

ORDINANCE No. 189341

* Authorize limited tax revenue refunding bonds through December 31, 2021 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City has issued various series of limited tax revenue bonds, referred to in this ordinance as the "Refundable Bonds."
2. At times interest rates are lower than the interest rates borne by some of the Refundable Bonds and the City may be able to obtain debt service savings by issuing refunding bonds to refund or purchase all or a portion of the Refundable Bonds.
3. The City is authorized to issue limited tax revenue bonds to refund or purchase outstanding limited tax revenue bonds by ORS 287A.360 and the other applicable provisions of ORS Chapter 287A.
4. The Refundable Bonds are secured by the full faith and credit of the City.
5. The City adopts this ordinance to authorize the issuance of refunding bonds to refund or purchase all or a portion of the City's Refundable Bonds to achieve debt service savings through December 31, 2021.

NOW, THEREFORE, the Council directs:

- a. Authorization of Refunding Bonds. The City hereby authorizes the sale and delivery of limited tax revenue bonds pursuant to ORS 287A.360 and the other applicable provisions of ORS Chapter 287A to refund or purchase all or any portion of the City's Refundable Bonds to meet the City's debt policy savings target. The refunding bonds may be issued in an amount sufficient to pay and redeem the Refundable Bonds being refunded or purchased and pay costs related to the refunding. The Refunding Bonds may be issued from the effective date of this Ordinance to and including December 31, 2021.
- b. Authorization of Take-Out if Refunding Bonds are Short-Term. If all or any portion of the revenue bonds authorized by Section 1.a are issued as short-term bonds, the City hereby authorizes the sale and delivery of limited tax revenue bonds to refund those short-term bonds pursuant to ORS 287A.360 and the other applicable provisions of ORS Chapter 287A. The refunding bonds that are authorized by this Section 1.b may be issued in amounts that are sufficient pay the principal and interest on the bonds to be refunded and pay costs related to the refunding.
- c. Security. The refunding bonds authorized in Sections 1.a and 1.b of this Ordinance (the "Refunding Bonds") shall be secured by the City's full faith and credit and taxing power as provided in ORS 287A.315. The City expects to pay the Refunding Bonds primarily

from the available general funds of the City. The Refunding Bonds may also be secured by other sources of revenues the City pledged to pay the Refundable Bonds.

- d. 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 by the Council:
1. Provide that the Refunding Bonds may be issued as short-term bonds or long-term 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. 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. 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 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. 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.
 6. Finalize the terms of, execute and deliver bond declarations, lines of credit, or other documents that describe the terms of each series of the Refunding Bonds. The Refunding Bond declarations or other documents may pledge revenues pledged to Refundable Bonds to secure the Refunding Bonds, and may also contain covenants for the benefit of the owners of the Refunding Bonds and any credit enhancers of the Refunding Bonds, including covenants regarding the issuance of additional obligations that are secured by pledged revenues.
 7. Appoint and enter into agreements with escrow agents, paying agents, verification agents and other professionals and service providers for the Refunding Bonds.
 8. Purchase or call, refund and defease all or any portion of the Refundable Bonds.

9. Issue any qualifying series of Refunding 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.
10. If federal law then permits, issue any qualifying series of Refunding 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.
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: JAN 09 2019

Mayor Ted Wheeler

Prepared by: Bond Counsel: Matt Gierach

Date Prepared: December 3, 2018


Mary Hull Caballero
Auditor of the City of Portland
By

Deputy



Agenda No.
ORDINANCE NO. 189341
 Title

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INTRODUCED BY Commissioner/Auditor: Mayor Ted Wheeler	CLERK USE: DATE FILED <u>DEC 11 2018</u>
COMMISSIONER APPROVAL Mayor—Finance & Administration - Wheeler Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - <u>Hardesty</u> Position 4/Safety - Eudaly	Mary Hull Caballero Auditor of the City of Portland By: <u></u> Deputy
BUREAU APPROVAL Bureau: Office of Management and Finance/Revenue & Fin. Services CAO: Tom Rinehart CFO: Jennifer Cooperman Prepared by: Bond Counsel: Matt Gierach Date Prepared: 12/03/2018	ACTION TAKEN: DEC 19 2018 <u>Rescheduled to</u> JAN 09 2018 9:30 A.M.
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"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter	
Council Meeting Date 12/19/2018	

AGENDA
TIME CERTAIN <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 5 minutes (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	<input checked="" type="checkbox"/>	
2. Fish	<input checked="" type="checkbox"/>	
3. <u>Hardesty</u>	<input checked="" type="checkbox"/>	
4. Eudaly	<input checked="" type="checkbox"/>	
Wheeler	<input checked="" type="checkbox"/>	