building 1993 Refunding Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Metro Headquarters Building 1993 Refunding Bonds, and to execute and deliver such official statement on behalf of Metro; and

(iv) **Acceptance of Bid:** accept competitive bids or a negotiated offer from the designated underwriter(s) for the purchase of the Metro Headquarters Building 1993 Refunding Bonds and award such

bonds to the lowest responsible bidder (in the case of a public competitive sale) or enter into a binding contract to sell such bonds to the designated underwriter(s) (in the case of a negotiated sale); *provided that:*

(A) no bid shall be accepted (in the case of a public competitive sale) and no sale shall be made (in the case of a private negotiated sale) if: (I) the lowest price bid or offered by a responsible bidder or the designated underwriter(s) (as the case may be) is less than 98.5% of the aggregate principal amount of the Metro Headquarters Building 1993 Refunding Bonds to be issued plus interest accruing thereon from the date of the Metro Headquarters Building 1993 Refunding Bonds to the date of issuance and delivery thereof; or (II) the true interest cost of the lowest bid from a responsible bidder or the designated underwriter(s) (as the case may be) is greater than 6.0%;

(B) in the case of a public competitive sale, the Metro Executive Officer may, in her discretion, reject all bids received if, in her judgment: (I) no bid received will enable Metro to accomplish its objective of providing debt service payments on the Metro Headquarters Building 1993 Refunding Bonds which are significantly lower than the debt service payments on the outstanding 1991 Bonds; or (II) the lowest bid received from a responsible bidder is not in accordance with the true interest cost of tax-exempt obligations of similar maturities and creditworthiness which are available under prevailing market conditions; or (III) the Executive Officer otherwise determines that is not in the best interests of Metro to proceed with an award of the Metro Headquarters Building Bonds at that time; and

(C) the Metro Executive Officer may postpone or extend the time for the receipt of bids beyond the date and time specified in the published notice of sale if, in her judgment, it is in the best interests of Metro to do so, and in the event of any such postponement or extension, or in the event all bids received are rejected, the Metro Executive Officer, in her discretion, may: (I) reschedule a competitive sale of the Metro Headquarters Building 1993 Refunding Bonds at such time and upon such notice as she determines is appropriate under the circumstances but in any event in accordance with the requirements of Section 8.01.014(b) of the Metro Code; or (II) negotiate a sale of the Metro Headquarters Building 1993 Refunding Bonds with any person who submitted a rejected bid for such bonds, which negotiated sale shall be conducted in such manner as the Executive Officer deems fair and in the best interests of Metro in light of the circumstances surrounding her rejection of all bids received in the competitive sale and which negotiated sale shall be subject to the limitations as to price and true interest cost set forth in Section 401(a)(iv)(A) above.

(b) Terms of Bonds. The Executive Officer of Metro is hereby authorized, empowered and directed, for and on behalf of Metro, to determine and establish the following terms of and other matters relating to the Metro Headquarters Building 1993 Refunding Bonds subject to the limitations set forth below:

(a) the aggregate principal amount of the Metro Headquarters Building 1993 Refunding Bonds, provided that in no event shall the aggregate principal amount of the Metro Headquarters Building 1993 Refunding Bonds exceed the sum of \$26,000,000;

(b) the aggregate principal amount of Metro Headquarters Building 1993 Refunding Bonds to be issued as Term Bonds and the maturity date or dates of such Term Bonds;

(c) the aggregate principal amount of Metro Headquarters Building 1993 Refunding Bonds to be issued as Serial Bonds and the maturity dates of such Serial Bonds;

(d) the Mandatory Redemption Schedule(s) and the related Mandatory Redemption Dates for the Metro Headquarters Building 1993 Refunding Bonds to be issued as Term Bonds;

(e) the rates of interest to be applicable to the Metro Headquarters Building 1993 Refunding Bonds of each maturity;

(f) the first Interest Payment Date for the Metro Headquarters Building 1993 Refunding Bonds;

(g) the dates, terms, conditions and prices under which the Metro Headquarters Building 1993 Refunding Bonds will be subject to optional redemption prior to maturity; and

(h) whether or not Metro shall: (I) acquire the 1993 Credit Facility; and (II) acquire the 1993 Reserve Credit Facility or fund the 1993 Series A Reserve Account with a portion the proceeds derived from the issuance and sale of the Metro Headquarters Building 1993 Refunding Bonds or other available funds.

The Executive Officer of Metro is further authorized, empowered and directed, for and on behalf of Metro, to determine whether the Reserve Requirement shall be met in whole or in part by means of a Credit Facility and to determine and establish such other terms of and other matters relating to the Metro Headquarters Building 1993 Refunding Bonds as may be necessary or appropriate and not in conflict with the provisions of the General Revenue Bond Master Ordinance, this Authorizing Action or applicable law.

The authority of the Executive Officer of Metro to determine and establish the terms of and other matters relating to the Metro Headquarters Building 1993 Refunding Bonds as provided in this Section shall be exercised by setting forth such terms and other matters as so determined and established in a certificate executed and delivered by the Executive Officer on or prior to the date of issuance and delivery of the Metro Headquarters Building 1993 Refunding Bonds.

(c) General Authorization of Certain Officers. The Executive Officer, the Deputy Executive Officer and the Director of Finance and Management Information of Metro, and any one of them, are each hereby authorized, empowered and directed, for and on behalf of Metro:

(i) to execute and deliver such other documents, instruments, certificates and agreements as may be necessary or appropriate to carry out and consummate the transactions contemplated by this Authorizing Action; and

(ii) to do and perform all other acts and things necessary or appropriate to carry out and consummate the transactions contemplated by this Authorizing Action.

Section 402. Special Tax Covenant Relating to the User Contract. Metro hereby covenants and agrees that so long as any Metro Headquarters Building 1993 Refunding Bonds are Outstanding, it will not enter into any User Contract (howsoever designated) or any other agreement relating to the Metro Headquarters Building having such terms and provisions as to cause the interest on the Metro Headquarters Building 1993 Refunding Bonds to be or become includable for federal income tax purposes in the gross incomes of the Owners thereof. Prior to entering into any User Contract, Metro shall first file with the Trustee an Opinion of Bond Counsel with respect thereto.

Section 403. Governing Law. This Authorizing Action shall be interpreted governed by and construed under the laws of the State of Oregon, including the Act, as if executed and to be performed wholly within the State of Oregon.

Section 404. Headings Not Binding. The headings in this Authorizing Action are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Authorizing Action.

Section 405. Effectiveness of This Authorizing Action. This Authorizing Action shall become effective immediately upon adoption by the Metro Council.

Certification of Authorizing Action

The undersigned do hereby certify that we are the duly elected, appointed, qualified and acting Clerk and Presiding Officer of Metro Council and the Executive Officer of Metro; that the foregoing is a true and complete copy of Authorizing Action No. 93-1795 as adopted by Metro Council at a meeting duly called and held in accordance with law on May 13, 1993; and that the following members of the Council voted in favor of said Authorizing Action:

Buchanan, Devlin, Gardner, Hansen, Kvistad, McFarland,
McLain, Moore, Van Bergen, Washington and Wyers.

the following members of the Council voted against said Authorizing Action:

None (Councilors Gates and Monroe were absent).

and the following member of the Council abstained from voting on said Authorizing Action:

None.

In witness whereof, the undersigned have hereunto set their hands as of the dates shown below.

Attest:



Judy Wyers, Metro Presiding Officer

Date: May 13, 1993



Paulette Allen, Clerk of Metro Council

Date: May 13, 1993



Rena Cusma, Executive Officer

Date: May 13, 1993

EXHIBIT A

REQUISITION CERTIFICATE

TO: First Interstate Bank of Oregon, N.A., Trustee

FROM: Metro (the 'Issuer')

SUBJECT: \$_____ Metro General Revenue Refunding Bonds (Metro Regional Center),
1993 Series A

This represents Requisition Certificate No. _____ in the total amount of \$_____ for the disbursement of funds from the 1993 Series A Cost of Issuance Account established with the Trustee pursuant to Metro Authorizing Action No. 93-1795, the funds so disbursed to be used to pay those Costs of Issuance related to the Metro General Revenue Refunding Bonds (Metro Regional Center), 1993 Series A (the "Metro Headquarters Building 1993 Refunding Bonds") detailed in the schedule attached.

The undersigned does certify that:

1. The expenditures for which moneys are requisitioned hereby represent proper charges against the Metro Headquarters Building Cost of Issuance Account for the subject Metro Headquarters Building 1993 Refunding Bond issue, have not been included in a previous requisition and have been properly recorded on Metro's books. The expenditures for which moneys are hereby requisitioned are set forth in the schedule attached hereto, which schedule sets forth the name and address of the person, firm or corporation to whom payment is due or to whom a reimbursable advance, if any, has been made.
2. The moneys requisitioned hereby are not greater than those necessary to meet obligations due and payable or to reimburse Metro for its funds actually advanced for Costs of Issuance of the of the Metro Headquarters Building 1993 Refunding Bonds.
3. All of the funds being requisitioned are being used in a manner which will not cause the interest on the Metro Headquarters Building 1993 Refunding Bonds to be or become includable for federal income tax purposes in the gross incomes of the Owners thereof.

Executed this ____ day of _____, 19__.

Metro

By: _____
Authorized Officer

**Bond Form Appendix
to
Metro Council Resolution No. 93-1795**

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METRO
GENERAL REVENUE REFUNDING BONDS
(Metro Regional Center)
1993 SERIES A

ORIGINAL ISSUE DATE MATURITY DATE INTEREST RATE CUSIP

%

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

Metro, a political subdivision organized and existing under the laws of the State of Oregon and exercising home rule powers under its Charter, for value received hereby promises to pay (but only from the sources hereinafter provided and not otherwise) to the Registered Owner of this Bond (the "Owner") the Principal Amount specified above on the Maturity Date specified above together with interest on said Principal Amount at the Interest Rate *per annum* set forth above, with all accrued and unpaid interest being due and payable on February 1 and August 1 of each year, commencing _____. This Bond is one of an authorized series of Bonds (the "1993 Series A Bonds") being issued pursuant to the provisions of the Authorizing Legislation. All terms used in this Bond but not otherwise defined herein shall have the respective meanings assigned thereto in Resolution No. 93-1795 adopted by the Metro Council on May 13, 1993 (the "Authorizing Action").

It is hereby certified, recited and declared that all acts, conditions and things required by the Authorizing Legislation to have happened, to exist and to have been performed precedent to and in the issuance of this Bond and the 1993 Series A Bonds do exist, have happened and have been performed in regular and due time, form and manner as required by the Authorizing Legislation; that this Bond and the 1993 Series A Bonds do not exceed any constitutional or statutory limitation or indebtedness; and that provision has been made for the payment of the principal of and interest on this Bond and the 1993 Series A Bonds as provided in the Master Ordinance and the Authorizing Action.

This Bond shall not be valid or become obligatory for any purpose unless and until it has been authenticated in the space provided below by a duly Authorized Officer of the Trustee.

IN WITNESS WHEREOF, METRO has caused this Bond to be signed by means of the manual or facsimile signatures of its Presiding Officer and Executive Officer, all as of the Original Issue Date set forth above.

THE TERMS AND CONDITIONS OF THIS BOND ARE CONTINUED ON THE REVERSE SIDE HEREOF, WHICH CONTINUED TERMS AND CONDITIONS SHALL HAVE THE SAME EFFECT AS IF PRINTED ABOVE.

METRO

CERTIFICATE OF AUTHENTICATION

This Bond is one of the 1993 Series A Bonds issued pursuant to the Authorizing Legislation.

FIRST INTERSTATE BANK OF OREGON, N.A.
as Trustee

By: _____
Its Authorized Officer

Presiding Officer

Executive Officer

Date of Authentication: _____

This Bond and the rights of the Owner are in all respects subject to and governed by the Master Ordinance and the Authorizing Action, and the Owner, by acceptance of this Bond, assents to and agrees to be bound by all terms and provisions set forth in the Master Ordinance and the Authorizing Action.

The proceeds of the 1993 Series A Bonds will be used to: (1) refund Metro's outstanding General Revenue Bonds (Metro Headquarters Building Project) 1991 Series A (the "1991 Bonds"), originally issued for the purposes of financing Metro's acquisition, renovation and furnishing of a headquarters building and a related parking facility in Portland, Oregon; and (2) pay certain Costs of Issuance and other costs incurred in connection with the issuance and sale of the 1993 Series A Bonds and the provision of a Credit Facility for the 1993 Series A Reserve Fund. The 1993 Series A Bonds and any Additional Bonds hereafter issued under the Master Ordinance are equally and ratably secured by a pledge of the Trust Estate, which includes a pledge of the moneys and investments on deposit in the Construction Account, the Debt Service Account and the Reserve Account. The 1993 Series A Bonds are not in any manner or to any extent a general obligation of Metro. The Owners of the 1993 Series A Bonds cannot compel Metro to levy any taxes for the purpose of paying any amounts owing under the 1993 Series A Bonds. The 1993 Series A Bonds are payable solely and only out of the Revenues and Available Funds, as provided in the Ordinance.

The 1993 Series A Bonds are subject to mandatory and optional redemption prior to maturity only as provided in the Master Ordinance and the Authorizing Action and the certificate of the Metro Executive Officer determining such redemption provisions pursuant to the authority conferred on said Executive Officer pursuant to the Authorizing Action.

The 1993 Series A Bonds are issuable as fully registered Bonds without coupons as provided for in the Authorizing Action. This Bond is transferable by the Owner as provided for in the Master Ordinance and the Authorizing Action.

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the 1993 Series A Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in the Master Ordinance and the Authorizing Action against any past, present or future councilor, officer, employee or agent of Metro, or any successor, under any rule of law of equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such councilor, officer, employee or agent as such is hereby expressly waived and released as a condition of, and in consideration for, the issuance of this Bond.

The Owner shall have no right to enforce the provisions of the Ordinance or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Master Ordinance, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Master Ordinance. If an Event of Default (as defined in the Ordinance) occurs, the principal of all 1993 Series A Bonds then outstanding under the Master Ordinance may be declared due and payable upon the conditions and in the manner and with the effect provided in the Master Ordinance.

Metro, the Trustee and any paying agent of Metro or the Trustee may treat the person in whose name this Bond is registered as the Owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Bond be overdue, and neither Metro, the Trustee nor any paying agent shall be affected by notice to the contrary.

The Master Ordinance prescribes the manner in which it may be discharged, including a provision that the 1993 Series A Bonds shall be deemed to be paid if cash and/or Government Obligations (as defined in the Master Ordinance) maturing as to principal and interest in such amounts and at such times as will be such to insure the availability of sufficient moneys to pay the principal of, and premium, if any, and interest on, the 1993 Series A Bonds shall have been deposited with the Trustee, after which the 1993 Series A Bonds shall no longer be secured by or entitled to the benefits of the Master Ordinance, except for the purposes of registration and exchange of 1993 Series A Bonds and of payment from such source.

Reference is hereby made to the Master Ordinance and the Authorizing Action, copies of which are on file with the Trustee, for the provisions, among others, with respect to the nature and extent of the rights, duties and obligations of Metro, the Trustee and the Owners of the 1993 Series A Bonds, the terms upon which the 1993 Series A Bonds are issued and secured, the security for the 1993 Series A Bonds, the modification, amendment or supplementation of the Master Ordinance, and other matters, to all of which the Owner assents by the acceptance of this Bond.

Modifications and alterations of the Master Ordinance or of any supplements thereto may be made only to the extent and in the circumstances permitted by the Master Ordinance.

~~Add any legends required by bond insurance.~~

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____

(please insert social security or other tax identification number of assignee)

the within Bond and does hereby irrevocably constitute and appoint _____ as attorney to transfer this Bond on the books kept for registration thereof with the full power of substitution in the premises.

Date: _____

Note: the signature(s) must correspond with the name(s) as written on the face of this Bond in every particular without enlargement, alteration or any change whatsoever.

Signature Guarantees: _____

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 93-1795 AUTHORIZING THE ISSUANCE OF GENERAL REVENUE BONDS TO REFUND THE OUTSTANDING METRO GENERAL REVENUE BONDS (METRO HEADQUARTERS BUILDING PROJECT), 1991 SERIES A; AND AUTHORIZING, ESTABLISHING AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

Date: April 21, 1993

Presented by: Craig Prosser

This resolution authorizes the issuance of up to \$26,000,000 in general revenue bonds to refund the general revenue bonds issued in 1991 to fund the purchase and construction of the Metro Regional Center. The actual bond issue size will depend upon market conditions on the day the bonds are priced in the market, but the issue size may not exceed the \$26,000,000 amount without further authorization by Council. The resolution sets general sale terms and conditions and authorizes the Executive Officer to set final sale terms and conditions within the framework established by the resolution. The bonds are currently anticipated to be sold on a competitive basis, but may be sold on a negotiated basis should market conditions dictate. The resolution establishes general conditions for each type of sale. The resolution also authorizes the Executive Officer to acquire a Credit Facility (bond insurance or surety) to improve the security for the bonds.

Under state law, refunding bonds may not be issued unless the refunding issues will generate a minimum of 3% savings. With market conditions existing on April 14, 1993, Public Financial Management, Inc. reported that a refunding issue at that time would generate savings of 2.7% (just short of the state-required minimum), but Public Financial Management, Inc. expects market conditions to improve over the next couple of months. Passage of this resolution allows Metro to prepare the refunding bond issue to be ready to take advantage of market conditions once they improve.

EXECUTIVE OFFICER'S RECOMMENDATION:

The Executive Officer recommends adoption of Resolution No. 93-1794.

FINANCE COMMITTEE REPORT

RESOLUTION NO. 93-1795 AUTHORIZING THE ISSUANCE OF GENERAL REVENUE BONDS TO REFUND METRO'S OUTSTANDING 1991 SERIES A GENERAL REVENUE BONDS FOR THE METRO HEADQUARTERS BUILDING PROJECT; AND AUTHORIZING, ESTABLISHING AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH

Date: May 12, 1993

Presented By: Councilor Van Bergen

COMMITTEE RECOMMENDATION: At it's April 28, 1993 meeting the Committee voted unanimously to recommend Council adoption o Resolution No. 93-1795. Present and voting were Councilors Kvistad, Monroe and Van Bergen. Councilors Buchanan and Devlin were excused.

COMMITTEE DISCUSSION/ISSUES: Craig Prosser, Financial Planning Manager, presented the Staff Report. He stated the resolution authorizes the issuance of up to \$26,000,000 in general revenue bonds to refinance the general revenue bonds issued in 1991 for the purchase and construction of the Metro Regional Center. The final size of the sale will depend on market conditions on the day the bonds are priced.

State law requires a minimum of 3% savings before refunding bond issues may be sold. As of April 16, 1993 Paine Webber (Metro's Underwriter) reported that the savings would result in a 2.7% savings. Approval of the resolution will enable Metro to prepare for a sale and be ready to take advantage of the market conditions once they improve.

In response to a question from Council Staff regarding a "drop dead date" for the resolution, Mr. Prosser said if the sale does not take place within several months, the Executive Officer will return to the Council for a re-authorizing resolution. There is not a termination date included in the resolution.