


Portland, Oregon

# FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator B. Jonas Biery, Debt Manager 		2. Telephone No. (503) 823-4222	3. Bureau/Office/Dept : OMF/Debt Management
4a. To be filed (date): September 20, 2012	4b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: September 17, 2012
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

**1) Legislation Title:**

Authorize revenue bonds for the SE Water Avenue relocation and the Clinton to the River multi-use path projects (Ordinance)

**2) Purpose of the Proposed Legislation:**

The Ordinance authorizes the City to issue limited tax revenue bonds (the "Bonds") in an amount sufficient to provide \$534,762 for costs of the SE Water Avenue relocation and the Clinton to the River multi-use path projects (the "Projects") plus an additional amount sufficient to pay costs related to the bonds. The Projects were previously approved under Ordinance No. 185578 and 185580.

**3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?**

- |   |   |                                    |                                |
|---|---|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional                | <input type="checkbox"/> Northeast            | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast                            | <input checked="" type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input type="checkbox"/> Central City                                 |   |                                    |                                |
| <input checked="" type="checkbox"/> Internal City Government Services |   |                                    |                                |

**FINANCIAL IMPACT****4) Revenue:** Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

There will be no new revenue coming to the City as a result of this Ordinance.

**5) Expense:** What are the costs to the City related to this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)

While the final amount and maturity of the Bonds will not be determined until the sale date, based on current market conditions annual debt service is expected to be about \$35,000 annual over 20 years.

**6) Staffing Requirements:**

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No positions will be eliminated or created as a result of this Ordinance.

- **Will positions be created or eliminated in future years as a result of this legislation?**

No positions will be eliminated or created in the future as a result of this Ordinance.

*(Complete the following section only if an amendment to the budget is proposed.)*

**7) Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

There are no changes in appropriations. The debt service on the Bonds will not begin until FY 2013-14.

**PUBLIC INVOLVEMENT**

**8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:**

- ☐ **YES:** Please proceed to Question #9.  
☒ **NO:** Please, explain why below; and proceed to Question #10.

This ordinance is carrying out an administrative function in support of separate Council actions approving the Projects and directing the Treasurer to prepare the financing.

**9) If "YES," please answer the following questions:**

- a) What impacts are anticipated in the community from this proposed Council item?**

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

c) How did public involvement shape the outcome of this Council item?

d) Who designed and implemented the public involvement related to this Council item?

e) Primary contact for more information on this public involvement process (name, title, phone, email):

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No future public involvement is expected beyond the 30-day referral period for this Ordinance.



Richard F. Goward Jr.,  
BUREAU DIRECTOR



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DATE: September 17, 2012

TO: Mayor Sam Adams

FROM: <sup>JB</sup> Jonas Biery, Debt Manager

RE: Authorize revenue bonds for the SE Water Avenue relocation and the Clinton to the River multi-use path projects (Ordinance)

**FOR MAYOR'S OFFICE USE ONLY**

Reviewed by Bureau Liaison \_\_\_\_\_

1. INTENDED THURSDAY FILING DATE: September 20, 2012  
2. REQUESTED COUNCIL AGENDA DATE: September 26, 2012  
3. CONTACT NAME & NUMBER: Jonas Biery, Debt Manager, x3-4222  
4. PLACE ON:    CONSENT   X   REGULAR  
5. BUDGET IMPACT STATEMENT ATTACHED:   X   Y    N    N/A  
6. (3) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY  
ATTACHED:    Yes    No   ✓   N/A

7. **BACKGROUND/ANALYSIS**

**Introduction and History** – Attached is an Ordinance for Council first reading and consideration on September 26, 2012. The Ordinance authorizes the City to issue limited tax revenue bonds (the “Bonds”) in an amount sufficient to provide \$534,762 for costs of the SE Water Avenue relocation and the Clinton to the River multi-use path projects (the “Projects”) plus an additional amount sufficient to pay costs related to the bonds.

On August 29, 2012 Council approved Ordinance No. 185578 and 185580 which approved the Projects and further directed the City Treasurer to prepare financing for the Projects. This Ordinance authorizes the financing.

The City is authorized by ORS Chapters 287A to obtain long-term financing for the costs of the Projects. The Bonds will be secured by a pledge of the City's Available General Funds, which are defined as all taxes and other legally available general funds of the City. It is expected that the Bonds will be repaid from revenues of the Portland Bureau of Transportation, including an Innovation Quadrant TSDC Overlay charge.

The Ordinance delegates to the Debt Manager certain tasks including preparing and executing one or more Bond Declarations; establishing the final principal amounts, maturity schedules, interest rates, and other terms related to the sale of the Bonds; purchasing municipal bond insurance or other forms of credit enhancement; and executing documents.

If approved by the Council, the City plans to sell the Bonds through a competitive bidding process in December 2012.

**Legal Issues** – If the Ordinance is approved by the City Council after its second reading, a 30-day referral

period begins. No bonds may be sold and no purchase agreement for any bonds may be executed until the referral period has expired and this Ordinance takes effect. If the Ordinance is referred, the City may not sell the Bonds unless the voters approve this Ordinance.

**Link to Current City Policies** – The proposed financing is being done in conformance with the City's debt policy.

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**Controversial Issues** – None

**Citizen Participation** – Not Applicable

**Other Government Participation** – None

**8. FINANCIAL IMPACT**

While the final amount and maturity of the Bonds will not be determined until the sale date, based on current market conditions, annual debt service on the Bonds is expected to be about \$35,000 annually over 20 years.

**9. RECOMMENDATION/ACTION REQUESTED**

It is recommended that the City Council approve the Ordinance in order to provide funding for the Projects.