

RESOLUTION NO. CCXCIX (299)

A RESOLUTION DETERMINING INTEREST TO BE CHARGED ON UNPAID
ASSESSMENTS IN LOCAL IMPROVEMENT DISTRICT NOS. 9 AND 10

RECITALS:

I

Public improvements were made in Local Improvement District Nos. 9 and 10 and the City paid the costs thereof and assessed the same to the benefited properties as shown in the City's records and files of such projects.

II

Some of the owners of property benefited by such improvements applied to the City for payment of their assessments in 20 semiannual installments with interest, as permitted by ORS 223.205 to 223.295 inclusive, which is commonly called the "Bancroft Bonding Act".

III

At the time assessment bonding applications were filed with the City for each of those improvement projects, the nations economy was in a state of flux and the costs of money was rising and the City had not sold the "Bancroft Bonds" for those projects and was even uncertain if it would be able to do so because of the bond market.

IV

For the aforesaid reasons (and others unnecessary to mention here) the City and the owners of the benefited properties which were assessed for such public improvements, agreed that the actual interest to be charged by the City on unpaid assessments for which bonding applications had been filed would be determined and set by resolution of the City after its sale of the improvement (Bancroft) bonds. Such agreement was a part of and contained in each and every one of the assessment bonding applications which were filed with the City Recorder in both of said improvement projects and pursuant to the requirements of the Bancroft Bonding Act, and the agreement provided as follows:

"We/I understand and agree that the actual interest to be charged on installment payments will be determined after the City's sale of the Bancroft Bonds for this improvement project. It is also understood and agreed that the City Council by resolution shall authorize the interest rate to be charged to be entered in the Bond

"Lien Docket and such rate shall be equal to the interest rate charged to the City on the sale of these Bancroft Bonds plus an additional percentage rate of not more than one-half (1/2) of one (1) percent per annum for the City's costs of processing the installment payments and administering the Bond Lien Docket."

V

On May 20, 1981, the Canby City Council sold \$387,698.41 of General Obligation Bancroft Bonds to be dated June 1, 1981, for the costs of the improvements in Local Improvement District Nos. 8, 9 and 10, to the United States National Bank of Oregon, Paine, Webber, Jackson & Curtis, Inc., and Atkinson & Company on the basis of their joint bid and for an effective interest rate of 9.45640.

NOW THEREFORE, THE CANBY CITY COUNCIL HEREBY RESOLVES THAT:

1) An interest rate of 9.95% per annum shall be charged and collected by the City of Canby on all unpaid balances of all assessments which have been docketed as City liens for the City's Local Improvement District Nos. 9 and 10 (LID 9 and LID 10). Such interest rate shall accrue from June 1, 1981, on all deferred balances of such assessment liens and shall be paid together with and in addition to each semiannual payment of principal as the same becomes due and payable according to the City's Lien Docket for such assessments; and this interest rate shall be entered immediately in the Bond Lien Docket for LID 9 and LID 10.

2) The interest rate per annum to be charged on deferred balances of assessments up to June 1, 1981, shall remain at the previously established minimum rate of 7%.

3) The City Recorder shall promptly notify each of the owners of the property assessed in each of said improvements districts of this determination of the council.

ADOPTED by the Canby City Council at a regular meeting thereof on June 17, 1981.


Robert A. Swayze, Mayor

ATTEST:


Harold A. Wyman, City Recorder