

RESOLUTION No. 36846

Authorize a temporary operating loan from the Bancroft Bond Interest and Sinking Fund to the Development Services Operating Fund to provide interim funding (Resolution)

WHEREAS, on March 10, 2010, the City Council passed resolution No. 36768 authorizing a temporary operating loan from the Bancroft Bond Interest and Sinking Fund to the Development Services Operating Fund in the not-to-exceed amount of \$1,500,000 with a repayment schedule of principal and accrued interest due by June 30, 2011; and

WHEREAS, the Development Services Operating Fund will repay the \$1,500,000 principal and accrued interest on February 16, 2011; and

WHEREAS, the continued sluggish economy is still negatively impacting the construction industry; and

WHEREAS, the Bureau of Development Services revenues are within 1.5% of projection but continue to be low; and

WHEREAS, BDS is anticipating that there will continue to be intermittent cash flow challenges into fiscal year 2011-12;

WHEREAS, the bureau took proactive steps to help maintain its fiscal solvency and safeguard the reserve fund while maintaining customer service, by implementing efficiencies, restructuring the bureau, and laying off approximately 150 BDS employees in the summer and fall of 2009; and

WHEREAS, by law BDS must perform certain development-related functions, such as building inspections, plan review, permit issuance, and land use review; and

WHEREAS, it is in the community's best interest to continue services such as inspection of substandard housing, nuisance abatement, noise control, land use review, site development inspections and review; and

WHEREAS, further staff reductions at BDS would thus be disadvantageous to the bureau's customers and the community;

WHEREAS, there is a continuing need to provide interim financing for BDS;

WHEREAS, BDS has met with both the Auditor's Office and the Office of Management and Finance to review this proposal;

NOW, THEREFORE, BE IT RESOLVED, that a temporary operating loan is hereby authorized immediately from the Bancroft Bond Interest and Sinking Fund to the Development Services Operating Fund in the not-to-exceed amount of \$1,500,000 with a repayment schedule of principal and accrued interest due by June 30, 2012;

BE IT FURTHER RESOLVED, that any amount borrowed under this authorization will be repaid, with interest calculated at the daily rate earned by the City's investment portfolio on or before June 30, 2012; and

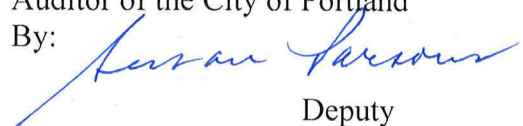
BE IT FURTHER RESOLVED, that the primary source of repayment of the Loan is revenues from BDS fees and charges. If, for any reason, the primary source of repayment of the loan is not sufficient to meet the repayment schedule, the Office of Management and Finance, at the request of BDS, will work to identify alternative repayment sources, including internal financing from other City funds, to ensure that the loan is repaid on schedule.

Adopted by the Council: FEB 16 2011

Commissioner Randy Leonard
Prepared by: Denise Kleim/mf
Date Prepared: February 16, 2011

LaVonne Griffin-Valade
Auditor of the City of Portland

By:


Deputy

Agenda No.
RESOLUTION NO. 3 684 6
Title

Authorize a temporary operating loan from the Bancroft Bond Interest and Sinking Fund to the Development Services Operating Fund to provide interim funding (Resolution)

<p align="center">INTRODUCED BY Commissioner/Auditor: Commissioner Randy Leonard</p> <hr/> <p align="center">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 <i>Randy Leonard</i></p> <hr/> <p align="center">BUREAU APPROVAL</p> <p>Bureau: Bureau of Development Services Bureau Head: Paul L. Scarlett <i>P. Scarlett</i></p> <hr/> <p>Prepared by: Leanne Torgerson Date Prepared: 2/10/11</p> <hr/> <p>Financial Impact Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input type="checkbox"/></p> <hr/> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <hr/> <p>Council Meeting Date 2/16/11</p> <hr/> <p>City Attorney Approval</p>	<p align="right">FEB 11 2011</p> <p>CLERK USE: DATE FILED _____</p> <p align="center">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> _____ 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 type="checkbox"/></p>
<p>REGULAR <input checked="" type="checkbox"/></p> <p>Total amount of time needed: 15 minutes (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	<input checked="" type="checkbox"/>	
2. Fish	2. Fish	<input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman	<input checked="" type="checkbox"/>	
4. Leonard	4. Leonard	<input checked="" type="checkbox"/>	
Adams	Adams	<input checked="" type="checkbox"/>	