

## ORDINANCE No. 188691

\* Authorize general obligation refunding bonds through December 31, 2019 (Ordinance).

The City of Portland ordains:

Section 1. The Council finds:

1. The voters of the City of Portland have approved measures authorizing the City to issue general obligation bonds to finance various projects, including the acquisition of fire engines and other emergency response vehicles, parks projects, and affordable housing projects (the “Outstanding GO Bonds”).
2. At times interest rates are lower than the interest rates borne by the Outstanding GO Bonds, and the City may be able to obtain debt service savings by refunding all or a portion of the Outstanding GO Bonds, thereby reducing costs to taxpayers.
3. The City is authorized to issue general obligation bonds to refund its Outstanding GO Bonds by ORS 287A.360 to 287A.380.
4. The City adopts this ordinance to authorize the refunding of all or any portion of the City’s Outstanding GO Bonds that meet the City’s debt policy savings target through December 31, 2019.

NOW, THEREFORE, the Council directs:

- a. Authorization of Refunding Bonds. The City hereby authorizes the sale and delivery of general obligation bonds (the “Refunding Bonds”) pursuant to ORS 287A.360 to 287A.380 to refund all or any portion of the Outstanding GO Bonds so long as the refunding meets the City’s debt policy debt service savings target. The Refunding Bonds may be issued in an amount sufficient to pay and redeem the Outstanding GO Bonds that are being refunded, plus an amount sufficient to pay estimated costs related to the refunding and the Refunding Bonds. The Refunding Bonds may be issued from the effective date of this Ordinance to and including December 31, 2019.
- b. Security. The Refunding Bonds shall be general obligations of the City. Pursuant to ORS 287A.315 the City hereby pledges its full faith and credit and taxing power to pay the Refunding Bonds, and the City covenants for the benefit of the owners of the Refunding Bonds 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.
- c. Delegation. The City’s Debt Manager, the Chief Financial Officer and Director of the Bureau of Revenue and 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") may, on behalf of the City and without further action of the Council:

1. Provide that the Refunding Bonds may be issued in one or more series which may be sold at different times.
2. Participate in the preparation of, authorize the distribution of, and deem final the preliminary and final official statements and any other disclosure documents for each series of the Refunding Bonds.
3. Establish the final principal amounts, maturity schedules, interest rates, sale prices, redemption terms, payment terms and dates, record dates and other terms for each series of the Refunding Bonds, and either publish a notice of sale, receive bids and award the sale of each series to the bidder complying with the notice and offering the most favorable terms to the City, or select one or more underwriters or lenders and negotiate the sale of any series with those underwriters or lenders.
4. Undertake to provide continuing disclosure for each series of the Refunding Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
5. Contribute amounts that are available to pay the Outstanding GO Bonds to the refunding to reduce the amount of the Refunding Bonds.
6. Apply for and purchase municipal bond insurance or other forms of credit enhancements for each series of the Refunding Bonds, and enter into related agreements.
7. Finalize the terms of, execute and deliver bond declarations that describe the terms of each series of the Refunding Bonds. The bond declarations may also contain covenants for the benefit of the owners of the Refunding Bonds and providers of credit enhancement.
8. Appoint and enter into agreements with escrow agents, paying agents, verification agents and other professionals and service providers for the Refunding Bonds.
9. Issue any Refunding Bonds as tax-exempt bonds and enter into covenants to maintain the excludability of interest on those Refunding Bonds from gross income under the Internal Revenue Code of 1986, as amended (the "Code").
10. If the federal government approves subsidy payments or tax credits for municipal bonds and those subsidies or tax credits are estimated to reduce the net debt service payments for the Refunding Bonds, issue any series of Refunding Bonds as eligible for those federal subsidies or tax credits, and enter into related

covenants to maintain the eligibility of such series of Refunding Bonds for those subsidies or tax credits.

11. Issue any series of Refunding Bonds as "taxable bonds" bearing interest that is includable in gross income under the Code.
12. Execute any documents and take any other action in connection with the Refunding Bonds which the Debt Manager finds will be advantageous to the City.

Section 2. The Council declares that an emergency exists in order that Refunding Bonds may be issued while interest rates are favorable; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council, NOV 29 2017

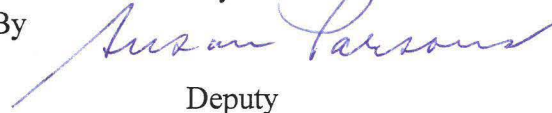
Mayor Ted Wheeler

Prepared by: Bond Counsel:Eric Johansen

Date Prepared: October 31, 2017

**Mary Hull Caballero**  
Auditor of the City of Portland

By



Deputy

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Agenda No.  
**ORDINANCE NO. 188691**  
Title

\* Authorize general obligation refunding bonds through December 31, 2019 (Ordinance)

<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Mayor Ted Wheeler</b>	CLERK USE: DATE FILED <u>NOV 06 2017</u>
<b>COMMISSIONER APPROVAL</b>	Mary Hull Caballero Auditor of the City of Portland
Mayor—Finance & Administration - Wheeler <i>ks</i>	
Position 1/Utilities - Fritz	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Eudaly	
<b>BUREAU APPROVAL</b>	
Bureau: Revenue and Financial Services	
Bureau Head: Ken Rust <i>KLR</i>	
Prepared by: Bond Counsel: Eric Johansen <i>EJH</i>	
Date Prepared: 10/31/2017	
Impact Statement	
Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document	
If "Yes" requires City Policy paragraph stated in document.	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>City Auditor Office Approval:</b> required for Code Ordinances	
<b>City Attorney Approval:</b> required for contract, code, easement, franchise, comp plan, charter	
Council Meeting Date <b>11/15/2017</b>	

By: *[Signature]*  
Deputy

ACTION TAKEN:  
NOV 15 2017 *Rescheduled to* NOV 29 2017 **9:30 A.M**

AGENDA	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
		YEAS	NAYS
<b>TIME CERTAIN</b> <input type="checkbox"/> Start time: _____	1. Fritz	<input checked="" type="checkbox"/>	
<b>Total amount of time needed:</b> _____ (for presentation, testimony and discussion)	2. Fish	<input checked="" type="checkbox"/>	
<b>CONSENT</b> <input type="checkbox"/>	3. Saltzman	<input checked="" type="checkbox"/>	
<b>REGULAR</b> <input checked="" type="checkbox"/>	4. Eudaly	<input checked="" type="checkbox"/>	
<b>Total amount of time needed: 5 minutes</b> (for presentation, testimony and discussion)	Wheeler	<input checked="" type="checkbox"/>	