

RESOLUTION No. 3 7 3 6 6

Authorize a temporary interfund loan of \$48,000,000 between the Development Services Fund and the Housing Capital Fund to provide interim financing for multiple anticipated affordable housing property purchases (Resolution)

WHEREAS, on November 8, 2016, the voters of the City of Portland approved the issuance of \$258,400,000 in general obligation bonds to finance capital costs of affordable housing for low income households; and

WHEREAS, the Portland Housing Bureau has the opportunity to purchase an a 52-unit apartment building currently under construction at 10506 E Burnside (the "Property"), with an expected closing date of June 20, 2018; and

WHEREAS, the City anticipates potential purchase of additional affordable housing properties over the next year, the capital costs of which are not expected to exceed \$48 million; and

WHEREAS, the Portland Housing Bureau intends to fund these purchases from future general obligation bond proceeds; and

WHEREAS, it is unlikely that bond sale proceeds will be available prior to the closing dates for these anticipated purchase agreements. Thus, an interim financing method is likely to be necessary to complete the purchase agreement; and

WHEREAS, the use of a temporary interfund loan is deemed to be the most expedient and favorable interim financing option available to the City to complete the anticipated Property purchases; and

WHEREAS, the Development Services Fund contains \$86,467,123 in total available resources budgeted in Unappropriated Fund Balance and Contingency, and continued strong revenue projections make it unlikely that the bureau will need these funds over the short term.

NOW, THEREFORE, BE IT RESOLVED, that a temporary interfund loan is hereby authorized immediately from the Development Services Fund to the Housing Capital Fund in the not-to-exceed amount of \$48,000,000 with a repayment of principal due by December 31, 2019; and

BE IT FURTHER RESOLVED, that the repayment of the loan will include accrued interest at the rate of return on moneys invested in City of Portland's investment pool; and

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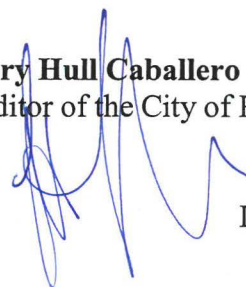
BE IT FURTHER RESOLVED, that the primary source of repayment of the loan to the Housing Capital Fund will be through the issuance of general obligation bonds or other City financing.

Adopted by the Council: JUN 13 2018

Mayor Ted Wheeler
Prepared by: Jennifer Cooperman
Date Prepared: June 5, 2018

Mary Hull Caballero
Auditor of the City of Portland

By:

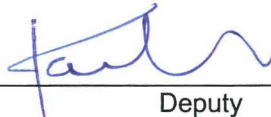


Deputy

Agenda No.
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Title

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to provide interim financing for multiple anticipated affordable housing property purchases

INTRODUCED BY Commissioner/Auditor: Mayor Ted Wheeler	CLERK USE: DATE FILED <u>JUN 06 2018</u>
COMMISSIONER APPROVAL	Mary Hull Caballero Auditor of the City of Portland By:  Deputy
Mayor—Finance & Administration - Wheeler <i>cc</i>	
Position 1/Utilities - Fritz	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Eudaly	
BUREAU APPROVAL	ACTION TAKEN:
Bureau: Office of Management and Finance/Revenue & Fin. Services CAO: Tom Rinehart CFO: Jennifer Cooperman <i>JC</i>	
Prepared by: Jennifer Cooperman Date Prepared: 6/5/2018	
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter	
Council Meeting Date 6/13/2018	

AGENDA
TIME CERTAIN <input checked="" type="checkbox"/> Start time: <u>2:45 p.m. (2 of 2)</u> Total amount of time needed: <u>45 min total</u> (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input type="checkbox"/> Total amount of time needed: <u>5 minutes</u> (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	✓	
2. Fish	←	
3. Saltzman	✓	
4. Eudaly	✓	
Wheeler	✓	