

# ORDINANCE No. 183537

Authorize Lents Town Center Urban Renewal and Redevelopment Bonds (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City is authorized to issue bonds which are payable from the tax increment revenues of the Lents Town Center Urban Renewal Area.
2. In City Ordinance No. 172671 the City approved the urban renewal plan for the Lents Town Center Urban Renewal Area. The urban renewal plan was subsequently amended to establish a maximum indebtedness limit for the Lents Town Center Urban Renewal Area of \$245,000,000. The amount of bonds authorized by this ordinance, plus the amount of indebtedness for that area which the City issued since the Lents Town Center Urban Renewal Area was created, will not exceed the maximum indebtedness limit for the Lents Town Center Urban Renewal Area.
3. The Portland Development Commission has adopted a resolution requesting the City to issue bonds for the Lents Town Center Urban Renewal Area pursuant to Section 15-106 of the City Charter.
4. The City adopts this Ordinance to authorize the issuance of bonds secured by the tax increment revenues of the Lents Town Center Urban Renewal Area to finance and refinance urban renewal projects in the Lents Town Center Urban Renewal Area.

NOW, THEREFORE, the Council directs:

- A. Authorization. The City hereby authorizes the sale and delivery of its Lents Town Center Urban Renewal and Redevelopment Bonds (the "2010 Bonds") in accordance with this Ordinance and the bond declaration executed by the Debt Manager pursuant to Section 1.C.7 of this ordinance (the "Declaration"). Proceeds of the 2010 Bonds shall be used to refinance outstanding lines of credit that financed urban renewal projects in the Lents Town Center Urban Renewal Area (the "Area"), to finance additional urban renewal projects in the Area, and to pay costs related to the 2010 Bonds. The aggregate principal amount of the 2010 Bonds shall not exceed the sum of the amounts required to (a) refinance the outstanding lines of credit that financed urban renewal projects in the Area, (b) provide estimated net proceeds of no more than \$12 million to finance additional urban renewal projects in the Area, and (c) provide any additional amounts that the Debt Manager estimates are necessary to fund debt service reserves and pay costs related to the 2010 Bonds, including costs of reserve sureties for the 2010 Bonds, costs of credit enhancement, and costs of issuing the 2010 Bonds.

B. Security for Bonds.

1. The 2010 Bonds shall not be general obligations of the City or the Commission. The City and the Commission shall be obligated to pay the Bonds solely from the Lents Town Center Tax Increment Revenues and related amounts that are pledged to pay the 2010 Bonds in the Declaration.
2. The provisions of the Declaration shall constitute a contract with the Owners, and shall be enforceable by them.

C. Delegation. 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 (each of whom may act independently and all of whom is referred to in this ordinance as the "Debt Manager") may, on behalf of the City:

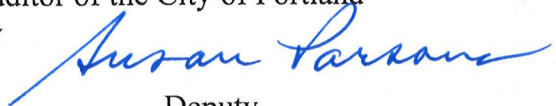
1. Issue the 2010 Bonds in one or more series.
2. Issue any series of 2010 Bonds as taxable Build America Bonds that are eligible for federal interest subsidies.
3. Participate in the preparation of, authorize the distribution of, and deem final the preliminary and final official statements and any other disclosure documents for each series of the 2010 Bonds.
4. Establish the final principal amounts, maturity schedules, interest rates, sale prices, redemption terms, payment terms and dates, and other terms for each series of the 2010 Bonds, and either publish a notice of sale, receive bids and award the sale of that series to the bidder complying with the notice and offering the most favorable terms to the City, or select one or more underwriters and negotiate the sale of that series with those underwriters and execute and deliver a bond purchase agreement with such underwriters in connection with such sale.
5. Undertake to provide continuing disclosure for each series of the 2010 Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
6. Apply for and purchase municipal bond insurance or obtain other forms of credit enhancements for each series of the 2010 Bonds or obtain reserve credit facilities or other reserve sureties for each series of the 2010 Bonds, enter into agreements with the providers of credit enhancement or reserve sureties, and execute and deliver related documents.
7. Finalize the terms of, execute and deliver a bond declaration (the "Declaration"), which shall be in substantially the form attached to this Ordinance as Exhibit A, but with such changes as the Debt Manager may approve.

8. Appoint and enter into agreements with paying agents and other professionals and service providers.
9. Apply proceeds of the 2010 Bonds to pay and retire outstanding lines of credit issued by the City to finance urban renewal projects in the Area.
10. Enter into covenants to maintain the ability of owners of any series of 2010 Bonds to exclude interest payments from gross income under the Internal Revenue Code, as amended, or to maintain the ability of the City to receive federal interest subsidies.
11. Execute and deliver any documents and take any other action in connection with the 2010 Bonds that the Debt Manager finds will be advantageous to the City.

Passed by the Council, FEB 10 2010

Mayor Sam Adams  
Prepared by:  
Eric Johansen: Bond Counsel  
January 19, 2010

LAVONNE GRIFFIN-VALADE  
Auditor of the City of Portland  
By

  
Deputy

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✓140

Agenda No.  
**ORDINANCE NO. 183537**  
 Title

Authorize Lents Town Center Urban Renewal and Redevelopment Bonds (Ordinance)

<p><b>INTRODUCED BY</b>          Commissioner/Auditor:  <b>Mayor Sam Adams</b></p> <p><b>COMMISSIONER APPROVAL</b></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><b>BUREAU APPROVAL</b></p> <p>Bureau: Office of Finance and Administration          Bureau Head: Ken Rust</p> <p>Prepared by: Eric Johansen:PT <i>[Signature]</i>          Date Prepared: January 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  <b>February 3, 2010</b></p> <p><b>City Attorney Approval</b></p>	<p>CLERK USE: DATE FILED <u>JAN 29 2010</u></p> <p style="text-align: center;">LaVonne Griffin-Valade          Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p> <p><b>ACTION TAKEN:</b></p> <p><b>FEB 03 2010 PASSED TO SECOND READING FEB 10 2010 9:30 A.M.</b></p>
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<b>AGENDA</b>
<p><b>TIME CERTAIN</b> <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____          (for presentation, testimony and discussion)</p>
<p><b>CONSENT</b> <input type="checkbox"/></p>
<p><b>REGULAR</b> <input checked="" type="checkbox"/></p> <p>Total amount of time needed: <b>5 minutes</b>          (for presentation, testimony and discussion)</p>

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	✓	