

## ORDINANCE NO. 160103

An ordinance authorizing interim financing for the City of Portland's sewer safety net program to provide assistance with certain sewer related expenses on a temporary basis until permanent state funding for the sewer safety net program is in place, transferring appropriations within the Sewage Disposal Fund, and declaring an emergency.

The City of Portland ordains:

Section 1. The Council finds:

1. Senate Bill 878, adopted by the 1987 Oregon Legislative Assembly, provides for state financing of sewer safety net programs. That program will assist low income property owners in paying certain sewer related expenses. The program will be implemented through administrative rules to be adopted by the Environmental Quality Commission.
2. The Department of Environmental Quality is now in the process of developing the administrative rules necessary for implementation of the state funded sewer safety net program. The rules will probably not be adopted until early 1988, and some additional time will be required for DEQ review of local plans submitted for approval pursuant to those rules. As a consequence, assistance with certain sewer related expenses will not be available through the state funded program until some time in early 1988.
3. It is not feasible to delay the mid-county sewer project pending completion of the state administrative rules needed for the state funded sewer safety net program. If assistance to low-income property owners is to be provided pending implementation of the state funded program, such assistance will need to be offered through a temporary local program.
4. The temporary program should be structured to minimize cash flow requirements, to require that assistance offered through the local program be incorporated into the state funded program as soon as the state funded program is available, and that any expenditure of City funds for assistance to property owners be returned to the City as soon as possible.

5. The Council has previously approved a safety net plan that will be submitted to the Department of Environmental Quality for approval when the state's administrative rules are in place. That plan can be easily adapted to function as a temporary sewer safety net plan.

NOW, THEREFORE, the Council directs:

- a. The Bureau of Environmental Services is authorized to operate a temporary sewer safety net program through June 30, 1988 or until the state funded sewer safety net program provided for in SB 878 is in place and all participants in the temporary program have been transferred into the permanent program, whichever first occurs.
- b. The temporary sewer safety net program shall operate pursuant to administrative rules adopted by the Administrator of the Bureau of Environmental Services. The temporary program shall be based upon the sewer safety net program approved by the Portland City Council in Ordinance No. 159846, adopted on June 25, 1987.
- c. To provide security for City loans under the temporary sewer safety net program, the Sewage Disposal Fund is authorized to purchase local improvement district assessment liens, or portions of such liens, applicable to properties in local improvement districts that qualify for temporary sewer safety net assistance. Such transferred liens shall be known as sewage disposal fund open liens. The City lien docket shall reflect the transfer of the lien from the LID construction fund to the Sewage Disposal Fund and the payment from the Sewage Disposal Fund to the LID construction fund.
- d. Sewage disposal fund open liens shall bear interest at the rate of 4.9% annual interest.
- e. Sewage disposal fund open liens shall be due and payable on June 30, 1988 or upon sale or transfer of the property subject to the liens, or upon the owner of the property becoming eligible to participate in the state funded sewer safety net program, whichever first occurs. The administrator of the Bureau of Environmental Services may, by administrative rule, specify other conditions or occurrences that shall constitute default in the property owners' obligations

under the temporary sewer safety net program and cause sewage disposal fund open liens to become due and payable. The temporary sewer safety net program agreement signed by the property owner shall fully state the terms and conditions of the assistance provided under that program.

- f. Sewage disposal fund open liens, if not paid when due, may be collected and foreclosed in the same manner as other City liens.
- g. Owners of property who qualify for assistance under the temporary sewer safety net program, and whose properties are subject to charges in lieu of assessment pursuant to section 17.36.020 shall be allowed to defer payment of those charges in lieu of assessment as provided for in the temporary sewer safety net program. Deferred charges in lieu of assessment shall bear interest at the rate of 4.9% annual interest, and shall be paid within one year, or upon sale or transfer of the property, or upon the property owner becoming eligible to participate in the state funded sewer safety net program, whichever first occurs.
- h. Failure to pay charges in lieu of assessment when due as provided for in the temporary sewer safety net program shall result in assessment of those charges as a lien against the benefited property. The property owner shall be required, when making application to the temporary sewer safety net program, to waive any remonstrance against assessment of these charges against the property in the event of default under the agreement.
- i. The 1987-88 budget for the Sewage Disposal Fund is hereby amended as follows:

From:	Contingency	\$80,000
	BUC 14300228	
	Object Code 710	
To:	Sewer Safety Net Program	\$80,000
	BUC 14832009	
	Object Code 590	
	Project No. 4405	

**ORDINANCE No.**

Section 2. The Council declares that an emergency exists because certain properties are already subject to mandatory connection requirements and the owners of some of the properties are in need of financial assistance pursuant to a temporary safety net program; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council, **SEP 9 1987**

COMMISSIONER KOCH  
PAKasting:cdw  
September 2, 1987

**BARBARA CLARK**

Auditor of the City of Portland

By

*Mary E Newell* Deputy

THE COMMISSIONERS VOTED AS FOLLOWS:		
	Yeas	Nays
BLUMENAUER	✓	
BOGLE	✓	
KOCH	✓	
LINDBERG	✓	
CLARK	✓	

FOUR-FIFTHS CALENDAR	
BLUMENAUER	
BOGLE	
KOCH	
LINDBERG	
CLARK	

Calendar No. **1537**

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**SEP 3 1987**

Filed \_\_\_\_\_

**BARBARA CLARK**

Auditor of the CITY OF PORTLAND

By Nancy Dunford Deputy

INTRODUCED BY	
COMMISSIONER KOCH	
NOTED BY THE COMMISSIONER	
Affairs	
Finance and Administration	
Safety	
Utilities <i>P. A. Koch/g.m.</i>	
Works	
BUREAU APPROVAL	
Bureau: Environmental Svcs.	
Prepared By: Peter A. Kasting	Date: 9/2/87
Budget Impact Review: <input checked="" type="checkbox"/> Completed <input type="checkbox"/> Not required	
Bureau Head: <i>John Lang</i>	
CALENDAR	
Consent	Regular
NOTED BY	
City Attorney <i>Barclay for Jeffrey Rogers</i>	
City Auditor	
City Engineer	