

ORDINANCE No. 187 358

Authorize up to \$20 million of interim financing for local improvement projects (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City is authorized pursuant to the Constitution and laws of the State of Oregon, including Oregon Revised Statutes Chapter 287A and Sections 223.205 to 223.295 and the City Charter, to construct publicly owned and operated local improvements (the "Improvements") which specially benefit properties.
2. The City is ready to begin construction of various Improvements, and requires funds to pay for the costs of the Improvements.
3. Oregon Revised Statutes Section 287A.180 authorizes the City to obtain interim financing for capital assets such as the Improvements.

NOW, THEREFORE, the Council directs:

- a. Authorization. The City is hereby authorized to obtain interim financing for the Improvements pursuant to ORS 287A.180 (the "Interim Financing"). The principal amount of the Interim Financing shall not at any time exceed \$20,000,000, shall not exceed five years in term, and may provide for renewal, extension, or conversion to permanent financing on terms approved by the City's Debt Manager, City Treasurer, Chief Financial Officer and Director of the Bureau of Revenue and Financial Services, 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").
- b. Security. The Interim Financing shall be a full faith and credit obligation of the City which is payable primarily from the assessments to be levied for the Improvements and the proceeds of any subsequent short or long term financing for the Improvements. The City covenants to use its best efforts to refinance the Interim Financing or secure permanent financing which will be available to permit timely payment of the Interim Financing, but the City shall not be obligated to pledge its general fund to any permanent financing.
- c. No Additional Taxes Authorized. No Interim Financing shall be a general obligation of the City and neither the authorization nor the issuance of any Interim Financing shall authorize the City to levy any additional taxes.
- d. Procedure. No Interim Financing may be sold and agreement for any Interim Financing may be executed until the period of referral of this nonemergency ordinance has expired and this ordinance takes effect. If this ordinance is referred, the City may not sell the Interim Financing unless the voters approve this ordinance.

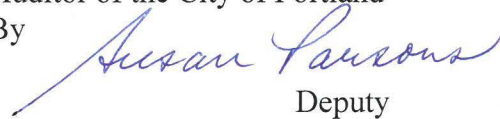
- e. Form and Execution of Interim Financing. The Interim Financing shall be in a form approved by the Debt Manager and shall be executed on behalf of the City by the Debt Manager.
- f. Delegation. The Debt Manager may, on behalf of the City and without further action by the Council:
 - 1. obtain one or more lines of credit, credit facilities, or other forms of Interim Financings, and obtain Interim Financings to refinance Interim Financings authorized by this ordinance;
 - 2. select a commercial bank or other lender to provide each Interim Financing;
 - 3. establish the final principal amount, maturity schedule, interest rate or rates, fees, redemption terms, payment terms and other terms of each Interim Financing;
 - 4. provide that each Interim Financing will bear interest that is excludable from, or includable in, gross income of the lenders under the federal Internal Revenue Code;
 - 5. issue each Interim Financing as a "Build America Bond" or other obligation that is eligible for federal interest subsidies;
 - 6. covenant to comply with the requirements of federal law that are necessary for interest on tax-exempt borrowings to be excludable from gross income under the federal Internal Revenue Code and for taxable borrowings to qualify for federal interest subsidies;
 - 7. pledge all or any portion of the amounts the City receives from the assessments for the financed Improvements and the proceeds of any subsequent short or long term financing for the Improvements to secure the Interim Financings that are authorized by this ordinance;
 - 8. enter into additional covenants to secure the Interim Financings that are authorized by this ordinance, including covenants to refinance each Interim Financing;
 - 9. negotiate the terms of and execute and deliver the documents for the Interim Financings authorized by this ordinance; and

10. take any other action in connection with the Improvements or the Interim Financings authorized by this ordinance which the Debt Manager finds is desirable to carry out this ordinance.

Passed by the Council, SEP 30 2015

Mayor Charlie Hales
Prepared by: Bond Counsel &
Jennifer Cooperman
Date Prepared: September 9, 2015

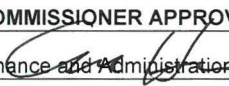
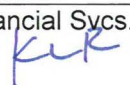
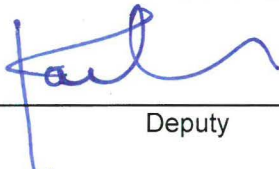
Mary Hull Caballero
Auditor of the City of Portland
By


Deputy

9821000 - 4140

Agenda No. **187 358**
ORDINANCE NO.
Title

Authorize up to \$20 million of interim financing for local improvement projects (Ordinance)

<p style="text-align: center;">INTRODUCED BY Commissioner/Auditor: Mayor Charlie Hales</p> <p style="text-align: center;">COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration—Hales </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 style="text-align: center;">BUREAU APPROVAL</p> <p>Bureau: Revenue & Financial Svcs. Bureau Head: Ken Rust </p> <p>Prepared by: Bond Counsel Jennifer Cooperman Date Prepared: 9/9/15</p> <p>Impact 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 9/23/15</p>	<p>CLERK USE: DATE FILED <u>SEP 17 2015</u></p> <p style="text-align: right;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By:  _____ Deputy</p> <p>ACTION TAKEN:</p> <p style="text-align: center;">SEP 23 2015 PASSED TO SECOND READING SEP 30 2015 9:30 A.M.</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 checked="" type="checkbox"/></p> <p>Total amount of time needed: <u>5 minutes</u> (for presentation, testimony and discussion)</p>

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	✓	