

ORDINANCE No. 189428

* Authorize South Park Blocks urban renewal and redevelopment refunding bonds (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City issued its South Park Blocks Urban Renewal and Redevelopment and Refunding Bonds, 2008 Series B (Tax Exempt), referred to in this ordinance as the “Refundable Bonds,” to finance and refinance projects described in the urban renewal plan for the South Park Blocks Urban Renewal Area.
2. Current interest rates are lower than the interest rates borne by the Refundable Bonds and the City may be able to obtain debt service savings by refunding all or a portion of the Refundable Bonds.
3. The City is authorized by Section 15-106 of the City Charter to issue bonds that are payable from tax increment revenues of an urban renewal district if the Portland Development Commission (operating under the assumed business name of Prosper Portland) requests the City to issue the bonds and authorizes the Commission to pledge those tax increment revenues with the concurrence of the City Council. The City is also authorized by ORS 287A.360 and other applicable provisions of ORS Chapter 287A to refinance its bonds.
4. The City adopts this ordinance to authorize the refunding of all or any portion of the City’s Refundable Bonds to achieve debt service savings.

NOW, THEREFORE, the Council directs:

- a. Authorization of Refunding Bonds. The City hereby authorizes the sale and delivery of tax increment bonds (the “Refunding Bonds”) pursuant to Section 15-106 of the City Charter, ORS 287A.360 and the other applicable provisions of ORS Chapter 287A to refund all or any portion of the City’s Refundable Bonds to obtain debt service savings. The Refunding Bonds may be issued in an amount sufficient to pay and redeem the Refundable Bonds being refunded and pay costs related to the Refunding Bonds. The Refunding Bonds may not be issued until the Portland Development Commission has adopted a resolution requesting the City to issue the Refunding Bonds, and authorizing the City’s Debt Manager to pledge the tax increment revenues on behalf of the Commission.
- b. Security. The Refunding Bonds may be secured by all or any portion of the tax increment revenues, including the special levy, of the South Park Blocks Urban Renewal Area and any related amounts including proceeds, debt service reserves, and earnings.
- 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 by 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. 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 or supplemental bond declarations that describe the terms of each series of the Refunding Bonds. The Refunding Bond declarations may also contain covenants for the benefit of owners of the Refunding bonds and any credit enhancement providers, including covenants regarding the collection of tax increment revenues and the collection of special levies of the South Park Blocks Urban Renewal Area.
7. Appoint and enter into agreements with escrow agents, paying agents, verification agents and other professionals and service providers for the Refunding Bonds.
8. 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: MAR 20 2019

Mayor Ted Wheeler

Prepared by: Bond Counsel: Matt Gierach

Date Prepared: March 5, 2019

Mary Hull Caballero
Auditor of the City of Portland

By 

Deputy

Agenda No. 256

Item Type: Ordinance No. 189428

Council Meeting Date: March 20, 2019

Title: *Authorize South Park Blocks urban renewal and redevelopment refunding bonds (Ordinance)

AGENDA TYPE

☐ CONSENT ☒ REGULAR ☐ TIME CERTAIN Start Time: Item of
Total amount of time needed for presentation, testimony and discussion (Regular and Time Certain): 10 Minutes

INTRODUCED BY: Mayor Wheeler

COMMISSIONER / AUDITOR APPROVAL
Mayor - Finance & Administration - Wheeler
Position 1/ Utilities - Fritz
Position 2/ Works - Fish
Position 3/ Affairs - Hardesty
Position 4/ Safety - Eudaly
City Auditor - Hull Caballero

Michelle
Plambeck
Digitally signed by Michelle
Plambeck
Date: 2019.03.12 12:55:30
-0700'

BUREAU APPROVALS
Bureau: OMF/BRFS
OMF/CAO: Tom Rinehart
Bureau Approval: Jennifer Cooperman
Prepared By: Bond Counsel: Matt Gierach
Date Prepared: March 5, 2019

Digitally signed by Tom Rinehart
Date: 2019.03.06 10:40:55 -08'00'

Digitally signed by Jennifer
Cooperman
Date: 2019.03.04 17:13:36 -08'00'

1) Is a completed Impact Statement attached? Yes ☒

2) Does the item amend the budget? Yes ☐ No ☒
If yes, Budget Office Approval

3) Is the item a Code ordinance? Yes ☐ No ☒
If yes, Auditor Office Approval

4) Is this item a contract, code, easement, franchise, comp plan or Charter? Yes ☐ No ☒
If yes, Attorney Office Approval

5a) Is item a Portland Policy Document or Administrative Rule? Yes ☐ No ☒

5b) If yes, is the City Policy/Admin Rule directive in the ordinance or resolution? Yes ☐

ACTION TAKEN:

CLERK USE: DATE FILED MAR 12 2019

Mary Hull Caballero
Auditor of the City of Portland

By: [Signature]
Deputy

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