

ORDINANCE NO. 18 6742

* Authorize permanent bonded lien interest rates for installment payment contracts financed by the Limited Tax Improvement Bonds, 2014 Series A. (Ordinance)

The Council of the City of Portland ordains:

Section 1. The Council finds:

1. On April 9, 2014, the Council adopted Ordinance No. 186525 authorizing the sale of bonds to finance installment payment contracts resulting from local improvements, public improvements, sidewalk repairs and system development charges.
2. On June 26, 2014, the City of Portland issued \$7,385,000 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 blended actual interest rates on the bonds are calculated at 1.69% for 5-year loans, 2.48% for 10-year loans, and 3.49% for 20-year loans.
5. The Auditor and City Debt Manager certify that the bond sale interest rates 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 1.94% for 5-year loans, 2.73% for 10-year loans, and 3.74% 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, 2014 Series A bond sale to 1.94% for 5-year loans, 2.73% for 10-year loans, and 3.74% 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: AUG 06 2014

LaVonne Griffin-Valade
Auditor of the City of Portland

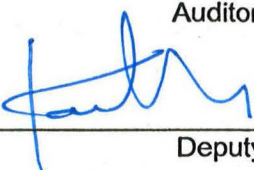
By: *Gayla Jennings*

Deputy

Prepared by:
Sarah Landis:ds
July 29, 2014

Agenda No. **18 6742**
ORDINANCE NO.
 Title

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<p>INTRODUCED BY Commissioner/Auditor: LaVonne Griffin-Valade</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: City Auditor Bureau Head: LaVonne Griffin-Valade</p> <p>Prepared by: Dan Schmidt Date Prepared: 07-29-2014</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>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p> <p>Council Meeting Date 08/06/2014</p>	<p>CLERK USE: DATE FILED <u>AUG 01 2014</u></p> <p style="text-align: right;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By:  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. Novick	4. Novick	✓	
Hales	Hales	✓	