

ORDINANCE No. 185257

- * Authorize urban renewal bonds for the Oregon Convention Center urban renewal area (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Oregon Convention Center urban renewal area (the “Area”) has remaining maximum indebtedness of approximately \$40 million. Interest rates are currently favorable and the City can fix the cost of debt service for that remaining maximum indebtedness by issuing urban renewal and redevelopment bonds in an amount equal to the remaining maximum indebtedness.
2. The City has made draws on an outstanding line of credit for the Area is authorized to refund those draws with long-term urban renewal and redevelopment bonds under Ordinance 184212 adopted by the City Council on November 3, 2010, and desires to reauthorize the refunding of those draws in this ordinance.
3. The Portland Development Commission has adopted a resolution requesting the City to issue urban renewal and redevelopment bonds for the Area to refinance the outstanding line of credit draws and to borrow an additional amount that does not exceed the remaining maximum indebtedness for the Area pursuant to Section 15-106 of the City Charter.
4. The City adopts this ordinance to authorize the issuance of urban renewal and redevelopment bonds for the Area for the purposes described in this ordinance.

NOW, THEREFORE, the Council directs:

- a. Authorization. The City hereby authorizes the sale and delivery of urban renewal and redevelopment bonds for the Oregon Convention Center urban renewal area to refinance the outstanding line of credit draws and to borrow an additional amount that does not exceed the remaining maximum indebtedness for that area.
- b. Proceeds of the bonds authorized by this ordinance (the “Bonds”) shall be used to repay draws on the line of credit for the Oregon Convention Center urban renewal area, to finance urban renewal projects described in the urban renewal plan for the Area, to fund a reserve, and to pay costs related to the Bonds.
- c. Security for Bonds.
 1. The Bonds shall not be general obligations of the City or the Commission.
 2. The Bonds shall be payable solely from the tax increment revenues of the Area and related amounts.

- d. 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 (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 Bonds in one or more series which may be sold at different times.
 2. Issue any of the Bonds as interim financing, which may be issued as lines of credit, and refund those interim financing Bonds with additional interim financing Bonds or long-term Bonds if market conditions indicate that would be advantageous.
 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, reserve amounts, sale prices, redemption terms, payment terms and dates, and other terms for each series of the Bonds, select one or more lenders or underwriters and negotiate the terms of the sale of any series of Bonds with those lenders or underwriters, or 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.
 5. Issue any series of Bonds on a parity with outstanding bonds for the Area, and issue any series of Bonds with a lien on the tax increment revenues of the Area that is subordinate to the lien of outstanding bonds for the Area.
 6. Undertake to provide continuing disclosure for each series of the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
 7. Finalize the terms of, execute and deliver a bond declaration for each series of Bonds (a “Declaration”), which complies with the limitations in this ordinance but otherwise may have any terms or covenants that the Debt Manager determines are desirable to obtain favorable financing terms.
 8. Appoint and enter into agreements with paying agents and other professionals and service providers.
 9. Apply proceeds of the Bonds to pay outstanding draws on the line of credit for the Area.
 10. Qualify any series of Bonds as “Interest Subsidy Bonds” that are eligible for any federal interest subsidies that Congress may approve.

11. Issue any series of Bonds with interest that is includable in gross income under the United States Internal Revenue Code of 1986, as amended (the "Code").
12. Issue any series of Bonds as "Tax-Exempt Bonds" that bear interest which is excludable from gross income under the Code.
13. Enter into covenants to maintain the ability of owners of Tax-Exempt Bonds to exclude interest payments from gross income under the Code, or to maintain the ability of the City to receive federal interest subsidies for Interest Subsidy Bonds.
14. Execute and deliver any documents and take any other action in connection with the Bonds that the Debt Manager finds will be advantageous to the City.

Section 2. The Council declares that an emergency exists in order that 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: APR 11 2012

Mayor Sam Adams

Prepared by: Bond Counsel: Jonas Biery *JB*

Date Prepared: March 27, 2012

LaVonne Griffin-Valade

Auditor of the City of Portland

By

Susan Parsons
Deputy

Agenda No.
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Title

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INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams	CLERK USE: DATE FILED <u>APR 06 2012</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Adams <i>[Signature]</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 Bureau Head: Rich Goward <i>[Signature]</i> Prepared by: Jonas Biery <i>JB</i> Date Prepared: March 27, 2012 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 April 11, 2012 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 type="checkbox"/>
REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 5 min. (for presentation, testimony and discussion)

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