

March 10, 2010

City of Portland
1221 S.W. Fourth Avenue, Room 120
Portland, Oregon 97204

Bank of America, N.A.
Government Banking [OR 1-129-17-15]
121 S.W. Morrison Street, Suite 1700
Portland, Oregon 97204

Subject: \$12,000,000 City of Portland, Oregon, Taxable Non-Revolving Credit Facility
(PGE Park Renovation Project)

We have acted as special counsel in connection with the execution and delivery by the City of Portland, Oregon (the "City") of its \$12,000,000 Taxable Non-Revolving Credit Facility (PGE Park Renovation Project) (the "Facility"). The Facility is executed by the City and Bank of America, N.A. (the "Bank"), and is dated as of March 10, 2010. Capitalized terms used but not defined in this opinion shall be given the meanings assigned to such terms in the Facility.

We have examined the law, and such certified proceedings and other documents as we deem necessary to render this opinion.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any financial disclosure relating to the Facility, and we express no opinion relating thereto.

Regarding questions of fact material to our opinion, we have relied on representations of the City in the Facility and in the certified proceedings and on other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Facility has been legally authorized and executed under and pursuant to the Constitution and Statutes of the State of Oregon and City Ordinance No. 183070 enacted August 5, 2009, and constitutes a valid and legally binding obligation of the City which is enforceable against the City in accordance with its terms.
2. The Facility is secured by the full faith and credit of the City and is payable from the legally available funds of the City.
3. Interest on the Facility is not excludable from gross income for federal income tax purposes.
4. Interest on the Facility is exempt from Oregon personal income tax.

Except as expressly stated above, we express no opinion regarding any other federal or state income tax consequences of acquiring, carrying, owning or disposing of the Facility. Owners of the Facility should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Facility, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

The portion of this opinion that is set forth in paragraph 1 above is qualified only to the extent that enforceability of the Facility may be limited by or rendered ineffective by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally; (ii) the application of equitable principles and the exercise of judicial discretion in appropriate cases; (iii) common law and statutes affecting the enforceability of contractual obligations generally; (iv) principles of public policy concerning, affecting or limiting the enforcement of rights or remedies against governmental entities such as the City.

This opinion is given as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

This opinion is provided to you as a legal opinion only, and not as a guaranty or warranty of the matters discussed herein. No opinions may be inferred or implied beyond the matters expressly stated herein. No

K&L|GATES

Legal Opinion
March 10, 2010
Page 2

qualification, limitation or exception contained herein shall be construed in any way to limit the scope of the other qualifications, limitations and exceptions. For purposes of this opinion, the terms "law" and "laws" do not include unpublished judicial decisions, and we disclaim the effect of any such decision on the opinions expressed.

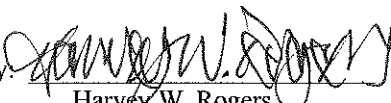
This opinion is given solely for your benefit in connection with the above referenced Facility and may not be relied on in any manner or for any purpose by any person or entity other than the addressees listed above and the owners of the Facility, nor may copies be furnished to any other person or entity, without the prior written consent to K&L Gates LLP.

We have served only as special counsel to the City in connection with the Facility and have not and are not representing any other party in connection with the Facility. Therefore, no attorney-client relationship shall arise by virtue of our addressing this opinion to persons other than the City.

This opinion is limited to matters of Oregon law and applicable federal law, and we assume no responsibility as to the applicability of laws of other jurisdictions.

Respectfully submitted,

K&L Gates LLP

By: 
Harvey W. Rogers