



City of Coos Bay, Oregon

Request for Funding

Legal Documents:

Adopted Authorizing Resolution

Forms of:

Bond Purchase Agreement

Form of the 2020 Bond

Qualified Investor Letter

Legal Opinion

RESOLUTION NO. 20-_____

A RESOLUTION OF THE CITY OF COOS BAY, OREGON, AUTHORIZING THE SALE OF GENERAL OBLIGATION REFUNDING BONDS.

WHEREAS, the City of Coos Bay, Oregon (the “City”) may be able to reduce its debt service expense and/or favorably restructure its debt by refunding all or a portion of its General Obligation Bonds, Series 2009 (the “Refundable Bonds”); and

WHEREAS, the City is authorized by ORS Sections 287A.360 to 287A.380 to issue bonds to refund outstanding general obligation bonds; and

WHEREAS, it is now desirable to authorize the sale of bonds to refund the Refundable Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Coos Bay City Council that:

1. Refunding Bonds Authorized. The City hereby authorizes the issuance of general obligation refunding bonds (the “Refunding Bonds”) to refund all or any portion of the Refundable Bonds. The Refunding Bonds may be issued in an amount that is sufficient to refund all or any portion of the Refundable Bonds and to pay costs related to issuing the Refunding Bonds and refunding the Refundable Bonds.

2. Delegation. The City Manager or the City Finance Director or the person designated by either of those individuals to act on behalf of the City pursuant to this Resolution (the “City Official”) may, on behalf of the City and without further action by the City Council:

- 2.1 Select the Refundable Bonds to be refunded.
- 2.2 Issue the Refunding Bonds in one or more series.
- 2.3 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 Refunding Bonds.
- 2.4 Establish the form, maturity schedules, interest rates, payment and prepayment terms and all other terms of each series of the Refunding Bonds.
- 2.5 Execute and deliver a bond declaration or bond purchase agreement for each series of the Refunding Bonds specifying the terms under which each series of the Refunding Bonds are issued and making covenants for the benefit of the Refunding Bond owners and any providers of credit enhancement for the Refunding Bonds.
- 2.6 Publish a notice of sale, receive bids and award the sale of each series of the Refunding Bonds to the bidder complying with the notice and offering the most favorable terms to the City, or select one or more underwriters, commercial banks or other investors and negotiate the sale of any series with those underwriters, commercial banks or other investors.
- 2.7 If applicable, undertake to provide continuing disclosure for each series of the Refunding Bonds and to comply with Rule 15c2-12 and any other applicable requirements of the United States Securities and Exchange Commission.

- 2.8 Apply for ratings for each series of the Refunding Bonds, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancement for each series of the Refunding Bonds, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
- 2.9 Engage the services of verification agents, escrow agents, paying agents and any other professionals whose services are desirable for the Refunding Bonds and negotiate the terms of and execute any agreement with such professionals.
- 2.10 Determine whether each series of the Refunding 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 Refunding Bonds from gross income.
- 2.11 Designate any series of the Refunding Bonds as “qualified tax-exempt obligations” under Section 265(b)(3) of the Code, if applicable.
- 2.12 Provide for the call, defeasance, and redemption of any Refundable Bonds that are refunded and enter into related agreements and take related actions.
- 2.13 Execute and deliver each series of the Refunding Bonds to their purchasers.
- 2.14 Execute and deliver any agreements or certificates and take any other action in connection with each series of the Refunding Bonds which the City Official finds is desirable to permit the sale and issuance of that series of the Refunding Bonds in accordance with this Resolution.

3. Security for Refunding Bonds. The Refunding Bonds shall be general obligations of the City. The City hereby pledges its full faith and credit to pay the Refunding Bonds, and the City covenants for the benefit of the Refunding Bond owners that the City shall levy annually, 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 Refunding Bonds promptly as they mature.

4. Effective Date. This Resolution is effective immediately upon its adoption.

The foregoing resolution was duly adopted by the City Council of the City of Coos Bay, Oregon, this _____ day of September, 2020.

Mayor

ATTEST:

City Recorder

**[FORM OF]
BOND PURCHASE AGREEMENT**

by and between

[Name of Bank]
as purchaser

and

City of Coos Bay, Oregon
as issuer

General Obligation Refunding Bond, Series 2020

Dated as of [October 14, 2020]

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EXHIBIT A – FORM OF QUALIFIED INVESTOR LETTER

EXHIBIT B – FORM OF BOND

BOND PURCHASE AGREEMENT

This Bond Purchase Agreement (the “Bond Purchase Agreement”) is dated as of [October 14, 2020], and is entered into by and between [Name of Bank], as purchaser (the “Bank”), and the City of Coos Bay, Oregon, as issuer (the “City”). The parties hereby agree as follows:

1. Recitals, Definitions and Rules of Construction.

1.1 Recitals.

- (A) The City recites that the City is authorized pursuant to the Oregon Constitution and ORS Sections 287A.360 to 287A.380, the City Charter and the Resolution (defined and described below) to issue refunding bonds for the refunding of its outstanding General Obligation Bonds, Series 2009 (the “2009 Bonds”), and executes this Bond Purchase Agreement to sell its General Obligation Refunding Bond, Series 2020, to accomplish that refunding.
- (B) The Bank recites that the Bank desires to purchase the City’s \$[Principal Amount] General Obligation Refunding Bond, Series 2020, in accordance with the terms of this Bond Purchase Agreement.

1.2 Definitions.

Unless the context clearly requires otherwise, capitalized terms used in this Bond Purchase Agreement that are defined in this Section 1.2 shall have the following meanings:

“Bank” means [Name of Bank], or its successors or assigns.

“Bond” means the City’s \$[Principal Amount] General Obligation Refunding Bond, Series 2020 described in this Bond Purchase Agreement. The Bond shall be issued in substantially the form attached as Exhibit B.

“Bond Purchase Agreement” means this Bond Purchase Agreement, including any amendments to this Bond Purchase Agreement made in compliance with Section 13.4 herein.

“Business Day” means any day on which the Bank is open for business in Oregon, other than a Saturday or a Sunday.

“City” means the City of Coos Bay, Oregon.

“City Official” means the City Manager or the City’s Finance Director, or the person designated by the City Manager or the City’s Finance Director to act on behalf of the City under the Resolution.

“Closing Date” means [October 14, 2020].

“Code” means the Internal Revenue Code of 1986, as amended.

“Event of Default” means the occurrence of any of the following: (i) a failure to pay Bond principal or interest when due; or (ii) a failure by the City to comply with any of its obligations or to perform any of its duties under the Bond or this Bond Purchase Agreement, other than a failure described in clause (i) of this definition, which failure continues and is not cured for a period of more than 90 days after the Bank has made written demand on the City to cure such failure.

“Fiscal Year” means the period beginning July 1 of each year and ending on the next succeeding June 30, or as otherwise defined by Oregon Law.

“Government Obligations” means direct obligations of the United States, or obligations the principal of and interest on which are fully and unconditionally guaranteed by the United States.

“Resolution” means the City’s Resolution No. ____ adopted by the City Council September 1, 2020, authorizing the sale of the Bond and the execution of this Bond Purchase Agreement.

2. Representations and Covenants.

2.1 Representations of the City.

The City represents and covenants for the benefit of the Bank as follows:

- (A) The City is duly created and existing under the laws of the State of Oregon, has all necessary power and authority to enter into this Bond Purchase Agreement and the Bond and perform its duties under the Bond and this Bond Purchase Agreement, and that the Bond and this Bond Purchase Agreement will, when executed by a City Official, constitute legal, valid and binding obligations of the City that are enforceable in accordance with their terms.
- (B) The City is authorized pursuant to Oregon Constitution, the applicable provisions of ORS Chapter 287A, the City Charter, the Resolution to issue the Bond and enter into this Bond Purchase Agreement and to perform all of its obligations under the Bond and this Bond Purchase Agreement.
- (C) The adoption of the Resolution and the execution and delivery of this Bond Purchase Agreement and the Bond will not conflict in any material respect with, or constitute a material breach of or default under, any law, charter provision, court decree, administrative regulation, resolution, ordinance or other agreement to which the City is a party or by which it is bound.
- (D) There is no action, suit, proceeding or investigation at law or in equity before or by any court or government, city or body pending or, to the best knowledge of the City, threatened against the City to restrain or enjoin the execution and delivery of this Bond Purchase Agreement or the Bond or the adoption of the Resolution, or the collection and application of the funds as contemplated by the Resolution, the Bond and this Bond Purchase Agreement, that, in the reasonable judgment of the

City, would have a material and adverse effect on the ability of the City to pay the amounts due under the Bond or this Bond Purchase Agreement.

2.2 Representations and Warranties of the Bank.

The Bank represents, covenants and warrants for the benefit of the City that the Bank is authorized to enter into this Bond Purchase Agreement and purchase the Bond.

3. Terms of Borrowing.

3.1 The Bond Purchase.

- (A) The Bank agrees to purchase the Bond on the Closing Date from the City for a price equal to the principal amount of the Bond, subject to the terms and conditions contained in this Bond Purchase Agreement.
- (B) The City agrees to sell the Bond to the Bank on the terms and conditions contained in this Bond Purchase Agreement. This Bond Purchase Agreement shall commence on the Closing Date and shall end on the date that all Bond principal and interest payments have been paid.

3.2 Bond Terms.

- (A) The Bond shall be in the principal amount of \$[Principal Amount], and shall bear interest at [_____] % per annum, calculated on a 30/360-day basis.
- (B) The City shall pay all accrued interest on the Bond semiannually on June 1 and December 1 of each year, beginning on December 1, 2020.
- (C) The City will repay the principal amount of the Bond by making the following payments directly to the Bank:

[Payment schedule to be determined.]

- (D) All principal of the Bond, plus accrued interest, shall be paid no later than [_____, 20__].
- (E) Any payment by the City to the Bank shall be applied first to pay accrued interest, and second to pay Bond principal.

3.3 Prepayment.

- (A) [Prepayment provisions to be determined.]
- (B) Prepayments by the City to the Bank shall be applied first, to pay accrued interest on the principal amount that is prepaid, and second to reduce the Outstanding Balance.

- (C) The Bank will apply the prepayments to the final payments. The Bank will provide the updated payment schedule promptly to the City.

3.4 Security.

Pursuant to ORS Section 287A.315, the City hereby pledges its full faith and credit to pay the Bond, and the City covenants for the benefit of the Bond owners to levy annually, 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 Bond promptly as it matures.

3.5 Estoppel.

The City hereby certifies, recites and declares that all things, conditions and acts required by the Constitution and Statutes of the State of Oregon, the City Charter and by this Bond Purchase Agreement to exist, to have happened and to have been performed precedent to and in the execution and the delivery of this Bond Purchase Agreement, do exist, have happened and have been performed in due time, form and manner, as required by law, and that this Bond Purchase Agreement and the Bond are valid and binding obligations of the City that are enforceable against the City in accordance with their terms, except to the extent that enforceability may be limited by or rendered ineffective by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally; (ii) the application of equitable principles and the exercise of judicial discretion in appropriate cases; (iii) common law and statutes affecting the enforceability of contractual obligations generally; and (iv) principles of public policy concerning, affecting or limiting the enforcement of rights or remedies against governmental entities such as the City.

4. Fees, Costs and Expenses.

4.1 Costs of Enforcement.

If legal action is taken by either party to this Bond Purchase Agreement to enforce the provisions of this Bond Purchase Agreement or the Bond, the prevailing party shall be entitled to its reasonable attorneys' fees and costs, including fees and costs at trial, on appeal, in any bankruptcy or insolvency proceeding, in any arbitration proceeding, or otherwise, including any allocated costs of in-house counsel.

4.2 Other Fees and Costs.

The City will pay any expenses and costs that the City incurs in connection with this Bond Purchase Agreement or the Bond. The Bank shall pay all other out-of-pocket expenses of the Bank and Bank's counsel, including travel and other expenses. The Bank will not charge the City any fees or costs in connection with this Bond Purchase Agreement.

5. Title and Security Interests.

The City shall be entitled to unencumbered, fee simple title to the projects being refinanced with this Bond and the Bank shall have no lien on, or security interest in, the projects being refinanced with this Bond.

6. Financial Statements; Notice of Adverse Developments; Budgets.

6.1 Financial Statements.

The City covenants for the benefit of the Bank that while any Bond principal or interest remains unpaid:

- (A) The City shall make its audited annual financial statements available on the City's website or the Electronic Municipal Market Access system ("EMMA") not later than 270 days after the end of each Fiscal Year. So long as not otherwise available publicly on the City's website, the City shall provide the Bank a complete copy of its audited annual financial statements within 270 days after the end of each Fiscal Year. However, if the City's audited annual financial statements are not available within 270 days after the end of a Fiscal Year, the City shall file its unaudited annual financial statements for that Fiscal Year with the Bank not later than 270 days after the end of that Fiscal Year, and shall make the audited annual financial statements for that Fiscal Year available on the City's website or EMMA promptly after the audited annual financial statements become available.
- (B) The City shall make each of its annual budgets available on the City's website or EMMA within 120 days after such budget is adopted. So long as not otherwise available publicly on the City's website or EMMA, the City shall provide the Bank its annual budget for the succeeding Fiscal Year within 120 days after such budget is adopted.
- (C) The City shall provide the Bank with such additional information as the Bank may reasonably request.

6.2 Notice of Adverse Developments.

While any Bond principal or interest remains unpaid, the City shall notify the Bank promptly of any litigation or proceeding in which the City is a party or the existence of a dispute between the City and any governmental authority or law enforcement authority that, in the reasonable judgment of the City, would have a material and adverse effect on the ability of the City to pay the Bond.

7. Conditions to the Obligations of the Bank.

The Bank may refuse to purchase the Bond under this Bond Purchase Agreement unless, on or prior to the Closing Date, the Bank shall have received:

- (A) a copy of the duly adopted Resolution;
- (B) a signed original of this Bond Purchase Agreement;
- (C) a signed original of the Bond;
- (D) an opinion of Hawkins Delafield & Wood LLP, the City's bond counsel, with a reliance letter addressed to the Bank, to the effect that: (i) the Bond and this Bond Purchase Agreement are valid and legally binding obligations of the City, enforceable against the City in accordance with their terms, qualified only to the extent that enforceability of the Bond or the Bond Purchase Agreement may be limited by or rendered ineffective by (a) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other laws affecting creditors' rights generally, (b) the application of equitable principles and the exercise of judicial discretion in appropriate cases, (c) common law and statutes affecting the enforceability of contractual obligations generally, and (d) principles of public policy concerning, affecting or limiting the enforcement of rights or remedies against governmental entities such as the City; and (ii) interest payable on the Bond is excludable from gross income under the Code, and is exempt from Oregon personal income tax under existing state law,
- (E) a certificate of a City Official to the effect that there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency having jurisdiction over the City that is pending or, to the best of the knowledge of the City, is threatened against the City to restrain or enjoin the execution of this Bond Purchase Agreement, the adoption of the Resolution, or the collection and application of the funds as contemplated by the Resolution and this Bond Purchase Agreement, which, if such matter were adversely decided against the City would, in the reasonable judgment of the City, have a material and adverse effect on the ability of the City to pay the amounts due under this Bond Purchase Agreement;
- (F) a certificate of a City Official to the effect that the adoption of the Resolution and the execution and delivery of this Bond Purchase Agreement and the Bond do not and will not conflict in any material respect with or constitute on the part of the City a breach of or default under any law, charter provision, court decree, administrative regulation, resolution, ordinance or other agreement or instrument to which the City is a party or by which it is bound;
- (G) such additional legal opinions, certificates, proceedings, instruments or other documents as the Bank or the City's bond counsel may reasonably request to evidence:
 - (i) compliance by the City with the legal requirements for execution and delivery of the Bond and this Bond Purchase Agreement; or,
 - (ii) the satisfaction by the City of all obligations of the City in this Bond Purchase Agreement that the City is required to satisfy on or before the Closing Date.

8. Tax Covenants

8.1 The City covenants for the benefit of the Bank to comply with the covenants in the Tax Certificate for the Bond and with all provisions of the Code that are required for the Bond interest to be excludable from gross income under the Code. The City further covenants for the benefit of the Bank to comply with all provisions of the Code that are required so that the Bond is not a “private activity bond” within the meaning of Section 141 of the Code. The City specifically covenants herein that it shall not take any action or omit to take any action that would cause the Bond to become an “arbitrage bond” under Section 148 of the Code, and that it shall pay all rebates or penalties on the “gross proceeds” of the Bond when and as required under Section 148 of the Code.

8.2 The City hereby designates the Bond as a “qualified tax-exempt obligation” under Section 265 of the Code, because the City, and any subordinate and related entities have not and do not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (excluding certain private activity bonds and certain current refunding obligations) during the 2020 calendar year.

8.3 From and after the Date of Taxability following a Determination of Taxability, the interest rate may, at the option of the Bank, be increased to the Taxable Rate. For purposes of this Section 8.3, the following definitions shall be applicable.

- (A) “*Date of Taxability*” means the date from and for which interest on the Bond is subject to federal income taxation as a result of a Determination of Taxability.
- (B) “*Determination of Taxability*” means any determination, decision, or decree made by the Commissioner or any District Director of the Internal Revenue Service, or by any court of competent jurisdiction, that as a result of any actions or omissions of the City with respect to the Bond the interest payable on the Bond is includable in the gross income for federal income tax purposes of the Bank, provided, however, that no such Determination of Taxability shall be deemed to have occurred if the City is contesting such determination in good faith and is diligently proceeding to prosecute such contest until the earliest of (a) a final determination from which no appeal may be taken with respect to such determination, or (b) abandonment of such appeal by the City.
- (C) “*Taxable Rate*” means [_____] % per annum calculated on the basis of a 360-day year of twelve 30-day months.

9. Events of Default and Remedies.

9.1 Upon an Event of Default the Bank may exercise any remedy available at law or in equity. However, the Bond shall not be subject to acceleration.

9.2 If, by reason of force majeure, the City is unable in whole or in part to carry out its agreement herein contained, other than the obligation of the City to pay Bond principal and interest when due, the City shall not be deemed in default during the continuance of such inability, unless such inability continues for a period of more than 90 days. The term “force

majeure” as used herein shall mean, without limitation, any of the following, to the extent it materially impairs the City to perform its obligations under the Bond or this Bond Purchase Agreement: acts of God; strikes, lockouts or other industrial disturbances; acts of the public enemy; orders or restraints of any kind of the government of the United States of America or of the City or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of the City.

10. Defeasance.

10.1 The City may defease all or any portion of the Bond in accordance with this section. If any portion of the Bond is defeased, the City will be obligated to pay that portion solely from the money and Government Obligations deposited with an escrow agent or trustee, and the City shall have no further obligation to pay the defeased portion of the Bond from any source except the amounts deposited in the escrow. Any portion of the Bond may be defeased if the City:

- (A) irrevocably deposits money or noncallable Government Obligations in escrow with an independent trustee or escrow agent which are calculated to be sufficient without reinvestment to pay the defeased portion of the Bond; and
- (B) files with the escrow agent or trustee a verification from an independent, certified public accountant to the effect that the money and the principal and interest to be received from the Government Obligations are calculated to be sufficient, without further reinvestment, to pay the defeased portion of the Bond when due.

11. Disclosure; Assignment.

11.1 No official statement or other disclosure document has been prepared in connection with the Bond and the City has no obligation in connection with the Bond to provide any disclosure regarding operating information or material events to the Municipal Securities Rulemaking Board or any dissemination agent. The City is obligated to provide information to the Bank in connection with the Bond only as specifically stated in this Bond Purchase Agreement.

11.2 The Bank may transfer the Bond to an affiliate or a “Qualified Institutional Buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended, in compliance with all federal and state securities laws, if the Bank provides prior written notice to the City and the Bank delivers to the City an investor letter executed by the transferee in substantially the form attached hereto as Exhibit A.

11.3 The City may not assign its rights and obligations under this Bond Purchase Agreement without the prior written consent of the Bank.

11.4 This Bond Purchase Agreement and the Bond shall constitute a contract between the City and the Bank. The Bank's extension of credit hereunder is expressly made in reliance on such contract.

12. Dispute Resolution.

[Provisions to be determined.]

13. Miscellaneous.

13.1 Notices.

All notices and other communications required by the Bond or this Bond Purchase Agreement shall be considered properly given if they are delivered or mailed by registered mail or certified form (return receipt requested), postage prepaid:

To the Bank at:

[Bank address]

Attention: [Title of Bank Official]

To the City at:

City of Coos Bay
500 Central Avenue
Coos Bay, Oregon 97420
Attention: Finance Director

13.2 Binding Effect.

This Bond Purchase Agreement shall inure to the benefit of and shall be binding upon the Bank and the City and their respective successors and assigns. All representations, warranties, and agreements contained in this Bond Purchase Agreement shall survive the execution, delivery and payment of the Bond.

13.3 Severability.

In the event any provisions of this Bond Purchase 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.

13.4 Amendments.

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

13.5 Applicable Law.

The Bond and this Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any action regarding the Bond and this Bond Purchase Agreement or the transactions contemplated hereby shall be brought in an appropriate court of the State of Oregon in Coos County, Oregon.

13.6 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 Bond Purchase Agreement.

13.7 Headings.

The headings, titles and table of contents in this Bond Purchase Agreement are provided for convenience and shall not affect the meaning, construction or effect of this Bond Purchase Agreement. All references herein to “Sections,” and other subdivisions that do not specify the document in which the subdivision is located shall be construed as references to this Bond Purchase Agreement, unless the context otherwise requires.

13.8 Execution in Counterparts.

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

13.9 Termination of this Agreement.

Notwithstanding anything else in this agreement, the Bank shall have the right to cancel its obligation to purchase the Bond if between the date hereof and the Closing Date a) any one or more of the following events shall have occurred, and b) in the reasonable judgment of the Bank, such occurrence materially and adversely affects the ability of the Bank to advance funds or materially increases the cost to the Bank of advancing funds on the Closing Date to purchase the Bond:

- (A) legislation shall have been enacted by the Legislative Assembly of the State of Oregon or legislation shall have been reported out of committee with an effective date prior to the Closing Date, or a decision shall have been rendered by a court of the State of Oregon, with respect to the general character of the Bond, or
- (B) there shall have occurred an outbreak of hostilities or any other national or international calamity or crisis, or
- (C) a general banking moratorium shall have been declared by either Federal, State of Oregon or New York authorities having jurisdiction and be in force, or
- (D) there shall be established any new restriction on lending to local governments (including the imposition of any limitation on interest rates) or extension of credit by, or charge to the net capital requirements of, the Bank established by the SEC, any other federal or state agency or the Congress of the United States, or by Executive Order, or
- (E) there shall have been a material downgrade to the creditworthiness of the City.

Under Oregon law, most agreements, promises and commitments made by the Bank, concerning loans and other credit extensions which are not for personal, family or household purposes or secured solely by the borrower's residence must be in writing, express consideration and be signed by the Bank to be enforceable.

[The remainder of this page is left blank intentionally.]

IN WITNESS WHEREOF, the Bank has caused this Bond Purchase Agreement to be executed in its corporate name by its duly authorized officer, all as of the date first above written.

[Name of Bank]

By: _____

Name: _____

Title: _____

[The signature of the City appears on the following page.]

IN WITNESS WHEREOF, the City has caused this Bond Purchase Agreement to be executed in its name by an authorized City Official, all as of the date first above written.

City of Coos Bay, Oregon

[City Official]

[The signature of the Bank appears on the preceding page.]

EXHIBIT A
FORM OF QUALIFIED INVESTOR LETTER

[\$[Principal Amount]
City of Coos Bay, Oregon
General Obligation Refunding Bond
Series 2020

The undersigned, a duly authorized officer of [Name of Bank] (the “Bank”), hereby certifies as follows with respect to the Bank’s purchase of the above-captioned General Obligation Refunding Bond, Series 2020 (the “Bond”) dated as of [Closing Date], and the related Bond Purchase Agreement dated as of [October 14, 2020] between the City of Coos Bay, Oregon (the “City”) and the Bank (the Bond Purchase Agreement”):

1. The Bank is an organization that falls within one of the following categories:
 - (a) a bank as defined in Section 3(a)(2) of the Securities Act of 1933 as amended (the “Securities Act”);
 - (b) a savings and loan association or other institution described in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; or
 - (c) a “Qualified Institutional Buyer” as that term is defined in Rule 144A under the Securities Act.
2. The Bank has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal obligations, to be able to evaluate the risks and merits of the investment represented by the Bond and the Bond Purchase Agreement.
3. The Bank has made its own independent and satisfactory inquiries related to the financial condition of the City, including inquiry into financial statements and other information relating to the financial condition of the City, the Bond, and the Bond Purchase Agreement, to which a reasonable investor would attach significance in making investment decisions, and of any other matters deemed to be relevant to a reasonably informed decision to purchase the Bond.
4. The Bank has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City, the Bond, the Bond Purchase Agreement, the projects refinanced with the Bond, and the use of the proceeds of the Bond, all so that as a reasonable investor the Bank has been able to make a reasonably informed decision to purchase the Bond.
5. The Bank confirms that its investment in the Bond constitutes an investment that is suitable for and consistent with its investment program and that the Bank is able to bear the economic risk of an investment in the Bond, including a complete loss of such investment.
6. The Bank is purchasing the Bond as an investment only and for its own account (and not as an “underwriter” or “Participating Underwriter” as defined in Securities and Exchange Commission Rule 15c2-12, as amended, replaced or supplemented) and does not

presently intend to transfer, otherwise distribute or sell the Bond or any portion thereof to the general public or to any other party.

7. The Bank acknowledges that its right to assign, sell and transfer the Bond is limited as provided in the Bond Purchase Agreement.

8. The Bank acknowledges that the Bond (a) has not been registered under the Securities Act of 1933, as amended, and has not been registered or otherwise qualified for sale under the securities laws of any state, (b) will not be listed on any securities exchange, (c) will carry no rating from any rating service, and (d) there is no established market for the Bond and none is likely to develop. The Bank understands and acknowledges that (i) the Bond is not intended to be subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended and (ii) in connection with the Bank's purchase of the Bond, the City has not prepared or caused to be prepared, any official statement, private placement memorandum or other offering document in connection with the Bond.

9. The Bank is purchasing the Bond solely for its own account for investment purposes only, with a present intent to hold the Bond until maturity, early redemption or mandatory tender, and not with a view to, or in connection with, any distribution, resale, pledging, fractionalization, subdivision or other disposition thereof (subject to the understanding that disposition of Bank's property will remain at all times within its control).

10. The Bank has been furnished with and has examined the Bond, City Resolution No. _____ adopted ~~March 3~~September 1, 2020 authorizing the Bond, and other documents, certificates and legal opinions delivered in connection with the issuance of the Bond.

11. The Bank agrees that it will comply with any applicable state and federal securities laws in effect with respect to the initial purchase of the Bond and in effect with respect to any disposition of the Bond by it, and further acknowledges that any current exemption from registration of the Bond does not affect or diminish such requirements.

12. The Bank understands that the City and Hawkins Delafield & Wood LLP, Bond Counsel, will rely upon the accuracy and truthfulness of the representations and warranties contained herein and hereby consents to such reliance.

[The remainder of this page is intentionally left blank.]

Dated as of [October 14, 2020].

[Name of Bank]

By: _____

Name: _____

Title: _____

[Qualified Investor Letter]

**EXHIBIT B
FORM OF BOND**

**[\$[Principal Amount]
City of Coos Bay, Oregon
General Obligation Refunding Bond
Series 2020**

Dated Date: [October 14, 2020]

Principal Amount: -----[\$[Principal Amount]-----

The City of Coos Bay, Oregon (the “City”), for value received, acknowledges itself indebted and hereby promises to pay to [Name of Bank] (the “Bank”), or registered assigns, the Principal Amount indicated above, in the following installments, plus interest at the rate of [_____] % per annum, calculated on a 30/360-day basis:

[payment schedule to follow]

Interest is payable semiannually on June 1 and December 1 in each year until maturity, prepayment, or until such Principal Amount has been paid in full, commencing December 1, 2020.

This Bond is issued to refund the City’s General Obligation Bonds, Series 2009, and was acquired by the Bank under a Bond Purchase Agreement that is dated as of [October 14, 2020] (the “Bond Purchase Agreement”). The provisions of the Bond Purchase Agreement are incorporated into this Bond by this reference.

This Bond is a general obligation of the City. Pursuant to ORS 287A.315, the City pledges its full faith and credit to pay this Bond pursuant to ORS 287A.315. The City covenants for the benefit of the owner of this Bond to levy a direct ad valorem tax upon all of the taxable property within the City which is sufficient, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes, to pay all Bond principal and interest when due. The City covenants to levy this tax each year until all Bond principal and interest is paid. This tax shall be in addition to all other taxes of the City, and this tax shall not be limited in rate, amount or otherwise, by Sections 11 or 11b of Article XI of the Oregon Constitution.

This Bond is subject to prepayment as provided in the Bond Purchase Agreement.

The transfer of this Bond is limited, and this Bond may be transferred only as provided in the Bond Purchase Agreement.

It is hereby certified, recited and declared that all things, conditions and acts required by the Constitution and Statutes of the State of Oregon and the City Charter and by this Bond to exist, to have happened and to have been performed precedent to and in the execution and the delivery of this Bond, do exist, have happened and have been performed in due time, form and manner, as required by law, and that this Bond is a valid and binding obligation of the City that is enforceable against the City in accordance with its terms, except to the extent that enforceability may be limited by or rendered ineffective by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors’

rights generally; (ii) the application of equitable principles and the exercise of judicial discretion in appropriate cases; (iii) common law and statutes affecting the enforceability of contractual obligations generally; and (iv) principles of public policy concerning, affecting or limiting the enforcement of rights or remedies against governmental entities such as the City.

IN WITNESS WHEREOF, the City of Coos Bay, Oregon has caused this Bond to be executed in its name with the signature of an authorized City Official under the Resolution, all as of the date indicated above.

City of Coos Bay, Oregon

[City Official]

Hawkins Delafield & Wood LLP

200 SW MARKET STREET, SUITE 350
PORTLAND, OR 97201
WWW.HAWKINS.COM

[October 14, 2020]

City of Coos Bay
500 Central Avenue
Coos Bay, Oregon 97420

Subject: \$[Principal Amount] City of Coos Bay, Oregon
 General Obligation Refunding Bond, Series 2020

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Coos Bay, Oregon (the “City”) of its General Obligation Refunding Bond, Series 2020 (the “Bond”), which is dated as of the date of its delivery and is in the principal amount of \$[Principal Amount]. The Bond is authorized by the applicable provisions of Oregon Revised Statutes (“ORS”) Chapter 287A, including ORS Sections 287A.360 to 287A.380, City Resolution No. 20-_____ adopted [September 1, 2020] (the “Resolution”), and a Bond Purchase Agreement between the City and [Name of Bank] dated as of [October 14, 2020] (the “Bond Purchase Agreement”).

We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any offering materials which have been or may be supplied to the purchasers of the Bond, and we express no opinion relating thereto.

Regarding questions of fact material to our opinion, we have relied on representations of the City in the Resolution, the Bond, the Bond Purchase Agreement, and in the certified proceedings and on other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Bond and the Bond Purchase Agreement have been legally authorized and issued under and pursuant to the Constitution and Statutes of the State of Oregon, the City Charter, and the Resolution. The Bond and the Bond Purchase Agreement constitute valid and legally binding general obligations of the City that are enforceable in accordance with their terms.

2. The City has pledged its full faith and credit to the payment of the Bond. In addition, the Bond is payable from ad valorem taxes which may be levied without limitation as to rate or amount on all taxable property within the boundaries of the City.

3. Under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described below, (i) interest on the Bond is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Bond is not treated as a preference item in calculating the alternative minimum tax under the Code. In rendering our opinion, we have relied on certain representations, certifications of fact, and statements of reasonable expectations made by the City and others in connection with the Bond, and we have assumed compliance by the City and others with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Bond from gross income under Section 103 of the Code.

The Code establishes certain requirements that must be met subsequent to the issuance and delivery of the Bond in order that, for federal income tax purposes, interest on the Bond not be included in gross income pursuant to Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of Bond proceeds, restrictions on the investment of Bond proceeds prior to

expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bond to become subject to federal income taxation retroactive to their date of issue, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of delivery of the Bond, the City will execute a Tax Certificate (the "Tax Certificate") containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the City covenants that it will comply with the provisions and procedures set forth therein and that they will do and perform all acts and things required by the Code to assure that interest paid on the Bond will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in paragraph 3 hereof, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectation, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of interest paid on the Bond, (ii) compliance by the City with the procedures and covenants set forth in the Tax Certificate as to such tax matters, and (iii) compliance by certain borrowers with the procedures and covenants set forth in their loan agreements as to certain tax matters.

4. Interest on the Bond is exempt from Oregon personal income tax.

We express no opinion as to any federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated in paragraphs 3 and 4 above. We render our opinion under existing statutes and court decisions as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bond.

The portion of this opinion that is set forth in paragraph 1, above, is qualified only to the extent that enforceability of the Bond and the Bond Purchase Agreement may be limited by or rendered ineffective by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally; (ii) the application of equitable principles and the exercise of judicial discretion in appropriate cases; (iii) common law and statutes affecting the enforceability of contractual obligations generally; and (iv) principles of public policy concerning, affecting or limiting the enforcement of rights or remedies against governmental entities such as the City.

This opinion is limited to matters of Oregon law and applicable federal law, and we assume no responsibility as to the applicability of laws of other jurisdictions.

This opinion is provided to you as a legal opinion only, and not as a guaranty or warranty of the matters discussed herein. No opinions may be inferred or implied beyond the matters expressly stated herein. No qualification, limitation or exception contained herein shall be construed in any way to limit the scope of the other qualifications, limitations and exceptions. For purposes of this opinion, the terms "law" and "laws" do not include unpublished judicial decisions, and we disclaim the effect of any such decision on this opinion.

We have served as bond counsel only to the City in connection with the Bond and have not represented and are not representing any other party in connection with the Bond. This opinion is given solely for the benefit of the City in connection with the Bond and may not be relied on in any manner or for any purpose by any person or entity other than the City and any person to whom we may send a formal reliance letter indicating that the recipient is entitled to rely on this opinion.

Very truly yours,