

ORDINANCE No. 186441

Authorize second issuance of general obligation bonds for fire vehicles and emergency response infrastructure (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. On November 2, 2010 the voters of the City of Portland approved a measure (the "Measure") authorizing the City to issue \$72,400,000 in principal amount of general obligation bonds to finance the acquisition of fire engines and other emergency response vehicles that are needed to maintain existing service levels and replace aging vehicles, provide funds for replacement of the City's obsolete public safety emergency radio system, finance the construction of a fire station and related facilities and finance the construction of an emergency response center described in the ballot authorizing the bonds.
2. The Council enacted Ordinance No. 184502 on April 6, 2011, authorizing the issuance of up to \$40 million of the bonds authorized by the Measure; the City issued \$25,835,000 of the bonds authorized by Ordinance No. 184502.
3. It is now desirable to obtain proceeds from the second sale of the bonds authorized by the Measure.
4. When bonds authorized by the Measure are issued in more than one series, the Measure requires that the City's Chief Administrative Officer report to the Council on the expenditure of proceeds of the previously issued series and any cost savings before subsequent series of those bonds are issued; that report has been presented in a memorandum to the Council accompanying this ordinance.

NOW, THEREFORE, the Council directs:

- a. Bonds Authorized. The City is hereby authorized to issue a principal amount of the bonds authorized by the Measure that is sufficient to produce net proceeds for projects of \$24,731,000, plus any amounts required to pay costs of issuance of the Bonds. The proceeds of the bonds authorized by this ordinance (the "Bonds") shall be spent for purposes described in the Measure including paying costs related to the Bonds. The Bonds shall be issued pursuant to this Ordinance, ORS 287A.050 and the other applicable sections of ORS Chapter 287A and the authority granted to the City by the Measure and this ordinance.
- b. Security for Bonds. The 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 Bonds, and the City covenants for the benefit of the owners of the 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 Bonds promptly as they mature.

- c. Delegation. When this ordinance takes effect, 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. Issue the Bonds in one or more series.
 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 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 Bonds.
 4. Either 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, or select one or more underwriters or commercial banks and negotiate the sale of that series with those underwriters or commercial banks.
 5. 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.
 6. Apply for and purchase municipal bond insurance or other forms of credit enhancements for each series of the Bonds, and enter into related agreements.
 7. Prepare, execute and deliver one or more Bond Declarations for each series of the Bonds. The Bond Declarations shall specify the terms under which each series of the Bonds are issued, the administrative provisions that apply to each series of the Bonds and the form of each series of the Bonds. The Bond Declarations may also contain covenants for the benefit of the owners of each series of the Bonds and any insurers of the Bonds.
 8. Appoint service providers for each series of the Bonds and enter into agreements with those service providers.
 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. 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 Bonds, issue any series of Bonds so that series is eligible for those federal subsidies or tax credits, and enter into related covenants.
 11. Execute any documents and take any other action in connection with the Bonds that the Debt Manager finds will be advantageous to the City.
- d. Prior Ordinance Rescinded. The authority granted in Ordinance No. 184502 to issue more than the \$25,835,000 of bonds previously issued by the City is hereby rescinded.

Passed by the Council, **JAN 29 2014**

Mayor Charlie Hales

Prepared by: Bond Counsel: Jonas Biery ^{JB}

Date Prepared: December 31, 2013

LaVonne Griffin-Valade

Auditor of the City of Portland

By

Deputy



Agenda No.
ORDINANCE NO. 186441
Title

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<p>INTRODUCED BY Commissioner/Auditor: Mayor Charlie Hales</p>	<p>CLERK USE: DATE FILED <u>JAN 10 2014</u></p>
<p>COMMISSIONER APPROVAL Mayor—Finance and Administration - Hales</p>	<p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u>[Signature]</u> Deputy</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>ACTION TAKEN: JAN 15 2014 RESCHEDULED TO JAN 22 2014 9:30 A.M. JAN 22 2014 PASSED TO SECOND READING JAN 29 2014 9:30 A.M.</p>
<p>BUREAU APPROVAL Bureau: Office of Management & Finance Bureau Head: Fred Miller, Interim CAO</p>	
<p>Prepared by: KB: Jonas Biery Date Prepared: December 31, 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>Council Meeting Date January 15, 2014</p>	
<p>City Attorney Approval</p>	

AGENDA

TIME CERTAIN
Start time: _____

Total amount of time needed: _____
(for presentation, testimony and discussion)

CONSENT

REGULAR
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 ✓	
2. Fish	2. Fish ✓	
3. Saltzman	3. Saltzman	
4. Novick	4. Novick ✓	
Hales	Hales ✓	