

LOCAL IMPROVEMENT DISTRICT ORDINANCE

AN ORDINANCE CREATING A LOCAL IMPROVEMENT GUARANTEE FUND TO BE USED TO GUARANTEE BONDS, INTEREST COUPONS AND WARRANTS OF LOCAL IMPROVEMENT DISTRICTS CREATED BY BONNEVILLE COUNTY, IDAHO, PROVIDING MONEY FOR SUCH FUND AND LIMITING THE AMOUNT OF SUCH FUND, DEFINING THE RIGHTS OF BOND HOLDERS, PROVIDING THAT BONNEVILLE COUNTY, IDAHO, BE SUBROGATED TO THE RIGHTS OF BOND HOLDERS, AUTHORIZING BONNEVILLE COUNTY, IDAHO, TO PURCHASE PROPERTY AT TAX SALES AND TAKE OTHER STEPS TO REPLENISH SUCH FUND, PROVIDING THE MANNER OF ISSUING WARRANTS AGAINST SUCH FUND, REPEALING ORDINANCES OR PARTS THEREOF IN CONFLICT HEREWITH, AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF BONNEVILLE COUNTY, IDAHO:

WHEREAS, the Board of County Commissioners of Bonneville County, Idaho, has heretofore created "Local Improvement District No. 1 for Bonneville County, Idaho," for the purpose of constructing local improvements along certain streets in the subdivision designated as Lawndale Estates which will include paving of the streets, construction of sewers for sanitary purposes, construction or reconstruction of culinary water lines and installation of necessary fire hydrants, and

construction of curbs and gutters within said district; and

WHEREAS, Bonneville County, Idaho, intends to issue Local Improvement Bonds for such improvement district to pay for the costs of said improvements and incidental expenses incurred in connection therewith; and

WHEREAS, Chapter 17 of Title 50 of the Idaho Code authorizes and empowers counties and municipalities to create local improvement guarantee funds to guarantee the payment of the obligations of local improvement districts.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF BONNEVILLE COUNTY, IDAHO, AS FOLLOWS, TO-WIT:

SECTION 1. That there be and hereby is created for Bonneville County, Idaho, a special fund known and designated as "Local Improvement Guarantee Fund" of Bonneville County, Idaho.

SECTION 2. That said fund is created for the purpose of guaranteeing to the extent of said fund the payment of bonds and warrants, and interest thereon, hereafter issued against any local improvement district in said county for the payment of the costs of improvements made therein.

SECTION 3. That in order to provide money for said fund and for the use and purposes of said fund, the county of Bonneville shall levy an annual tax not to exceed one mill per year, beginning with the year 1975, which is due and collectible in the year 1975 on all of the taxable property in said county of Bonneville; provided, however, that said county may reduce the amount of said levy by appropriation from other

proper sources as may be determined by the Board of County Commissioners; provided, further, that the total sum so levied and/or appropriated in any year shall not be more than sufficient to pay the outstanding warrants of the said Local Improvement Guarantee Fund and to establish therein a balance that in any one year shall not exceed five (5) percent of the outstanding obligations thereby guaranteed; and provided, further, that the county shall not levy any tax as herein provided when the amount of monies in the "Local Improvement Guarantee Fund" equals ten (10) percent of the total outstanding obligations to be guaranteed. The tax levies herein authorized and directed shall be additional to and, if need be, in excess of any and all statutory tax levy limitations.

SECTION 4. That hereafter when any bond, warrant or coupon drawn against any local improvement fund is presented to said county of Bonneville 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 county treasurer for payment, if not paid, shall be registered and shall draw interest at a rate not to exceed six (6) percent per annum and as shall be set by the Board of County Commissioners. 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 the payment from the special assessment made for the improvement for which said bond or warrant was issued and except as

against the "Local Improvement Guarantee Fund" herein provided. The county shall not be liable to any holder or owner of said bond or warrant for any loss to any guarantee fund occurring in the lawful operation thereof by the county.

SECTION 5. That whenever there shall be paid out of the "Local Improvement Guarantee Fund" any sum on account of principal or interest of a local improvement bond or warrant, the county, as trustee for the fund, shall be subrogated to all of the rights of the holders or owners of the bonds, interest coupons, or warrants so paid, and the policies thereof, or 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. That hereafter all monies derived from the assignment of delinquent 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 by the county pursuant to Chapter 17, Title 50, Idaho Code, and the terms of this ordinance, and all other laws amendatory thereof and supplemental thereto, shall be paid into the "Local Improvement Guarantee Fund," and all delinquency certificates issued and such property acquired shall be held by the county for the benefit of said 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. After so acquiring title to real property, the county may lease or sell and convey the same for such price and on such terms as may be determined by the Board of County Commissioners of Bonneville County, and any provision of law or ordinance to the contrary notwithstanding, all proceeds resulting therefrom shall belong to and be paid into the guarantee fund; provided, however, that in the event the county purchases such property at tax sale, or otherwise, it shall not be sold for a lesser sum than the county paid therefor.

SECTION 7. That whenever there is not sufficient 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 Board of County Commissioners may replenish said "Local Improvement Guarantee Fund" by transferring or appropriating to it, monies from the general fund of the county or other available sources, as may be determined by said Board of County Commissioners, subject, however, to the limitations herein prescribed. 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 it's next annual tax levy, the county 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 Bonneville County, except to the extent of the funds created and received by assessments against the property within any local improvement district and to the extent of his pro rata share of the "Local Improvement Guarantee Fund".

SECTION 9. When the assets of the "Local Improvement Guarantee Fund" created by this ordinance exceed ten (10) percent of the total outstanding obligations guaranteed by the fund, the Board of County Commissioners, may by ordinance unanimously adopted, authorize the county treasurer to use such excess for the purpose of retiring any then existing or future local improvement district obligations.

SECTION 10. That all ordinances or parts thereof in conflict with this ordinance are hereby repealed. After the bonds of any local improvement district for Bonneville County, Idaho, have been hereafter issued, this ordinance shall constitute a contract by the said local improvement district for Bonneville County and the holder or holders of said bonds and shall be and remain irrevocable until said bonds and the interest accruing thereon shall have been fully paid, satisfied and discharged.

SECTION 11. That should the courts of this or any other state or of the United States declare any section, provision, paragraph, clause, sentence, phrase, or part thereof of this ordinance invalid, unauthorized or unconstitutional or in conflict with any other section, provision, paragraph, clause,

sentence, phrase, or part thereof of this ordinance, then such decision shall affect only the section, provisions, paragraph, clause, sentence, phrase, or part thereof declared to be unconstitutional, unauthorized or invalid and shall not affect any other part of this ordinance. The Board of County Commissioners of Bonneville County, Idaho, hereby declares that it would have passed this ordinance, and each section, provision, paragraph, clause, sentence, or phrase hereof irrespective of the fact that any one or more of the sections, provisions, paragraphs, clauses, sentences, or phrases, or parts thereof be declared invalid, unauthorized or unconstitutional.

SECTION 12. That by reason of the fact that certain areas within the county of Bonneville need local improvements, it is hereby declared that an emergency exists, that this ordinance is necessary to the immediate preservation of the public peace, health and safety, and that it shall be in full force and effect from and after it's passage, approval and publication, as provided by law.

PASSED AND APPROVED by the Chairman and the County Commissioners of the Board of County Commissioners, Bonneville County, Idaho, this 11th day of November, 1974.