

ORDINANCE No. 188885

Authorize limited tax revenue bonds in an amount not to exceed \$52 million to finance infrastructure improvements in City parks, transportation, civic and other capital assets as contemplated in the City's Build Portland infrastructure initiative (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City is authorized to issue revenue bonds for a public purpose under ORS 287A.150 and related statutes (the "Act"). Revenue bonds issued under the Act may be payable from all or any portion of the "revenue" of the City, as defined in ORS 287A.001(16). ORS 287A.001(16) defines "revenue" to include all fees, tolls, excise taxes, assessments, property taxes and other taxes, rates, charges, rentals and other income or receipts derived by a public body or to which a public body is entitled. The City is also authorized to issue revenue bonds to refund revenue bonds pursuant to ORS 287A.360 to 287A.375.
2. The City may authorize revenue bonds under the Act by nonemergency ordinance. The City may not sell the revenue bonds under the Act until the period for referral of the nonemergency ordinance authorizing the revenue bonds has expired. If a nonemergency ordinance authorizing the revenue bonds is referred, the City may not sell the revenue bonds unless the voters approve the revenue bonds.
3. It will be beneficial to borrow money under the Act to provide financing for capital costs of infrastructure improvements in City parks, transportation, civic and other capital assets (collectively, the "Projects").

NOW, THEREFORE, the Council directs:

- a. Revenue Bonds Authorized. The City is hereby authorized to issue bonds under the Act to provide up to \$50 million of financing for the costs of the Projects plus any additional amounts that are desirable to pay costs related to issuing the bonds. The principal amount of the revenue bonds is estimated not to exceed \$52 million.
- b. Refunding Bonds Authorized. If all or any portion of the revenue bonds authorized by Section 1.a are issued to provide interim financing for the Projects, the City may issue revenue bonds to refund those interim financing bonds and pay associated costs pursuant to ORS 287A.360 to 287A.375. The refunding revenue bonds that are authorized by this Section 1.b may be issued in amounts that are sufficient pay the payment of principal and interest on the refunded revenue bonds, plus costs related to the refunding.
- c. Security and Use of Bond Proceeds. The revenue bonds authorized by Sections 1.a and 1.b of this ordinance (the "Bonds") shall be secured by the full faith and credit and taxing power of the City, and the City may covenant to pay the Bonds from its available general funds. Proceeds of the Bonds may be spent only to pay costs of the Projects and costs related to issuing, paying and refunding the Bonds.

- d. No Additional Taxes Authorized. No Bonds shall be general obligations of the City and neither the authorization nor the issuance of any Bonds shall authorize the City to levy any additional taxes.
- e. Procedure. No Bonds may be sold and no purchase agreement for any Bonds may be executed until the period of referral of this nonemergency ordinance has expired and this ordinance takes effect. If this ordinance is referred, the City may not sell the Bonds unless the voters approve this ordinance.
- f. Delegation. After this ordinance takes effect 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 by the Council:
1. Issue the Bonds in one or more series, which may be sold at different times and in combination with other series of revenue bonds authorized by the Council.
 2. Issue one or more series of the Bonds to provide interim financing for the Projects, enter into lines of credit or similar documents which permit the City to draw Bond proceeds over time, and issue short or long term Bonds to refund the Bonds that provide interim financing for the Projects.
 3. Issue one or more series of the Bonds to provide long term financing for the Projects.
 4. Participate in the preparation of, authorize the distribution of, and deem final preliminary and final official statements or other disclosure documents for each series of the Bonds.
 5. Subject to the limits in this ordinance, 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 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.
 6. Undertake to provide continuing disclosure for any series of the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
 7. Finalize the terms of, execute, and deliver bond declarations or other documents that describe the terms of each series of the Bonds. The bond declarations or other documents may also contain covenants for the benefit of the owners.

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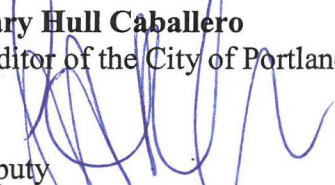
8. Apply for and purchase municipal bond insurance or obtain other forms of credit enhancements for any series of Bonds, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
9. Appoint and enter into agreements with service providers for the Bonds.
10. Issue any qualifying series of Bonds as “tax-exempt bonds” bearing interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, (the “Code”) and enter into covenants for the benefit of the owners of those series to maintain the excludability of interest on those series from gross income under the Code.
11. If federal law then permits, issue any qualifying series of Bonds as “tax credit bonds,” “federal subsidy bonds” or other obligations that are eligible for federal tax credits, federal interest rate subsidies or other federal benefits, and enter into any covenants and take any actions that are required to qualify for those federal benefits.
12. Issue any series of Bonds as “taxable bonds” bearing interest that is includable in gross income under the Code.

Passed by the Council: APR 04 2018

Mayor Ted Wheeler

Prepared by: Bond Counsel: Eric Johansen

Date Prepared: March 13, 2018

Mary Hull Caballero
Auditor of the City of Portland
By 
Deputy

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 Agenda No.
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 Title

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<p style="text-align: center;">INTRODUCED BY Commissioner/Auditor: Mayor Ted Wheeler</p>	<p>CLERK USE: DATE FILED <u>MAR 20 2018</u></p>
<p style="text-align: center;">COMMISSIONER APPROVAL</p> <p>Mayor—Finance & Administration - Wheeler <i>VC</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Eudaly</p>	<p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u><i>Susan Parsons</i></u> Deputy</p>
<p style="text-align: center;">BUREAU APPROVAL</p> <p>Bureau: Office of Management and Finance/Revenue & Fin Services CAO: Tom Rinehart CFO: Jennifer Cooperman</p> <p>Prepared by: Bond Counsel: Eric Johansen <i>EJ</i> Date Prepared: 3/13/2018</p>	<p>ACTION TAKEN:</p> <p>MAR 28 2018 PASSED TO SECOND READING APR 04 2018 9:30 A.M.</p>
<p>Impact Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document</p> <p>If "Yes" requires City Policy paragraph stated in document.</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>City Auditor Office Approval: required for Code Ordinances</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p>	
<p>Council Meeting Date 3/28/2018</p>	

AGENDA

TIME CERTAIN
Start time: 9:45 am (item 2 of 2)

Total amount of time needed: 30 min total
 (for presentation, testimony and discussion)

CONSENT

REGULAR

Total amount of time needed: _____
 (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. Eudaly	4. Eudaly	✓	
Wheeler	Wheeler	✓	