

**PORTLAND DEVELOPMENT COMMISSION**  
Portland, Oregon

**RESOLUTION NO. 6581**

**REQUESTING THE PORTLAND CITY COUNCIL TO ISSUE BONDS FOR THE PURPOSE OF (A) REFUNDING THE CITY'S SOUTH PARK BLOCKS URBAN RENEWAL AND REDEVELOPMENT BONDS; (B) REPAYING OUTSTANDING INDEBTEDNESS OF THE CITY'S SOUTH PARK BLOCKS URBAN RENEWAL AREA ("AREA") AND (C) FINANCING CERTAIN CAPITAL PROJECTS LOCATED WITHIN THE AREA; AUTHORIZING THE COUNCIL TO PLEDGE REVENUES FROM SUCH AREA TO THE REPAYMENT OF THE BONDS; AND AUTHORIZING THE COUNCIL TO MAKE ADDITIONAL COVENANTS IN CONNECTION WITH THE ISSUANCE AND SALE OF THE BONDS.**

**WHEREAS**, ORS Chapter 457 and Section 15-106 of the Charter of the City of Portland ("City") authorize (i) the City Council of the City ("Council"), upon request of the Portland Development Commission (the "Commission"), to issue bonds which are payable from the urban renewal tax revenues of the City's urban renewal areas, and (ii) the City and the Commission to respectively pledge those urban renewal tax revenues to pay those bonds;

**WHEREAS**, the last date to issue new money bonded indebtedness under the urban renewal plan ("Plan") for the South Park Blocks Urban Renewal Area ("Area") is July 23, 2008;

**WHEREAS**, the Commission appointed an Urban Renewal Advisory Group ("URAG") to follow up on the 2004 Central City Urban Renewal Area Study; to provide recommendations on the transfer of parts of the Area into the River District Urban Renewal Area ("River District"); and to provide recommendations to assist the Commission and Council to prioritize competing priorities within the downtown urban renewal areas;

**WHEREAS**, the URAG held its final meeting in March 2008 and recommended that (a) the last date to issue "new money" bonded indebtedness for the Area should not be extended beyond July 2008; and (b) the Proposed Bonds (as hereinafter defined) should be issued in an amount which, together with all other outstanding bonded indebtedness of the Area, can be paid from the tax increment revenues that are expected to be received from the Area by the end of fiscal year 2023-2024;

**WHEREAS**, it may enhance the security for, reduce the interest rate on, and facilitate the payment of, those bonds if the Council and the Commission: (a) pledge the urban renewal tax revenues of the Area to pay the bonds issued to finance and refinance projects in that Area; and (B) covenant to collect urban renewal tax revenues to pay those bonds; and (c) covenant not to take actions which would cause the City or the Commission to lose the ability to impose special levies for the urban renewal areas for which special levies are available;

**WHEREAS**, the City may be able to achieve debt service savings or a favorable reorganization of its permanent debt structure by refunding all or a portion of the outstanding bond

issued to finance urban renewal projects in the Area (the “Outstanding South Park Block Bonds”); and

**WHEREAS**, the City’s Office of Management and Finance have reviewed and support this action and the Council is scheduled to approve an Ordinance authorizing the bonds for the Area to refund all or any portion of the Outstanding South Park Blocks Bonds, to repay other outstanding indebtedness of the Area, to finance capital projects in the Area, and to fund reserves and pay related costs (the “Proposed Bonds”).

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners (“Board”) hereby requests the Council to authorize the issuance of the Proposed Bonds;

**BE IT FURTHER RESOLVED** that the Proposed Bonds shall not be issued in an amount that would cause the Area to exceed the maximum indebtedness limitation under the Plan;

**BE IT FURTHER RESOLVED** that the Board authorizes the Council, on behalf of the Commission, to pledge all urban renewal tax revenues of the Area to pay the Proposed Bonds which the City issues in response to this resolution, and authorizes the Council to enter into covenants to secure the Proposed Bonds;

**BE IT FURTHER RESOLVED** that the Board covenants for the benefit of the owners of the Proposed Bonds, not to take any action which would cause the Plan for the Area to cease to qualify as an “existing urban renewal plan” as defined in ORS Chapter 457, or which would cause the City to cease to be able to levy taxes for the Area pursuant to Article XI, Section 11(16) of the Oregon Constitution and ORS Section 457.435(2) (c) or any replacement statute;

**BE IT FURTHER RESOLVED** that the Board hereby authorizes the Executive Director, or designee, on behalf of the Board and without further action by the Board, to (a) work with the City and the City’s bond counsel in preparation for the issuance, sale and delivery of the Proposed Bonds; (b) enter into any of the covenants described in this resolution for the benefit of the owners of the Proposed Bonds; (c) enter into additional covenants to secure the Proposed Bonds; and (d) take such additional actions as may be required to issue, sell and deliver the Proposed Bonds on terms favorable to the City and the Commission; and

**BE IT FURTHER RESOLVED** that this Resolution shall become effective immediately upon its adoption.

**Adopted by the Portland Development Commission on May 14, 2008.**



Renee A. Castilla, Recording Secretary

# PDC

PORTLAND DEVELOPMENT COMMISSION

## Resolution Number 6581

TITLE: REQUESTING THE PORTLAND CITY COUNCIL TO ISSUE BONDS FOR THE PURPOSE OF (A) REFUNDING THE CITY'S SOUTH PARK BLOCKS URBAN RENEWAL AND REDEVELOPMENT BONDS; (B) REPAYING OUTSTANDING INDEBTEDNESS OF THE CITY'S SOUTH PARK BLOCKS URBAN RENEWAL AREA ("AREA") AND (C) FINANCING CERTAIN CAPITAL PROJECTS LOCATED WITHIN THE AREA; AUTHORIZING THE COUNCIL TO PLEDGE REVENUES FROM SUCH AREA TO THE REPAYMENT OF THE BONDS; AND AUTHORIZING THE COUNCIL TO MAKE ADDITIONAL COVENANTS IN CONNECTION WITH THE ISSUANCE AND SALE OF THE BONDS.

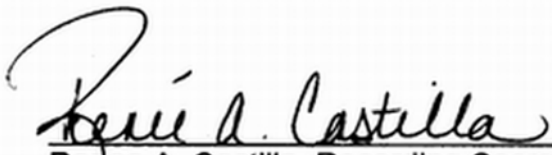
Adopted by the Portland Development Commission on May 14, 2008.

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Mark Rosenbaum, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Sal Kadri	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Bertha Ferrán	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Charles Wilhoite	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Consent Agenda		<input type="checkbox"/> Regular Agenda		

### Certification

The undersigned hereby certifies that:

*The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and duly recorded in the official minutes of the meeting.*

  
Renee A. Castilla, Recording Secretary

Date: June 5, 2008