

Waterfront Renewal Bond Sinking Fund

Managing Bureau: Office of Management & Finance, Bureau of Revenue & Financial Services

Statement of Purpose: This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Downtown Waterfront Urban Renewal Area. Specifically, this fund accounts for the allocation of tax increment revenues to pay principal and interest on bonded indebtedness issued to finance improvements in the urban renewal area.

Sources of Revenue: Tax increment revenues collected in this fund are restricted (via ORS 457) to the repayment of urban renewal indebtedness.

Contingency Requirements: Oregon Administrative Rule 150-294.388(7) does not permit contingencies in a debt service fund.

Reserve Requirements: The size of debt service reserve requirements varies by individual bond covenant. Reserves may be funded with bond proceeds, other eligible resources, or with the purchase of a reserve surety policy. The reserve may be drawn upon when there are insufficient resources to pay debt service, but must be replenished in accordance with bonds covenants or surety policy.

Disposition of Funds: Per ORS 457.450 any residual balance remaining after payment of the outstanding debt is to be returned to the taxing districts from which it was collected.