

ORDINANCE No. 184781

* Authorize limited tax revenue refunding bonds (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City issued its Limited Tax Revenue Bonds, 2001 Series A and 2001 Series C to finance costs of completing the Oregon Convention Center and improving the Portland Center for the Performing Arts (the "Refundable Bonds").
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 to issue limited tax revenue bonds to refund outstanding limited tax revenue bonds by ORS 287A.360 to 287A.380.
4. The Refundable Bonds are secured by the City's full faith and credit, and are also secured by and payable primarily from amounts the City is entitled to be paid under an intergovernmental agreement among the City, Multnomah County and Metro known as the Visitor Development Initiative (the "VDI").
5. 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 limited tax revenue bonds (the "Refunding Bonds") pursuant to ORS 287A.360 to 287A.380 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.
- b. Security. The Refunding Bonds shall be full faith and credit obligations of the City which are payable from any legally available funds of the City, and shall also be secured by and payable primarily from amounts the City is entitled to receive under the VDI.
- c. Delegation. The Debt Manager of the City, the City Treasurer, 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 (any of whom is referred to in this ordinance as a "Debt Manager") may, on behalf of the City and without further action of the Council:

1. Provide that the Refunding Bonds may be issued in one or more series which may be sold at different times.
2. Pledge all or any portion of the amounts due to the City under the VDI to each series of the Refunding 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 Refunding Bonds.
4. 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 commercial banks and negotiate the sale of any series with those underwriters or commercial banks.
5. 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.
6. Contribute amounts in the debt service funds for the refunded bonds to pay the refunded bonds and reduce the amount of the Refunding Bonds.
7. File advance refunding plans with the State of Oregon.
8. 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.
9. Finalize the terms of, execute and deliver bond declarations that describe the terms of each series of the Refunding Bonds. The bond declarations may also contain covenants for the benefit of the owners of the Refunding Bonds and providers of credit enhancement.
10. Appoint and enter into agreements with escrow agents, paying agents, verification agents and other professionals and service providers for the Refunding Bonds.
11. Enter into covenants to maintain the excludability of interest on each series of the refunding Bonds from gross income under the Internal Revenue Code of 1986, as amended.
12. If permitted by federal law, issue refunding bonds as taxable "Build America Bonds" or other types of bonds that are eligible for a federal interest subsidies or tax credits.

13. 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.

d. Prior Ordinance Repealed. City Ordinance No. 184577, which was adopted on May 18, 2011, and authorized the refunding of the Refundable Bonds, is repealed.

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: **AUG 03 2011**

Mayor Sam Adams

Prepared by: Bond Counsel: Jonas Biery

Date Prepared: July 19, 2011

LaVonne Griffin-Valade
Auditor of the City of Portland

By *Gayla Jennings*
Deputy

Agenda No. **184781**
ORDINANCE NO. 184781
 Title

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INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams	CLERK USE: DATE FILED <u>JUL 29 2011</u>
COMMISSIONER APPROVAL	LaVonne Griffin-Valade Auditor of the City of Portland By: Deputy ACTION TAKEN:
Mayor—Finance and Administration - Adams	
Position 1/Utilities - Fritz	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Leonard	
BUREAU APPROVAL	
Bureau: Financial Services Bureau Head: Rich Goward	
Prepared by: Jonas Biery Date Prepared: July 19, 2011	
Financial Impact & Public Involvement 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"/>	
Council Meeting Date August 3, 2011	
City Attorney Approval	

AGENDA
TIME CERTAIN <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input checked="" type="checkbox"/>
REGULAR <input type="checkbox"/> 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. Leonard	4. Leonard	✓	
Adams	Adams	✓	