

RESOLUTION NO. 598

RESOLUTION AMENDING RESOLUTION NO. 510 CLARIFYING COUNCIL'S INTENT AS TO PREASSESSMENT INTEREST RATE, AS TO INTEREST AT THE MARKET RATE OF THE BOND ISSUE, AND AS TO THE METHOD OF CALCULATION OF THE ADMINISTRATIVE FEE, AND DEFINING, APPROVING, ADOPTING AND RATIFYING ONE TIME ONLY CHARGE FOR ADMINISTRATIVE FEE ON BONDING APPLICATION.

WHEREAS, the Wilsonville City Council did heretofore, by Resolution No. 499, adopted July 15, 1985, spread and levy final preassessments on property benefited for the cost of construction of Town Center Loop/Parkway Avenue Street & Utilities Improvements Local Improvement District No. 5; and

WHEREAS, Wilsonville City Council Resolution 510 (CB-R-166-85) amended Resolution No. 499, Section 6, establishing the life of the bond issue and the interest rate on the assessments, and adding Section 7 to allow property owners to make application to the City of Wilsonville for assessment bonding and establishing an interest rate for assessment amounts not paid or owners failing to apply for Bancroft or other city approved financing within thirty (30) days of this resolution.

WHEREAS, it appears that the City of Wilsonville Council's intent in the use of certain terms in Resolution 510 appear to have some ambiguity and that it is in the best

interests of those involved to have the Council clarify its intent, and

WHEREAS, there have been further questions raised concerning the authority to include the language "one time only charge" in reference to the 2% per annum interest addition to cover administration set forth on the bonding application and as to the method intended for calculation of same,

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Wilsonville that:

1. Section 6 is amended to read as follows:

"6. The City Council of Wilsonville determines that the assessment will be paid in 30 semi-annual installments, with interest on unpaid installments at the rate of two percent (2%) per annum above the market rate for the bond issue for the first year of assessments, including preassessment. The initial market rate of the bond issue is established to be 9.5% per annum; provided, however, as of the first day of the month in which the sale of the bonds occur, the 9.5% market rate shall be adjusted to the market rate as established by the actual sale of the bonds. After the first year of assessments, the interest on unpaid installments shall be the interest as established by the market rate of the

bonds at the time of actual sale. The two percent (2%) per annum interest sum above the market rate of the bond issue on the unpaid balance is for administration expense and is only to be for the first year of assessments, including preassessments, and as so calculated shall be referred to as a one-time only charge. Interest is to be paid semi-annually at the time each installment is paid. The action of the City Administrator to place notification of the "one time only charge" upon the bonding application in accordance with the above intent and calculation is hereby authorized, approved and ratified."

2. The City Council has reviewed the City's preassessment billing of April 18, 1986, wherein the rate of interest at 2% per annum above the established market rate of bond issue was calculated to be interest of 11.5% per annum on the unpaid balance and assessment billing of November 1, 1986 wherein the rate of interest at 2% per annum above the market rate of the bond issue at the time of sale was calculated to be 8.915% per annum on the unpaid balance and finds same to be consistent with its original intent in adopting Resolution No. 510, and further finds that

interest to be reflected in the billings commencing
May 1, 1987 and each November 1, and May 1 thereafter
shall be at 6.915% per annum.

ADOPTED by the Wilsonville City Council at a regular
meeting thereof this 20th day of January, 1987, and
filed with the City Recorder this same date.

William E. Stark
William E. Stark, Mayor

ATTEST:

Vera A. Rojas
Vera Rojas, City Recorder