



**CITY OF PORTLAND**  
OFFICE OF MANAGEMENT AND FINANCE

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September 1, 2009

Ms. Elizabeth M. Murphy  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090.

**RE: SEC Release 34-60332 / File No S7-15-09**

Dear Ms. Murphy:

The City of Portland is Oregon's largest city, and is a frequent issuer of bonds in the public securities markets. With almost \$3 billion of outstanding debt, the City has the responsibility of providing timely and accurate continuing disclosure information to the market on all of our outstanding debt. Continuing disclosure is a responsibility that we take seriously, not only because of the contractual commitments we have made to bondholders through our Continuing Disclosure Agreements, but also because it is a core component of our broader investor relations efforts. The better we are at communicating with the bond market through our primary and secondary disclosure efforts, the more likely we are to have an active investor base ready to purchase the City's bonds when we are in the market. An active investor base translates into lower borrowing costs for our taxpayers and ratepayers.

Our continuing disclosure efforts go beyond our contractual obligations. The City's Debt Management website provides a comprehensive investor information section where interested parties can access current and archived primary market disclosure, current continuing disclosure filings, and comprehensive annual financial reports. A link to this investor information is located on the front page of the City's website. Moreover, the City's web pages have been designed to attract the attention of the various internet search engines so that investors who enter relevant key words in an internet search are likely to see the appropriate links near the top of the list of search engine results.

In short, we strive to be responsive to our current and prospective investors and are continually working to improve the availability and accessibility of relevant financial information. We are encouraged by the development of the EMMA system and believe it has the potential to be a very valuable tool for investors and others seeking information about municipal securities.

While the City is fully committed to ongoing improvements in the area of municipal disclosure, we are concerned about certain aspects of the pending proposals from the Municipal Securities Rulemaking Board ("MSRB") and the Securities and Exchange Commission ("SEC"). While we respect and support the broad intent of the overall proposals, we believe certain changes should be made to these proposals before they are adopted.

The City's concerns are in three main areas:

1. The proposed voluntary 120-day standard for the filing of annual continuing disclosure information.

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2. The 10 business day requirement for the filing of Material Event Notices.
3. The continued inclusion of rating changes as a Material Event when such changes are the result of changes to the ratings of bond insurers and other credit enhancers.

The City strongly objects to the proposed creation of a field in EMMA for an issuer to indicate whether they have undertaken to provide continuing disclosure information within 120 days of the end of a fiscal year. A standard – “gold” or otherwise – should be attainable. The 120-day standard is simply unattainable by the City (and likely by an overwhelming majority of other issuers) without incurring substantial additional staffing costs. Moreover, the lack of qualified outside municipal auditing firms suggests that, even if the City “staffed up” on its end, there are not a sufficient number of independent auditors available to conduct the auditing function within the 120-day time period. Finally, attempting to complete our annual audit within 120 days would necessarily force the City to rely on potentially inaccurate and misleading estimates of certain financial data, making the information in the audit less likely to present an accurate portrayal of the City’s financial condition.

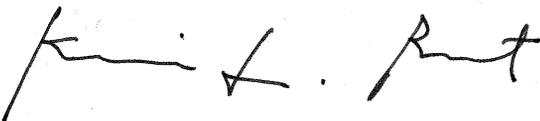
The City believes that the existing 180 day requirement to receive the Government Finance Officers Association’s Certificate of Achievement for Excellence in Financial Reporting, an award that the City has received for 27 consecutive years, should remain the standard that municipal governments are encouraged to achieve.

The City does not agree with the proposed change to require that Material Event Notices be filed within 10 business days of the occurrence of the event. Material Event Notices should be filed in a timely manner, but 10 business days is simply too aggressive of a timeframe for such notification to occur. The City believes that a change to require notice to be provided in a timely manner, but in no event more than 30 days after the occurrence, would be a reasonable compromise that ensures timely notification to the market while providing issuers necessary timing flexibility.

Finally, the City believes that the list of Material Events should be modified to relieve issuers of the burden of having to notify EMMA of the occurrence of rating changes when such changes result from a change in the rating of a bond insurer or other credit enhancer. The occurrence of rating changes of credit enhancers is a very well publicized event in the credit markets. Requiring issuers to provide additional notice of such rating changes through a Material Events filing is duplicative and provides no added benefit to the market. Moreover, many smaller and infrequent issuers that are not actively involved in the market may simply be unaware of credit enhancer rating changes since it is not the practice of the rating agencies to provide such notice directly to issuers.

In conclusion, the City supports the broad intent of the current MSRB and SEC proposals relating to disclosure with the exceptions noted above. We share the goal of enhancing the timely availability of accurate and relevant information about the bonds and other debt obligation we issue into the market. We encourage the MSRB and SEC to continue to work toward achieving this goal without undue burden or unworkable standards for state and local government issuers.

Sincerely,



Kenneth L. Rust, Chief Administrative Officer  
City of Portland, Oregon



Eric H. Johansen, Debt Manager  
City of Portland, Oregon