

ORDINANCE No. 184875

* Authorize execution and delivery of a Second Supplemental Indenture of Trust to allow extension of maturity date for the City of Portland Economic Development Revenue Bonds, 1991 Series A Columbia Aluminum Recycling Corporation Project and related matters (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland (the "City"), acting by and through the Council and the Portland Development Commission has previously issued its Economic Development Revenue Bonds, 1991 Series A (Columbia Aluminum Recycling Corporation Project) in the aggregate principal amount of \$4,900,000 (the "Bonds") under an Indenture of Trust dated as of October 1, 1991 (the "Original Indenture"), by and between the City and U.S. Bank National Association, as successor trustee (the "Trustee"), as amended by a First Supplemental Indenture of Trust dated as of September 1, 2006 (the "First Supplemental Indenture" and together with the Original Indenture, the "Indenture"), and loaned the proceeds of the Bonds to Columbia Aluminum Recycling Corporation, an Oregon corporation ("CARCO"), pursuant to an Installment Purchase Agreement dated as of October 1, 1991, to provide for the financing of certain capital expenditures; and
2. The Bonds are scheduled to mature on October 1, 2011 (the "Maturity Date"); and
3. The Bonds are currently secured by amounts that can be drawn by the Trustee under an irrevocable direct pay letter of credit issued by U.S. Bank National Association, as letter of credit bank (the "Bank") dated June 12, 2009 (the "Letter of Credit") which expires on October 15, 2011; and
4. CARCO has requested that the Maturity Date of the Bonds be extended to no later than October 5, 2015; and
5. The extension of the Maturity Date will require the amendment of the Indenture and the delivery of a new Bond to the owners, and such amendment will require the consent of the Bank and 100% of owners of the Bonds; and
6. CARCO has requested that the City authorize, approve and enter into a Second Supplemental Indenture of Trust (the "Second Supplemental Indenture") to permit the extension of the Maturity Date and that the Bank extend the expiration date of the Letter of Credit; and
7. In accordance with the terms of the Indenture, the City and the Trustee may agree to modify or amend the Indenture at any time by an indenture or indentures supplemental thereto in accordance with Article X of the Indenture; and

8. All applicable conditions set forth in Article X of the Indenture for amendments of the Indenture, including all required consents and approvals and Bond Counsel opinions, have been or will be obtained in connection with the Second Supplemental Indenture.

NOW, THEREFORE, the Council directs:

- a. The Debt Manager of the City, the City Treasurer, the Director 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 may, on behalf of the City, execute and deliver a Second Supplemental Indenture in connection with the Bonds and take or cause to be taken on behalf of the City such additional actions as he or she may determine to be necessary and appropriate to carry out the intents and purposes of this Ordinance, including the execution and delivery of additional documents or amended Bonds.

Section 2. The Council declares that an emergency exists with respect to the amendment of the Indenture and completion of the transaction described in this Ordinance in order for the Maturity Date of the Bonds to be extended prior October 1, 2011; therefore, this Ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council: SEP 21 2011

Mayor Sam Adams

Prepared by: B. Jonas Biery JB

Date Prepared: September 14, 2011

LaVonne Griffin-Valade
Auditor of the City of Portland

By Gayla Jennings

Deputy

Agenda No. **184875**
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 Title

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INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams	CLERK USE: DATE FILED SEP 16 2011
COMMISSIONER APPROVAL Mayor—Finance and Administration - Adams <i>Clay Nel</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Leonard	LaVonne Griffin-Valade Auditor of the City of Portland By: <i>[Signature]</i> Deputy
BUREAU APPROVAL Bureau: Financial Services <i>[Signature]</i> Bureau Head: Rich Goward Prepared by: Jonas Biery <i>JB</i> Date Prepared: September 14, 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 September 21, 2011 City Attorney Approval	ACTION TAKEN:

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	✓	