

ORDINANCE No. 183834

- * Suballocate Recovery Zone Economic Development Bond volume cap to Portland Public Schools and other eligible issuers (Ordinance)

THE CITY OF PORTLAND ORDAINS:

Section 1. The Council finds:

1. Pursuant to the American Recovery and Reinvestment Act of 2009 (“ARRA”) and IRS Notice 2009-50 the City of Portland has been allocated \$13.548 million of Recovery Zone Economic Development Bond (“RZEDB”) volume cap. RZEDBs are eligible for a 45% federal interest subsidy.
2. ARRA requires that RZEDBs be issued no later than December 31, 2010. ARRA permits the City to suballocate its RZEDB volume cap to other local governments for use on eligible projects in recovery zones that are located inside the City’s geographical area.
3. The Council has enacted Ordinance No. 183563, designating the entire geographical area of the City as a recovery zone.
4. The City and the Portland Development Commission have solicited proposals for the use of the City’s allocation of RZEDB volume cap, and Portland Public Schools has submitted a proposal to use \$11 million of the City’s RZEDB volume cap for energy and water conservation projects that will be located inside the City’s geographical area.
5. Suballocating \$11 million of the City’s RZEDB volume cap to Portland Public Schools will enable Portland Public Schools to finance energy and water conservation projects at an annual cost that does not exceed the expected reductions in energy and water costs, and will allow Portland Public Schools to obtain substantial savings after the financing is paid.
6. The City adopts this Ordinance to suballocate \$11 million of the City’s RZEDB volume cap to Portland Public Schools to finance energy and water conservation projects that will be located inside the City’s geographical area, and to authorize the City’s Debt Manager to suballocate the remaining \$2.548 million of Recovery Zone Economic Development Bond volume cap to other eligible issuers.

NOW, THEREFORE, the Council directs:

- a. The City hereby suballocates \$11,000,000 of its RZEDB volume cap to Portland Public Schools to finance costs of energy and water conservation projects and costs related to issuing RZEDBs for those energy and water conservation projects. This suballocation may be revoked only by the Debt Manager of the City, the Chief Financial Officer of the Bureau of Financial Services, the Chief Administrative Officer of the Office of Management and Finance, or the person designated by the Chief Administrative Officer of the Office of Management and Finance to act as Debt Manager under this ordinance (any of whom is referred to in this ordinance as a “Debt Manager”), and only to the extent

that Portland Public Schools fails to use all of its suballocation within a reasonable time after enactment of this ordinance. Any portion of the suballocation to Portland Public Schools that is revoked by the Debt Manager as provided in this Section 1.a may be used by the City or reallocated by the Debt Manager pursuant to Section 1.b of this ordinance.

- b. The Debt Manager is hereby authorized, on behalf of the City and without further action by the Council, to irrevocably suballocate the City's remaining \$2.548 million of RZEDB volume cap to eligible issuers within the City, on receipt of a written request, satisfactory to the Debt Manager, describing the projects that would be financed with RZEDBs and demonstrating that they are eligible for financing with RZEDBs.

Section 2. The Council declares that an emergency exists to permit Portland Public Schools to issue RZEDBs to finance and implement energy and water conservation projects as quickly as possible; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: **MAY 26 2010**

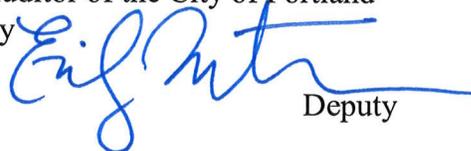
Mayor Sam Adams

Prepared by: Bond Counsel:EJ:KB

Date Prepared: May 19, 2010

LaVonne Griffin-Valade
Auditor of the City of Portland

By



Deputy

Agenda No.
ORDINANCE NO. 183834

Title

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to Portland Public Schools and other eligible issuers

<p>INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams</p>	<p>CLERK USE: DATE FILED <u>MAY 21 2010</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Adams <i>[Signature]</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> _____ Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Office of Finance and Administration Bureau Head: Ken Rust</p> <p>Prepared by: Eric Johansen:PT Date Prepared: May 19, 2010</p> <p>Financial Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Council Meeting Date May 26, 2010</p>	
<p>CITY ATTORNEY APPROVAL</p>	<p>ACTION TAKEN:</p>

AGENDA

TIME CERTAIN
Start time: _____

Total amount of time needed: _____
(for presentation, testimony and discussion)

CONSENT

REGULAR
Total amount of time needed: 5 minutes
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	