

Portland's Housing Bond

Date: July 13, 2023

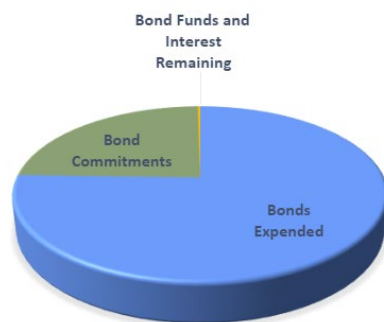
To: Bond Oversight Committee (BOC) Members

From: Molly Rogers, Portland Housing Bureau

CC: Leslie Goodlow, Angel Landron Gonzalez, Jill Chen, Tanya Wolfersperger; Portland Housing Bureau

Re: Bond Expenditure Report, as of 6/30/2023

BACKGROUND - Expenditure Report



	Total \$	% Totals	% Change – last Qtr.
Expended	\$197.3M	75.5%	+6.9%
Committed	\$63.4M	24.3%	-16.6%
Reserved	\$0	0.0%	n/a
Remaining*	\$686.1K	0.2%	+13.1%
Bond Funds			\$258,400,000
Interest through 6/30/2023			\$3,030,458
Total Funds Available			\$261,430,458

*Remaining amount will be allocated to fill funding gaps in projects.

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, three series of bonds 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. The table below shows the uses of bond proceeds from the first two bond issuances.

Bond Acquisition Project Expenses

The Ellington	\$ 37,000,000
105th and Burnside	14,300,000
Prescott (Land)	500,000
Powell (Site Development)	263,853
	\$ 52,063,852

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.

Current Bond Commitments

Portland Housing Bonds are fully committed in 15 projects including two acquired prior to passage of the constitutional amendment. Nine projects were awarded funding through the 2019 Spring Bond Opportunity Solicitation (BOS). Three are on already identified properties that were included in the BOS, and six are on sponsor-controlled sites. An additional project received a funding award prior to the BOS.

Three more projects were awarded funding through the 2021 Winter Bond Opportunity Solicitation, committing the remaining Bond funds. Overall, these projects meet and exceed all the production goals, and will serve the priority communities, provide economic opportunities for DMWESB contractors and provide the geographic diversity the Framework prioritized for our Bond investments. The table below shows the uses and commitments for the remaining bond proceeds to date.

<u>Current Bond Commitments</u>	Project Amounts	Expended to Date (6/30/2023)
Anna Mann House*	\$ 12,544,000	\$12,230,400
Las Adelitas	15,020,934	13,258,921
Cathedral Village	15,969,750	15,878,044
The Aurora (Stark Street)	14,926,500	11,233,559
Crescent Court (115th at Division St)	16,754,923	16,191,961
Hayu Tilixam (Prescott)	7,971,500	7,971,500
Emmons Place	19,786,343	19,038,124
Joyce*	802,500	802,500
Starlight (Westwind)*	12,662,077	11,810,223
3000-3032 SE Powell	33,063,000	22,931,555
Alder 9*	27,231,500	11,824,480
Hollywood Hub	22,525,560	0
Francis + Clare Place	9,421,891	2,085,777
Total	\$208,680,478	\$145,257,044

* - Other funding sources will be added: \$4,375,000 from the County for Westwind, \$6,350,000 in TIF for the Joyce and \$8,000,000 in CDBG for Anna Mann. Other funding sources for Alder 9 include \$3,133,000 in CES TIF.

Project Reserves	\$686,128
add Net Interest and Other Credits****	\$3,030,458
Bond Funds Remaining***	\$0

Bond Program Delivery Expenses	
Bond Issuance costs through 12/31/20	\$1,693,114
Program Delivery Costs 7/1/18 to 6/30/19**	\$1,526,183
Program Delivery Costs 7/1/19 to 6/30/20**	\$1,967,509
Program Delivery Costs 7/1/20 to 6/30/21**	\$1,855,485
Program Delivery Costs 7/1/21 to 6/30/22**	\$2,379,605
Program Delivery Costs 7/1/22 to 6/30/23	\$1,532,674
Total Bond Program Delivery Expenses	\$10,954,570

Bond Delivery Expenses as a % of Project Expenses - Expenses 5.55%

Bond Delivery Expenses as a % of Project Expenses - Expenses and Commitments 4.48%

** - Included are property acquisition-related costs, staff time, and indirect for those acquisitions and the staff costs to date for the bond project commitments. The Fiscal Year 2022-23 costs are unaudited and don't reflect final adjustments.

*** - Bond funds remaining include the remaining amount of bonds not committed to specific projects.

**** - Current debt-managed cash available.