

Portland's Housing Bond

Date: October 1, 2020

To: Bond Oversight Committee (BOC) Members

From: Shannon Callahan, Portland Housing Bureau

CC: Mike Johnson, Molly Rogers, Jill Chen, Tanya Wolfersperger, Jennifer Chang; Portland Housing Bureau

Re: Bond Expenditure Report – Q1, FY2021

BACKGROUND - Expenditure Report

In November 2016, the City of Portland (the "City") received voter approval on Bond Measure 26-179, authorizing the City to issue \$258.4 million of General Obligation Bonds to fund affordable housing. To date, two series have been issued. The first was used for the acquisition of the Ellington Apartments. The second series was issued to fund the acquisition of the East Burnside Apartments and the property on Prescott Street. These were the final bond expenditures made under the former acquisition/construction model.

In 2018, voters passed an amendment to the Oregon Constitution allowing municipalities new flexibility in the use of Bond funds, including the ability to lend Bond funds to private and non-profit entities, and the ability to leverage outside sources of funding in the development of Bond projects. The table below shows the uses of bond proceeds to date.

Bond Project Expenses

The Ellington	\$37,000,000
105th and Burnside	\$14,300,000
Prescott (Land)	\$ 500,000
Powell (Site Development, pre-HF ROF)	\$ 173,023
Total	\$51,973,023

Awarded Projects from 2019 Spring BOS

Nine projects were awarded funding. Three are on already identified properties that were included in the BOS, and six are on sponsor-controlled sites. With the exception of SW Portland, these projects provide the geographic diversity the Framework prioritized for our Bond investments.

Bond Project Commitments

Mann House	\$15,869,341
Las Adelitas	16,215,000
Cathedral Village	16,313,000
Stark Street	13,950,000
115th at Division Street	15,658,807

Prescott	7,500,000
Susan Emmons	18,491,909
Joyce *	2,254,778
Westwind *	11,000,000
3000 SE Powell	31,500,000
Total	\$148,752,835
Program Delivery Allowance (7%)	\$18,088,000
Program Delivery costs through 6/30/19 **	1,526,183
Program Delivery costs through 8/31/20 **	2,081,848
Remaining Program Delivery Allowance	\$14,479,969
Project Reserves	\$14,868,552
Bond Funds Remaining ***	\$24,263,555
add Net Interest and Other Credits ****	\$ 454,035
Total Funds Remaining	\$24,717,590

* - Other funding sources will be added; \$4,000,000 from the County for Westwind, \$3,450,000 in TIF for the Joyce.

** - Included are property acquisition related costs, staff time and indirect for those acquisitions and the staff costs to date for the bond project commitments. 6/30/20 costs are unaudited and don't reflect final adjustments.

*** - Remaining bond funds include \$600,000 from the 2019B series bonds, debt managed cash (interest), and bonds not yet sold.

**** - Current debt managed cash available