

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 <i>JB</i>	2. Telephone No. (503) 823-4222	3. Bureau/Office/Dept : OMF/Debt Management
4a. To be filed (date): March 1, 2012	4b. Calendar (Check One) Regular Consent 4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	5. Date Submitted to Commissioner's office and FPD Budget Analyst: February 23, 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 police training facility (Ordinance)

2) Purpose of the Proposed Legislation:

The Ordinance authorizes the City to issue limited tax revenue bonds (the "Bonds") in an amount not-to-exceed \$15,000,000 for costs of a police training facility (the "Project") and to pay costs of issuing the bonds.

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 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 less than the \$1,785,000 annual over 10 years that was identified as available in a FY 2011-12 budget note.

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 appropriation required to pay the debt service and build the Project will be handled through the normal budget process.

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 a separate Council action approving the property acquisition and the Project.

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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 Jack D. Graham, Chief Administrative Officer

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185205

DATE: February 21, 2012
TO: Mayor Sam Adams
FROM: ^{JB} Jonas Biery, Debt Manager
RE: Authorize revenue bonds for police training facility (Ordinance)

FOR MAYOR'S OFFICE USE ONLY
Reviewed by Bureau Liaison _____

- 1. INTENDED THURSDAY FILING DATE: March 1, 2012
- 2. REQUESTED COUNCIL AGENDA DATE: March 7, 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 March 7, 2012. The Ordinance authorizes the City to issue limited tax revenue bonds (the “Bonds”) in an amount not-to-exceed \$15,000,000 for costs of a police training facility (the “Project”) and to pay costs of issuing the bonds.

The City is authorized by ORS Chapters 287A to obtain long-term financing for the costs of the Project. 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.

The FY 2011-12 Adopted Budget included a note directing the Office of Management and Finance to increase the General Fund current appropriation level target for the Portland Police Bureau by \$1,785,000 for ten consecutive years beginning in FY2012-13 for the repayment of a bond to support the construction of a public safety training center. Annual debt service is expected to remain within the appropriation level presented in the budget note.

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 May 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. Per the City’s Debt Policy, bonds cannot be issued unless a project is included in the CIP. The project is expected to be included in the 2012 Spring budget monitoring process.

Controversial Issues – None

185205

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 of the Bonds, based on current market conditions, annual debt service on the Bonds is expected to be less than the \$1,785,000 annually over 10 years identified in the budget note.

9. RECOMMENDATION/ACTION REQUESTED

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