

ORDINANCE No. 18 67 75

* Authorize Interstate Corridor Urban Renewal and Redevelopment Refunding Bonds
(Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City issued its Interstate Corridor Urban Renewal and Redevelopment Bonds, 2004 Series A (the “2004 Series A Bonds”) to finance projects described in the urban renewal plan for the Interstate Corridor Urban Renewal Area. The 2004 Series A Bonds are currently outstanding in the amount of \$21,045,000.
2. Current interest rates are lower than the interest rates borne by the 2004 Series A Bonds and the City may be able to obtain debt service savings by refunding all or a portion of the 2004 Series A Bonds.
3. Additionally, it may be advantageous for the City to refund all or a portion of the 2004 Series A Bonds to achieve a favorable restructuring of debt and release of onerous covenants and restrictions of the 2004 Series A Bonds.
4. The City is authorized by Section 15-106 of the City Charter to issue bonds that are payable from the tax increment revenues of an urban renewal district if the Portland Development Commission requests the City to issue the bonds and authorizes the Commission to pledge those tax increment revenues with the concurrence of the City Council. The City is also authorized by ORS Chapter 287A to refinance its bonds.
5. The Portland Development Commission has adopted a resolution requesting the City to issue bonds that are secured by the tax increment revenues of the Interstate Corridor Urban Renewal Area, and authorizing the City’s Debt Manager to pledge those revenues on behalf of the Commission.
6. The City adopts this ordinance to authorize the refunding of all or any portion of the City’s 2004 Series A Bonds to achieve debt service savings or a favorable restructuring of debt for the Interstate Corridor Urban Renewal Area.

NOW, THEREFORE, the Council directs:

- a. Authorization of Refunding Bonds. The City hereby authorizes the sale and delivery of tax increment bonds (the “Refunding Bonds”) pursuant to Section 15-106 of the City Charter and ORS Chapter 287A to refund all or any portion of the City’s 2004 Series A Bonds to obtain debt service savings or a favorable restructuring of debt. The Refunding Bonds may be issued in an amount sufficient to pay and redeem the 2004 Series A Bonds being refunded and to pay costs related to the Refunding Bonds.

- b. Security. The Refunding Bonds may be secured by all or any portion of the tax increment revenues of the Interstate Corridor Urban Renewal Area and any related amounts including proceeds, debt service reserves and earnings.
- 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 (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. 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, lien status, 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. Finalize the terms of, execute and deliver bond declarations or supplemental 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 any credit enhancement providers.
 6. Appoint and enter into agreements with escrow agents, paying agents, verification agents and other professionals and service providers for the Refunding Bonds.
 7. Call, refund and defease any 2004 Series A Bonds that produce debt service savings or a favorable restructuring of debt, and submit one or more advance refunding plans.
 8. Apply for and purchase municipal bond insurance, reserve sureties or other forms of credit enhancements for any series of the Refunding Bonds.
 9. 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.

10. If permitted by federal law, issue Refunding Bonds as taxable bonds that are eligible for federal interest subsidies or tax credit.
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.

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 27 2014

Mayor Charlie Hales

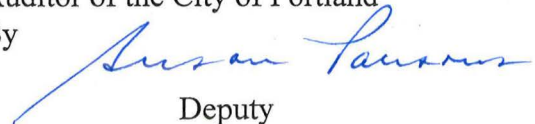
Prepared by: Bond Counsel: ^{JB}Jonas Biery

Date Prepared: August 5, 2014

LaVonne Griffin-Valade

Auditor of the City of Portland

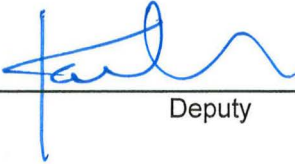
By


Deputy

894

Agenda No. **18 67 75**
ORDINANCE NO.
 Title

* Authorize Interstate Corridor Urban Renewal And Redevelopment Refunding Bonds (Ordinance)

INTRODUCED BY Commissioner/Auditor: Mayor Hales	CLERK USE: DATE FILED <u>AUG 22 2014</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Hales <i>20</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Novick	LaVonne Griffin-Valade Auditor of the City of Portland By:  Deputy
BUREAU APPROVAL Bureau: Office of Management & Finance Bureau Head: Fred Miller <i>For</i> Prepared by: Bond Counsel: Jonas Biery Date Prepared: 8/5/2014	ACTION TAKEN:
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"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter	
Council Meeting Date 8/20/2014 <i>8/27/2014</i>	

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 minutes (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. Novick	4. Novick	<input checked="" type="checkbox"/>	
Hales	Hales	<input checked="" type="checkbox"/>	