

ORDINANCE No. 186312

* Authorize general obligation refunding bonds (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City has issued its General Obligation Emergency Facilities Bonds, 2004 Series A to finance improvements to fire, rescue and emergency facilities (the "2004 Bonds").
2. Current interest rates are lower than the interest rates borne by the 2004 Bonds and the City may be able to obtain debt service savings by refunding all or a portion of the 2004 Bonds.
3. The City is authorized to issue general obligation bonds to refund outstanding general obligation bonds by ORS 287A.360 to 287A.380.
4. The City adopts this ordinance to authorize the refunding of all or any portion of the City's 2004 Bonds.

NOW, THEREFORE, the Council directs:

- a. Authorization of Refunding Bonds. The City hereby authorizes the sale and delivery of general obligation bonds (the "Refunding Bonds") pursuant to ORS 287A.360 to 287A.380 to refund all or any portion of the 2004 Bonds. The Refunding Bonds may be issued in an amount sufficient to pay and redeem the 2004 Bonds that are being refunded, plus an amount sufficient to pay estimated costs related to the refunding and the Refunding Bonds.
- b. Security. The Refunding Bonds shall be general obligations of the City. Pursuant to ORS 287A.315 the City hereby pledges its full faith and credit and taxing power to pay the Refunding Bonds, and the City covenants for the benefit of the owners of the Refunding Bonds that the City shall levy annually, as provided by law, in addition to its other ad valorem property taxes and outside the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution, a direct ad valorem tax upon all of the taxable property within the City in sufficient amount, after considering discounts taken and delinquencies that may occur in the payment of such taxes, to pay the Refunding Bonds promptly as they mature.
- c. Delegation. The Debt Manager of the City, the City Treasurer, 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 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. 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.
3. 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 lenders and negotiate the sale of any series with those underwriters or lenders.
4. 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.
5. Contribute amounts that are available to pay the 2004 Bonds to the refunding to reduce the amount of the Refunding Bonds.
6. 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.
7. 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.
8. Appoint and enter into agreements with escrow agents, paying agents, verification agents and other professionals and service providers for the Refunding Bonds.
9. Issue any Refunding Bonds as tax-exempt bonds and enter into covenants to maintain the excludability of interest on those Refunding Bonds from gross income under the Internal Revenue Code of 1986, as amended.
10. If the federal government approves subsidy payments or tax credits for municipal bonds and those subsidies or tax credits are estimated to reduce the net debt service payments for the Refunding Bonds, issue any series of Refunding Bonds so that series is eligible for those federal subsidies or tax credits, and may enter into related covenants.
11. 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.

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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, **OCT 30 2013**

Mayor Charlie Hales

Prepared by: Bond Counsel: Jonas Biery

Date Prepared: October 15, 2013

LaVonne Griffin-Valade
Auditor of the City of Portland

By


Deputy

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Agenda No.
ORDINANCE NO.

186312

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Title

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<p>INTRODUCED BY Commissioner/Auditor: Mayor Hales</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales <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 - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: Office of Management and Finance CAO: Jack D. Graham <i>[Signature]</i> Bureau Head:</p> <p>Prepared by: Jonas Biery Date Prepared: October 15, 2013</p> <p>Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <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>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p> <p>Council Meeting Date October 30, 2013</p>	<p style="text-align: right;">OCT 25 2013</p> <p>CLERK USE: DATE FILED _____</p> <p style="text-align: right;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> _____ Deputy</p> <p>ACTION TAKEN:</p>
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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 type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	✓	
2. Fish	✓	
3. Saltzman	✓	
4. Novick	✓	
Hales	_____	_____