

ORDINANCE No. 183616

- * Authorize long-term bonds for local improvement and sidewalk repair projects and financing of system development charges (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. Pursuant to City Ordinances No. 179762 and 183174 the City has obtained interim financing for a number of its local improvement projects, including local improvement projects in the South Waterfront Area. It is now desirable to obtain long term financing to refinance those local improvement projects in an amount of not more than \$20 million.
2. It is also desirable to obtain long term financing to pay or reimburse not more than \$4.5 million of costs that are eligible for financing with system development charges imposed for the Bureau of Environmental Services, the Portland Bureau of Transportation, Portland Parks and Recreation, and the Portland Water Bureau, and to obtain long term financing to pay or reimburse not more than \$120 thousand of costs for the sidewalk repair activities of the Bureau of Maintenance as authorized by City Code Chapter 17.28.
3. The City is entitled to receive installment payments of assessments for local improvement projects, installment payments of amounts due under contracts for the City's security substitution program for local improvement projects, and installment payments of system development charges and assessments imposed with the City's sidewalk repair program.
4. The City is authorized by ORS Chapters 223 and 287A and by City Ordinance No. 180448 to obtain long-term financing for the costs of the local improvement projects, system development charge projects and sidewalk repair projects described above (the "Projects").
5. The City now desires to authorize the sale of no more than \$25 million of long term bonds to finance and refinance the Projects.

NOW, THEREFORE, the Council directs:

- a. Bonds Authorized. The City hereby authorizes the issuance and sale of not more than \$25,000,000 (Twenty-five Million Dollars) in aggregate principal amount of limited tax bonds (the "Bonds") pursuant to City Ordinance No. 180448 and ORS Chapters 223 and 287A to finance or refinance the Projects and to pay costs related to the Bonds.
- b. Security for Bonds. The City hereby pledges its full faith and credit to pay the Bonds, and agrees to pay the Bonds from any of its legally available funds. The Bonds may also be

secured by a pledge of the installment payments of assessments and related amounts described in Section 1.C.2 of this ordinance.

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 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 Bonds may be issued in one or more series, which may be sold at different times.
2. Pledge the installment payments of assessments and other amounts that the City is entitled to receive in connection with the Projects, and the net proceeds of foreclosing the liens securing any of those installment payment obligations, and apply those amounts to pay the Bonds.
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 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 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 commercial banks and negotiate the sale of any series with those underwriters or commercial banks.
5. 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.
6. Apply for and purchase municipal bond insurance or other forms of credit enhancement for any series of the 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 Bonds. The bond declarations may also contain covenants for the benefit of the owners and any insurers of the Bonds.
8. Appoint and enter into agreements with service providers for the Bonds.
9. Determine whether each series of Bonds will bear interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, or is includable in gross income under that code. If a series bears interest that is excludable from gross income under that code, the Debt Manager may enter into

covenants to maintain the excludability of interest on that series of the Bonds from gross income.

10. Execute any documents and take any other action in connection with the Bonds which the Debt Manager finds will be advantageous to the City.

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

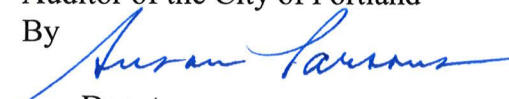
Passed by the Council: MAR 17 2010

Mayor Sam Adams
Prepared by: Bond Counsel:EJ:KB
Date Prepared: March 3, 2010

LaVonne Griffin-Valade

Auditor of the City of Portland

By



Deputy

Agenda No. **ORDINANCE NO. 183616**

Title

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<p style="text-align: center;">INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams</p>	<p>CLERK USE: DATE FILED <u>MAR 12 2010</u></p>
<p style="text-align: center;">COMMISSIONER APPROVAL</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 style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> _____ Deputy</p>
<p style="text-align: center;">BUREAU APPROVAL</p> <p>Bureau: Office of Finance and Administration Bureau Head: Ken Rust</p> <p>Prepared by: Eric Johansen:KB Date Prepared: March 3, 2010 <i>[Signature]</i></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 March 17, 2010</p>	<p>ACTION TAKEN:</p>
<p>City Attorney Approval</p>	

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