

December 15, 2022

23-096

PORTLAND COMMUNITY COLLEGE, MULTNOMAH,
CLACKAMAS, COLUMBIA, YAMHILL AND WASHINGTON
COUNTIES, OREGON AUTHORIZING THE ISSUANCE
AND SALE OF GENERAL OBLIGATION BONDS.

PREPARED BY: Eric Blumenthal, Executive Vice President, Finance and Administration

FINANCIAL RESPONSIBILITY: Eric Blumenthal, Executive Vice President, Finance and Administration

APPROVED BY: Dr. Adrien L. Bennings, President

REPORT: The District is authorized pursuant to the Oregon Constitution and Oregon Revised Statutes Chapters 287A and 341 to issue general obligation bonds to finance capital costs as set forth in the ballot title.

On May 19, 2022, the District adopted Resolution No. 22-122 authorizing submission to the voters of the District at a measure election on November 8, 2022, the question of contracting a general obligation bonded indebtedness in an amount not to exceed \$450,000,000 to finance the capital costs and bond issuance costs as set forth in the notice of bond election.

The election was duly and legally held on November 8, 2022 and the Board per ORS 255.295(1) hereby certifies that the issuance of the general obligation bonds was approved by a majority of the qualified voters of the District voting at the election.

The District adopts this resolution to authorize the issuance and provide the terms under which not to exceed \$450,000,000 of general obligation bonds will be sold and issued. The District expects to issue the bonds in multiple series, with the first series expected to be issued in the approximate amount of \$225,000,000.

RECOMMENDATION: That the Board of Directors adopts Resolution 22-096 as specified in Exhibit A to provide the terms under which the general obligation bonds will be sold and issued, and to

authorize the issuance of the general obligation bonds to finance capital costs.

SECTION 1. FINDINGS

The Board of Directors (the “Board”) of Portland Community College, Multnomah, Clackamas, Columbia, Yamhill and Washington Counties, Oregon (the “District”) finds:

- a. The District is authorized pursuant to the Oregon Constitution and Oregon Revised Statutes Chapters 287A and 341 to issue general obligation bonds to finance capital costs; and
- b. The District adopted a resolution authorizing submission to the voters of the District the question of authorizing general obligation bonds to finance capital costs as set forth in the measure; and
- c. Multnomah, Clackamas, Columbia, Yamhill and Washington Counties certified that the issuance of the District general obligation bonds was approved by a majority of qualified voters of the District voting at the November 8, 2022 election; and
- d. The District adopts this resolution to provide the terms under which the general obligation bonds may be sold.

SECTION 2. BONDS AUTHORIZED

The District hereby authorizes the issuance of general obligation bonds as described in the ballot title approved by the District’s voters at the November 8, 2022 election (the “Bonds”).

SECTION 3. DESIGNATION OF AUTHORIZED REPRESENTATIVES

The Board designates the President, Executive Vice President of Administration and Finance (each an “Authorized Representative”) or a designee of an Authorized Representative to act on behalf of the District as specified in Section 8 hereof.

SECTION 4. SECURITY

Pursuant to ORS 287A.315, the District hereby pledges its full faith and credit and taxing power to pay the Bonds. The District hereby covenants for the benefit of the Owners to levy annually, as necessary, a direct ad valorem tax upon all of the taxable property within the District which is sufficient, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and other legally available amounts, to pay all Bond principal and interest when due. This tax shall be in addition to all other taxes of the District, and this tax shall not be limited in rate, amount or otherwise, by Sections 11 or 11b of Article XI of the Oregon Constitution.

SECTION 5. FORM OF BONDS

The Bonds shall be issued in substantially the form as approved by the Authorized Representative. The Bonds may be printed or typewritten, and may be issued as one or more temporary Bonds which shall be exchangeable for definitive Bonds when definitive Bonds are available.

SECTION 6. EXECUTION OF BONDS

The Bonds shall be executed on behalf of the District with the manual or facsimile signature of an Authorized Representative of the District.

SECTION 7. REDEMPTION

The Bonds may be subject to optional redemption or mandatory redemption prior to maturity as determined under Section 8 hereof.

SECTION 8. DELEGATION FOR ESTABLISHMENT OF TERMS AND SALE OF THE BONDS

The Authorized Representative is hereby authorized, on behalf of the District without further action of the Board (and such actions of the Authorized Representative, if taken prior to the adoption of this resolution, are hereby affirmed and authorized), to:

- a. Issue the Bonds in one or more series which may be sold at different times.
- b. Participate in the preparation of and authorize the distribution of the preliminary and final official statements and any other disclosure documents for each series of the Bonds.
- c. Establish the final principal amounts, maturity schedules, interest rates, and other terms for each series of the Bonds.
- d. Negotiate the terms under which each series of Bonds shall be sold; enter into a bond purchase agreement for the sale of each series of Bonds which incorporates those terms; and execute and deliver such bond purchase agreement with Piper Sandler & Co. for a public sale or with a lender for a private sale.
- e. Enter into covenants regarding the use of the proceeds of the Bonds and the projects financed with the proceeds of the Bonds.
- f. 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.
- g. Apply for ratings for each series of Bonds.
- h. Determine whether to purchase municipal bond insurance or obtain other forms of credit enhancement (including the Oregon School Bond Guaranty Program) for each series of Bonds and enter into related documents.
- i. Appoint service providers for each series of the Bonds and enter into agreements with those service providers.
- j. 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 Authorized Representative may enter into covenants to maintain the excludability of interest on that series of the Bonds from gross income.
- k. If permitted by federal law, issue any series of Bonds as taxable bonds that are eligible for federal interest subsidies or tax credits, and enter into related covenants.
- l. Make any clarifying changes to this Resolution or additional covenants not inconsistent with this Resolution.

m. Execute any documents and take any other action in connection with the Bonds which the Authorized Representative finds will be advantageous to the District.

SECTION 9. DEFAULT AND REMEDIES.

The occurrence of one or more of the following shall constitute an Event of Default under this Resolution and the Bonds:

a. Failure by the District to pay Bond principal, interest or premium when due (whether at maturity, or upon redemption after a Bond has been properly called for redemption);

b. Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed for the benefit of Owners of Bonds, for a period of sixty (60) days after written notice to the District by the Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding specifying such failure and requesting that it be remedied; provided however, that if the failure stated in the notice cannot be corrected within such sixty (60) day period, it shall not constitute an Event of Default so long as corrective action is instituted by the District within the sixty (60) day period and diligently pursued, and the default is corrected as promptly as practicable after the written notice referred to in this paragraph; or,

c. The District is adjudged insolvent by a court of competent jurisdiction, admits in writing its inability to pay its debts generally as they become due, files a petition in bankruptcy, or consents to the appointment of a receiver for the payments.

The Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding may waive any Event of Default and its consequences, except an Event of Default as described in (a) of this Section.

Upon the occurrence and continuance of any Event of Default hereunder the Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Resolution or the Bonds or in aid of the exercise of any power granted in this Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of Bonds by the Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

No remedy in this Resolution conferred upon or reserved to Owners of Bonds is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Resolution or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the Owners of Bonds to exercise any remedy reserved to them, it shall not be necessary to give any notice other than such notice as may be required by this Resolution or by law.

SECTION 10. DEFEASANCE

The District may defease the Bonds by setting aside, with a duly appointed escrow agent, in a special escrow account irrevocably pledged to the payment of the Bonds to be defeased, cash or direct obligations of the United States in an amount which, in the opinion of an independent certified public accountant, is sufficient without reinvestment to pay all principal and interest on the defeased Bonds until

their maturity date or any earlier redemption date. Bonds which have been defeased pursuant to this Section shall be deemed paid and no longer outstanding, and shall cease to be entitled to any lien, benefit or security under this Resolution except the right to receive payment from such special escrow account.

SECTION 11. ESTABLISHMENT OF FUNDS AND ACCOUNTS

The following funds and accounts shall be created and continually maintained, except as otherwise provided, so long as the Bonds remain unpaid.

a. Debt Service Account. The District shall maintain the debt service account in the District's debt service fund for the payment of principal, premium, if any, and interest on the Bonds as they become due. All accrued interest, if any, and all taxes levied and other moneys available for the payment of the Bonds shall be deposited to the debt service account.

b. Project Fund. The District shall maintain the project fund into which the proceeds of the Bonds shall be deposited for the purpose of accounting for and paying all costs of the projects and the costs related to the preparation, authorization, issuance, and sale of the Bonds. Any interest earnings on moneys invested from the project fund shall be retained in the project fund. The District's share of any liquidated damages or other moneys paid by defaulting contractors or their sureties will be deposited into the project fund to assure the completion of the projects.

Upon completion of the projects and upon payment in full of all costs related thereto, any balance remaining in the project fund shall be deposited to the Debt Service Account for payment of debt service.

SECTION 12. PROFESSIONALS.

The District hereby affirms Hawkins Delafield & Wood LLP as bond counsel for the issuance of the Bonds and Piper Sandler & Co., as underwriter or placement agent.

SECTION 13. DETERMINATION OF RESULTS OF ELECTION.

The District hereby determines the results of the election pursuant to ORS 255.295(1) based on the information provided by Multnomah, Clackamas, Columbia, Washington, and Yamhill Counties.

SECTION 14. RESOLUTION TO CONSTITUTE CONTRACT

In consideration of the purchase and acceptance of any or all of the Bonds by those who shall own the Bonds from time to time (the "Owners"), the provisions of this Resolution shall be part of the contract of the District with the Owners and shall be deemed to be and shall constitute a contract between the District and the Owners. The covenants, pledges, representations and warranties contained in this Resolution or in the closing documents executed in connection with the Bonds, including without limitation the District's covenants and pledges contained in Section 4 hereof, and the other covenants and agreements herein set forth to be performed by or on behalf of the District shall be contracts for the equal benefit, protection and security of the Owners, all of which shall be of equal rank without preference, priority or distinction of any of such Bonds over any other thereof, except as expressly provided in or pursuant to this Resolution.

ADOPTED by the Board of Directors of the Portland Community College, Multnomah, Clackamas, Columbia, Yamhill and Washington Counties, Oregon this 15th day of December, 2022.

**PORTLAND COMMUNITY COLLEGE
MULTNOMAH, CLACKAMAS, COLUMBIA, YAMHILL
AND WASHINGTON COUNTIES, OREGON**

By: _____

Tiffani Penson, Chair

ATTEST:

By: _____

Adrien Bennings, President