

RESOLUTION NO. 2011-29

**A RESOLUTION REALLOCATING QUALIFIED ENERGY CONSERVATION
BOND VOLUME CAP TO THE STATE OF OREGON**

Whereas, Section 54D of the Internal Revenue Code of 1986, as amended (the "Code") allows the State of Oregon (State) and its cities and counties with populations of 100,000 or more to issue limited amounts of qualified energy conservation bonds ("QECBs"). QECBs qualify for 70 percent federal interest subsidies or tax credits, and may only be issued to finance "qualified conservation purposes" as defined in Section 54D(f)(1) of the Code. Qualified conservation purposes include capital expenditures that reduce energy consumption in public buildings by 20 percent or more, green community programs, facilities that produce energy from renewable resources, mass commuting facilities that reduce consumption of energy and pollution, and certain kinds of research facilities, demonstration projects and public education campaigns that promote energy efficiency; and

Whereas, QECBs are limited to the amount of "volume cap" that is available. The State was allocated \$39,320,000 of QECB of volume cap which was divided among thirteen cities and counties with populations of 100,000 or more; and

Whereas, the City of Salem received QECB volume cap in the amount of \$1,576,022; and

Whereas, Section 54D(e)(2) of the Code allows the City of Salem to reallocate its volume cap to the State for use by the State or reallocation to other issuers; and

Whereas, the State has requested that all cities and counties reallocate to the State all QECB that the cities and counties do not intend to use. Reallocations are permanent and may not be revoked; and

Whereas, the City of Salem is willing to reallocate \$1,576,022 of QECB Volume Cap to the State;

NOW, THEREFORE, THE CITY OF SALEM RESOLVES AS FOLLOWS:

Section 1. Reallocation. The City of Salem hereby reallocates \$1,576,022 of its QECB Volume Cap to the State, and authorizes the City Manager to sign any documents that are requested by the State to confirm this reallocation.

Section 2. Effective Date. This resolution shall take effect immediately upon adoption.

Adopted by the City Council this 25th day of April, 2011.

ATTEST:

Kathy Hall

City Recorder

Approved by City Attorney: _____

[Signature]

Checked by: A. Gorski

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