

ORDINANCE NO. 653

AN ORDINANCE CREATING A LOCAL IMPROVEMENT GUARANTEE FUND FOR THE GUARANTEEING TO THE EXTENT OF SUCH FUND OF THE LOCAL IMPROVEMENT DISTRICT BONDS AND WARRANTS OF THE CITY OF PAYETTE, IDAHO; PROVIDING THAT THE ORDINANCE AND THE FUND THUS CREATED SHOULD NOT CONSTITUTE ANY ENFORCEABLE CLAIM BY ANY LEGAL PROCEEDINGS BY THE HOLDER OF THE BONDS AND WARRANTS OF THE CITY OF PAYETTE, IDAHO; PRESCRIBING APPROPRIATE RULES AND REGULATIONS FOR THE MAINTENANCE AND OPERATION THEREOF, AND PROVIDING FOR THE PUBLICATION AND EFFECTIVE DATE THEREOF.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF PAYETTE, PAYETTE COUNTY, IDAHO:

Section 1: That the City of Payette, Payette County, Idaho, does hereby elect to operate under the provisions of Chapter 182 of the Session Laws of Idaho of 1947, and pursuant to the authority conferred by Chapter 182 of the Session Laws of Idaho of 1947, there is hereby created a Local Improvement Guarantee Fund for the City of Payette, Idaho, designated hereby as the "LOCAL IMPROVEMENT GUARANTEE FUND" of said City, for the purpose of guaranteeing, to the extent of such Fund, as provided by law and by this Ordinance, the payment of local improvement bonds and warrants, with interest thereon, issued subsequent to January 1, 1961, by this City.

Section 2: The City Council, from time to time, for the purpose of maintaining said Fund, may enact a general ordinance of appropriation or may levy a tax of not to exceed one mill in any one year, and may make appropriation from such other legally available sources as may be determined by the City Council for the purpose of guaranteeing to the extent of such Fund payment of bonds or warrants, and interest thereon, hereafter issued against any local improvement district in said city for the payment of local improvements therein.

Section 3: Such Local Improvement Guarantee Fund so levied or appropriated in any one year shall not be more than sufficient to pay the outstanding warrants on said Fund, and the combined levy and appropriation in any one year shall not exceed five per centum (5%) of the outstanding obligations thereby guaranteed; Provided, further, that the City Council shall not levy any tax as herein provided when the amount of money in the Local Improvement Guarantee Fund equals ten per centum (10%) of the total outstanding obligations thereby guaranteed. The tax levies herein authorized and directed shall be in addition to, and if need be, in excess of any and all statutory limitations.

Section 4: Upon the establishment of said Local Improvement Guarantee Fund by the City, when any bond, warrant or coupon drawn against any local improvement fund is presented to the city for payment and there is not sufficient amount in said local improvement fund against which to draw to pay the same, unless otherwise requested by the holder, payment therefor shall be made by warrant drawn against the Local Improvement Guarantee Fund. Such warrants when presented to the City

Treasurer for payment, if not paid, shall be registered and shall draw interest at a rate not to exceed six per cent (6%) per annum, as may be fixed by the City Council. Neither the holder nor the owner of any bond or warrant issued under the provisions of this Ordinance shall have any claim therefor, except for payment from the special assessments made for the improvement for which said bond or warrant was issued, and except as against the "Local Improvement Guarantee Fund" herein provided, and the city shall not be liable to any holder or owner of such bond or warrant for any loss to the guarantee fund occurring in the lawful operation thereof by the city.

Section 5: The City as trustee for said fund shall be subrogated to all the rights of the holder of such bond or interest coupon or warrant so paid, and the proceeds thereof, and the assessment underlying the same shall become part of the Guarantee Fund. There shall be paid into the Guarantee Fund any surplus remaining in any local improvement fund after the payment of all outstanding bonds or warrants, payable out of such local improvement fund. Bonds or warrants guaranteed by such fund shall have no preference except in the order of presentation for payment.

Section 6: The Mayor and Council shall prescribe rules and regulations for the maintenance and operation of the Guarantee Fund not inconsistent with the statute. Upon the effective date of this Ordinance, all money derived from the assignment of delinquency certificates, redemptions, sale of property under foreclosure for delinquent local improvement assessments, or from the rent or sale of property, title to which has been obtained subsequent to the effective date of this Ordinance, shall be paid into the "Local Improvement Guarantee Fund", and all delinquency certificates issued and such property acquired shall be held by the city for the benefit of such Guarantee Fund. Money from the Guarantee Fund may be used to redeem property subject to local improvement assessments from general tax delinquencies, underlying bonds or warrants guaranteed by the fund, or to purchase such property at county tax sales or otherwise, from the county, for the purpose of protecting the Guarantee Fund. Upon acquiring title to real property, the city may lease or sell and convey the same for such price and on such terms as may be determined by the Mayor and Council, and any

provisions of law, or ordinance to the contrary notwithstanding, and all proceeds resulting therefrom shall belong to and be paid into the Guarantee Fund; provided, however, that in the event the city purchases such property at tax sale or otherwise, it shall not be sold for a lesser sum than the city paid therefor.

Section 7: Whenever there is not a sufficient amount of cash in said Local Improvement Guarantee Fund, at any time, to pay any and all warrants, together with interest thereon, drawn against said Fund, the city council may replenish said Local Improvement Guarantee Fund, by transferring or appropriating to it, m^oneys from the General Fund of the City, or other available sources, as may be determined by said Council; subject, however, to the limitations prescribed by statute and by this Ordinance. Warrants drawing interest as herein provided, may be issued against said Local Improvement Guarantee Fund, to meet any financial liability against it; but at the time of making its next annual levy the city shall provide for the levy of a sum sufficient with other resources of the Guarantee Fund to pay warrants so issued and outstanding, the tax for this purpose not to exceed one mill in any one year.

Section 8: The holder or owner of any local improvement bond or warrant shall have no claim thereon against the municipality by which the same is issued, except to the extent of the funds created and received by assessments against the property within the local improvement district and to the extent of this pro-rata share of any Local Improvement Guarantee Fund, authorized and created under the provisions of this Ordinance.

Section 9: After the effective date of this Ordinance creating a Local Improvement Guarantee Fund any local improvement district bonds issued thereafter shall provide that the principal sum of such bonds and the interest thereon shall be payable out of the local improvement fund created for the payment of cost and expenses of the improvement, or out of any Local Improvement Guarantee Fund, duly authorized and created, and not otherwise.

Section 10: The City of Payette shall have all the rights, duties and powers with reference to the maintenance and operation of such guarantee fund as permitted or enjoined by law and the officials of the City of Payette are hereby required and enjoined to do any and all things necessary for the establishment, maintenance, conduct and operation of said Guarantee Fund for the purposes specified in this

ordinance and as required by law; and the Treasurer of the City of Payette is hereby authorized, directed and required to establish and maintain in his office as Treasurer of the City of Payette the foregoing Local Improvement Guarantee Fund, and to pay therein, and to pay thereout, and to maintain and to conduct said guarantee fund, strictly in accordance with the provisions of this ordinance and as required by law; and the said City Treasurer is further authorized, directed and required to maintain and keep in his office true and accurate accounts and records of all funds in, and all funds paid into, or out of said Guarantee Fund, together with true and correct statements and records of the sources and origin of all moneys in said Guarantee Fund, and true and exact accounts and records of all bonds, warrants or interest, redeemed, paid or purchased or purchased tax certificates or lands purchased or leased or sold in the conduct of such Guarantee Fund, and of the specific local improvement district funds paid into said Guarantee Fund and the bonds and warrants, and interest thereon, for the security, payment or solution of which, in whole or in part, the moneys of such Guarantee Fund may be maintained and used.

Section 11: Nothing in this ordinance shall be construed as in any way changing the time or manner of calling and paying local improvement bonds, nor the method of levying and collecting assessments and re-assessments for the purpose of paying for local improvements; but the provisions hereof are cumulative and intended to supplement the existing ordinance of the said city in relating to the making of local improvements and the levying and collection of assessments and re-assessments to pay therefor.

Section 12: This Ordinance shall take effect and be in full force upon its passage, approval and publication in one issue of the INDEPENDENT-ENTERPRISE, a newspaper of general circulation in said City, published at Payette, Idaho, and being the official newspaper of said City.

Passed under the suspension of rules upon which a roll call vote was duly taken and duly enacted an Ordinance of the City of Payette, Idaho, at a regular meeting of the City Council held on June 19, 1961, at 8:00 o'clock, P.M.

PASSED AND APPROVED this 19th day of June, 1961.

ATTEST:

Donna G. Williams
City Clerk

L. J. Josephson
Mayor

(Impress Seal of City here)