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ORDINANCE NO. 956

AN ORDINANCE PROVIDING FOR AN ALTERNATE METHOD OF FINANCING CERTAIN TYPES OF IMPROVEMENTS WITHIN THE CITY OF HOOD RIVER, OREGON: PROVIDING FOR THE ESTABLISHMENT OF A SPECIAL REVOLVING FUND OF \$20,000.00 FOR SAID PURPOSE THROUGH CERTAIN FUNDS OF THE WATER DEPARTMENT OF THE CITY OF HOOD RIVER: MAKING APPROPRIATION OF SAID FUNDS AND PROVIDING FOR THE REPAYMENT THEREOF: ESTABLISHING REGULATIONS FOR THE USE THEREOF: AND DECLARING AN EMERGENCY.

THE CITY OF HOOD RIVER DOES ORDAIN AS FOLLOWS:

Section 1. The Common Council finds that certain small street, sidewalk and sewer improvements in the City of Hood River have not been made for the reason that the total cost of each such project is not sufficient to justify the issuance of Bancroft Bonds, entailing the incidental expense thereof, but that the making of said street, sidewalk and sewer improvements is desirable and necessary for the preservation of the peace, health and safety of the City of Hood River and its inhabitants; and that there is a great public good which can be provided for the general public of the City of Hood River in addition to the benefits received by those who would be specially benefited through the promotion and completion of such street, sidewalk and sewer projects; and

The Council further finds that many of said small projects are retarded by the fact that the property owners benefited cannot pay cash for the same and in some cases are unwilling to apply for the method of financing furnished through Bancroft Bonds, and the high rate of interest accompanying the same over a ten-year period; and

The Council further finds that the application for, and the doing of the work of many of said small improvements could be promoted by the establishment by the City of Hood River of a small revolving fund to be made available for the financing of such improvements; and

The Council further finds that there are moneys in excess of the sum hereinafter mentioned on hand in its Water Department which are not required for payment of indebtedness, and which are currently available for promoting such financing on the part of the City of Hood River; and

Whereas it is desirable to establish a fund in the nature of that above mentioned, at this time.

Section 2. There hereby is designated and appropriated from moneys now not ear-marked for any special purpose within the funds held by the City of Hood River, and credited to the Water Department, the sum of \$20,000.00 which shall be known as "Special Revolving Fund," which said fund shall be used only for the purpose of financing such improvements to streets, sidewalks and sewers as may be designated by the Common Council by Ordinance, resolution or motion duly entered in writing upon the minutes of a regular, special or adjourned meeting of the Common Council of the City of Hood River.

Section 3. Should the Common Council of the City of Hood River determine in writing, prior to, at, or after the passage of an Ordinance determining that any improvement work within the City of Hood River shall be done, the Common Council may provide that those especially benefited by said improvement work shall be permitted to take advantage of the alternate financing herein provided in lieu of cash payment or of financing under the Bancroft Bonding Act of the State of Oregon. Such determination shall be entered upon the minutes of a regular, special or adjourned meeting of the Common Council. After such determination the procedure set forth in the Charter and Ordinances of the City of Hood River for the collection and assessment of benefits against all lots, parts of lots and parcels of land benefited by said improvement in accordance with the Charter and Ordinances of the City of Hood River, shall be followed in all particulars except that after docketing the liens assessed against the lots, parts of lots and parcels of land benefited by the various projects, and in receiving payment therefor, the alternate procedure herein-after set out shall be followed:

In the enactment of an Ordinance providing for the assessing of the liens against said lots, parts of lots and parcels of land, said ordinance shall specifically direct the City Recorder to enter in the lien docket of the City of Hood River a statement of the respective amounts of benefits assessed upon each lot, part of lot or parcel of land benefited by such improvement, together with the names of the owners thereof, and upon such entry in the lien docket



the amount so entered shall be a lien and a charge upon the respective lots, parts of lots and parcels of land against which the same are pledged. Such liens shall be first and prior to all other liens that the laws of the State of Oregon will allow them to be, against such property.

The property owners benefited by said improvement, within the time required by the Charter of the City of Hood River, to-wit twenty (20) days after the same is entered in the lien docket, or such additional time as may be permitted by the Common Council, shall pay said liens in full, or shall make application under the Bancroft Bonding Act of the State of Oregon, or shall make application for alternate financing through the Special Revolving Fund herein set up, and said City of Hood River may proceed to foreclose any such liens other than a bonded lien under the Bancroft Bonding Act of the State of Oregon, twenty days after the same shall have been entered in the lien docket if arrangements satisfactory to the City of Hood River have not been made for the payment thereof either by cash payment or by application for financing under this ordinance; or if the assessment so financed has become delinquent, whether or not previous payments have been made, and said liens may be foreclosed under Title V. Chapter 9, O.C.L.A. as now or hereafter amended, or as may be otherwise provided by the Charter and Ordinances of the City of Hood River for the foreclosure of liens entered upon the lien dockets of said City.

The owners against whom liens are assessed under this ordinance may make arrangements satisfactory to the City of Hood River to pay said liens in accordance with the plan of the City of Hood River herein set out, such owner shall make application for payment of said lien upon a form to be provided by the City Recorder for such application. Provided, however, that in no case shall the alternate financing herein provided, be larger in amount than the owner could have financed under the provisions of the Bancroft Bonding Act, and provided further, that no such lien shall be paid off in more than six (6) semiannual installments. The City of Hood River may prescribe a smaller number of equal semiannual installments for the retirement of said liens if the Common Council deems such shorter period proper, necessary or convenient in the premises. But nothing herein contained shall prevent the owner from paying

off all or any part of said lien at any time together with interest to the date of such payment. It is further provided that in no event shall such deferred payments bear interest at a less rate than six per cent (6%) per annum, and that the Common Council may, in its discretion, fix a higher rate of interest.

It is a special limitation under this ordinance that the City of Hood River may in no event have outstanding upon its general lien docket unpaid liens financed through said Special Revolving Fund, payable in installments as provided herein, together with interest accruing thereon, in excess of the sum of \$20,000.00 (but this provision shall have no effect with relation to the bonded lien docket of the City of Hood River.) Should there be such unpaid liens and accruing interest upon the same in excess of the said sum of \$20,000.00, the City of Hood River may not permit further liens to be created under this ordinance or financed through said Special Revolving Fund.

Section 4. All interest earned through said financing shall be and become a part of said Special Revolving Fund and shall be the property of the City of Hood River through its Water Department, and as amounts of interest accumulate, a corresponding amount of principal shall from time to time be repaid to the Water Department until such time as the Special Revolving Fund shall be made up entirely of interest earnings totalling \$20,000.00; thereafter said fund may be continued and its earnings shall continue to be the property of the City of Hood River through its said Water Department.

Section 5. All earnings of said Special Revolving Fund shall be and become the property of the City of Hood River through its Water Department, and shall be credited to said department, and nothing herein contained shall prevent the City of Hood River from discontinuing said Special Revolving Fund at any time that it seems desirable to do so. Upon the discontinuance of said Special Revolving Fund, all funds then on hand shall be paid into the appropriate fund of the Water Department and said fund shall be kept open only for the purpose of receiving payments and of enforcing the payment of liens until all payments financed by said fund shall have been repaid to the City of Hood River through such fund, or shall be declared by the Common Council to be uncollectible, or unenforcible through foreclosure of lien or otherwise.

Section 6. The following street improvements which have heretofore been authorized shall be permitted to be financed through the Special Revolving Fund herein established, to-wit: Those improvements provided for by the following Ordinances.

Ordinance No. 938 Providing for the improvement of a portion of West Prospect Street.

Ordinance No. 940 Providing for the improvement of a portion of the Extension of West Prospect Street.

Ordinance No. 941 Providing for the improvement of a portion of Taylor Street.

Ordinance No. 942 Providing for the improvement of a portion of Fifth Street

Ordinance No. 948 Providing for the improvement of a portion of Eighth Street and a portion of June Street.

Section 7. That inasmuch as it is necessary for the peace, health and safety of the City of Hood River and its inhabitants that such Ordinance do exist and have valid force and effect, and inasmuch as assessments have been made for the work done in the improvement of West Prospect Street, and will shortly be made for the work done on each of the other improvement districts above mentioned, and it is necessary that the general fund of the City of Hood River be repaid as rapidly as possible, the Common Council does hereby declare an emergency to exist and this Ordinance shall be in full force and effect from and after its passage.

Passed by the Common Council of the City of Hood River  
this 5<sup>th</sup> day of May, 1952.

W. M. Glover  
City Recorder.

Approved by the Mayor of the City of Hood River  
this 17<sup>th</sup> day of May, 1952.

F. J. Garabrant  
Mayor.