

ORDINANCE NO. 185101

* Authorize permanent bonded lien interest rates for installment payment contracts financed by the Limited Tax Improvement Bonds, 2011 Series A. (Ordinance)

The Council of the City of Portland ordains:

Section 1. The Council finds:

1. On October 12, 2011, the Council adopted Ordinance No. 184933 authorizing the sale of bonds to finance installment payment contracts resulting from local improvements, public improvements, sidewalk repairs and system development charges.
2. On December 13, 2011, the City of Portland issued \$3,400,000 in limited tax improvement bonds through a competitive bond sale.
3. Section 17.12.140(f) of Portland City Code directs the Auditor to change interest rates on installment payment contracts to reflect the interest costs of the bond sale plus an allowance for insurance and other debt service reserves.
4. The City Debt Manager certifies that the bond sale interest costs were calculated at 1.70% for 5-year loans, 2.38% for 10-year loans, and 3.55% for 20-year loans.
5. The Auditor and City Debt Manager certify that the bond sale interest costs must be increased by 25 basis points to provide the necessary installment payment income to cover all bonded debt service plus an allowance for insurance and other debt service reserves. The necessary adjustments result in installment payment contract interest rates of 1.95% for 5-year loans, 2.63% for 10-year loans, and 3.80% for 20-year loans.

NOW, THEREFORE, the Council directs:

- a. The Auditor is authorized to change the interest rates charged on installment payment contracts included in the Limited Tax Improvement Bonds, 2011 Series A bond sale to 1.95% for 5-year loans, 2.63% for 10-year loans, and 3.80% for 20-year loans.

Section 2. The Council declares that an emergency exists because a delay in enacting this ordinance could cause a discrepancy between the interest rates being paid by the City and the interest rates being charged to property owners; therefore, this ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council: JAN 11 2012

LaVonne Griffin-Valade
Auditor of the City of Portland

By:



Deputy

Prepared by:
Sarah Landis:ds
January 5, 2012

Agenda No.
ORDINANCE NO. 185101
 Title

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<p>INTRODUCED BY Commissioner/Auditor: LaVonne Griffin-Valade</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p> <p>BUREAU APPROVAL</p> <p>Bureau: City Auditor Bureau Head: LaVonne Griffin-Valade</p> <p>Prepared by: Dan Schmidt Date Prepared: 01-05-2012</p> <p>Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Council Meeting Date 01-11-2012</p> <p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p>	<p>CLERK USE: DATE FILED <u>JAN 06 2012</u></p> <p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u><i>Susan Parsons</i></u> Deputy</p> <p>ACTION TAKEN:</p>
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AGENDA
<p>TIME CERTAIN <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>
<p>CONSENT <input checked="" type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	