

Ordinance Fact Sheet

TO: CITY COUNCIL DATE: August 14, 2006

FROM: CITY ATTORNEY

SUBJECT: AN UNCODIFIED ORDINANCE FIXING THE FY 2007 TAX RATE FOR THE POLICE BUILDING AND JAIL GENERAL OBLIGATION BONDS

TITLE OF PROPOSED ORDINANCE: AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA FIXING THE TAX RATE FOR THE POLICE BUILDING AND JAIL GENERAL OBLIGATION BONDS AND ESTABLISHING PROCEDURES FOR THE COLLECTION AND ENFORCEMENT OF SAID TAX

PURPOSE OF ORDINANCE: To fix the tax rate for the 1987 and 1993 Police Building and Jail General Obligation Bonds at \$.008873 and to establish procedures for collection and enforcement of said tax.

REASONS WHY LEGISLATION IS NEEDED: In August 1987, the City issued \$17,000,000 in taxpayer approved General Obligation Bonds for the construction of a new police building and jail. In 1993, the City subsequently refunded a portion of the bonds in order to lower annual debt service. The debt service on these bonds is payable from an override on the property tax which is levied annually for the period that the Bonds are outstanding.

Charter Section 905 and California Government Code Section 43632 require that the City Council adopt an ordinance each September which sets the property tax rate for the General Obligation Bonds for the Year and adopts the method of collection and enforcement. The Interim Director of Finance has calculated the necessary property tax override to be \$.011055 per \$100 assessed valuation for fiscal year 2007, based on information provided by the County Auditor-Controller. The required tax rate is adjusted each year depending upon changes in assessed valuation, debt service and the amount

MEETING OF 08/14/2006

AGENDA ITEM NO. 11.A.(1)

of reserves from past over-collection, if any. The rate calculated for fiscal year 2006 was \$.009792. In that year the reserve from past over-collections was drawn down. Since that reserve is largely depleted the affect for fiscal year 2007 is a relative increase. This is the final year of the tax.

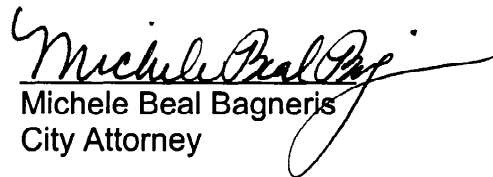
The tax will be collected in accordance with procedures established by the Assessor of the County of Los Angeles.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED: The Department of Finance administers the Police Building and Jail General Obligation Bonds.


FISCAL IMPACT: Levying this property tax override is necessary so that the City can pay annual debt service on the General Obligation Bonds. For a residence with an assessed valuation of \$100,000, the fiscal year 2007 tax for the General Obligation Bonds will be \$11.055.

POLICY CHANGES: none

Respectfully submitted,

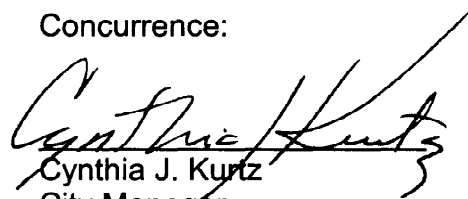

Michele Beal Bagneris
City Attorney

Prepared by:

 817106

Nicholas George Rodriguez
Sr. Assistant City Attorney

Concurrence:


Cynthia J. Kurtz
City Manager

COUNTY OF LOS ANGELES
AUDITOR-CONTROLLER, TAX DIVISION
2006-07 SECURED TAX RATES

ACCT #	AGENCY	NAME	TAX RATE
228.01	CITY - PASADENA	TD #1	<u>0.011055</u>
228.02	CITY - PASADENA	FAIR OAKS RP	<u>0.011055</u>
228.03	CITY - PASADENA	DOWNTOWN RP	<u>0.011055</u>
228.04	CITY - PASADENA	SAN GAB BLVD RP	<u>0.011055</u>
228.05	CITY - PASADENA	ORANGE GROVE RP	<u>0.011055</u>
228.06	CITY - PASADENA	VILLA PARKE RP	<u>0.011055</u>
228.07	CITY - PASADENA	CALIF BLVD RP	<u>0.011055</u>
228.08	CITY - PASADENA	TD #2	<u>0.011055</u>
228.09	CITY - PASADENA	LAKE/WASHINGTON RP	<u>0.011055</u>
228.10	CITY - PASADENA	OLD PASADENA RP	<u>0.011055</u>
228.11	CITY - PASADENA	LINCOLN AVE RP	<u>0.011055</u>
228.12	CITY - PASADENA	FAIROAKS 87 ANNEX	<u>0.011055</u>

I, **STEVE MERMELL**, AM A MEMBER OF THE CITY COUNCIL, A MEMBER OF THE GOVERNING BOARD, THE CHIEF EXECUTIVE OR THE CHIEF FINANCIAL OFFICER FOR THIS AGENCY AND I HEREBY CERTIFY THAT THE TAX RATES LEVIED HEREIN ARE EXEMPT FROM THE APPLICATION OF ARTICLE XIII A, SECTION 1(A) OF THE CONSTITUTION OF THE STATE OF CALIFORNIA.



AUTHORIZED SIGNATURE

Acting Finance Director

TITLE

8-8-06

DATE

ORDINANCE NO. _____

INTRODUCED BY COUNCILMEMBER

**AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA FIXING
THE TAX RATE FOR THE POLICE BUILDING AND JAIL GENERAL
OBLIGATION BONDS AND ESTABLISHING PROCEDURES FOR THE
COLLECTION AND ENFORCEMENT OF SAID TAX**

WHEREAS, the City Council of the City of Pasadena, California (the "City") adopted on July 27, 1987, Resolution No. 5815, as amended by Resolution No. 5831, adopted on August 17, 1987 (Collectively, the "Resolution"), which Resolution authorizes, among other things, the issuance and sale of \$17,000,000 principal amount of City of Pasadena 1987 Police Building and Jail general Obligation Bonds (the "Bonds"); and

WHEREAS, pursuant to Section 905 of the Charter of the City and Section 43632 of the Government Code of the State of California, the City Council of the City is required to fix, by ordinance, on or before the first Monday in September in each year, the tax rate and to establish procedures for tax collection and enforcement, and to fix a tax rate which will raise sufficient moneys, when added to all other estimated income and revenue, to pay, among other things, the interest and sinking funds for outstanding funded debt which will become due before the proceeds of a tax levied at the next general tax levy will be available.

THEREFORE, the People of the City of Pasadena ordain as follows:

Section 1. All of the recitals herein are true and correct.

Section 2. The tax rate required to be levied for fiscal year 2007 in order to raise sufficient moneys, when added to all other estimated income and revenue, to pay, among other things, the interest and sinking funds for outstanding

funded debt which will become due before the proceeds of a tax levied at the next general tax levy will be available is \$.011055 per \$100 of assessed valuation.

Section 3. The Assessor for the County of Los Angeles has established procedures for tax collection and enforcement and such procedures and the implementation thereof by said Assessor shall be the procedures for the collection and enforcement of the taxes herein described.

Section 4. This ordinance shall take effect upon its publication.

SIGNED AND APPROVED THIS ____ day of _____ 2006.

Bill Bogaard
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Pasadena at its meeting held August ____, 2006 by the following vote:

AYES:

NOES:

ABSENT:

Published:

JANE L. RODRIGUEZ, CMC
CITY CLERK

APPROVED AS TO FORM: 8/7/06

NICHOLAS GEORGE RODRIGUEZ
ASSISTANT CITY ATTORNEY