

## **RESOLUTION No.**

**35587**

Give Preliminary Approval for two Multifamily Housing Revenue Bond issues in an amount not to exceed \$6,430,000 (Resolution)

WHEREAS, the City of Portland has the authority under ORS 280 410 to 280 485 (the "Act") to issue revenue bonds to finance economic development projects, including multifamily housing projects, and

WHEREAS, the City of Portland has adopted in Chapter 5 72 of the Code of the City of Portland (the "Code") procedures and standards for the application for an issuance of revenue bonds to finance economic development projects, and

WHEREAS, the Portland Development Commission (the "Commission") has received an application (the "Application") from Grayco Resources, Inc , an Oregon limited liability corporation ("Applicant") for housing revenue bonds in an amount not exceeding \$8,800,000 for the development and construction of approximately 114 units of affordable housing, commercial space and approximately 62 parking spaces to be located at Southwest 18th and Morrison in the Goose Hollow area of Portland's Central City (the "Project"), and

WHEREAS, the Commission has reviewed the Application and has prepared a written report recommending the approval of the Application and the Commission has by resolution recommended that the City Council give preliminary approval for the issuance of revenue bonds in an amount not to exceed \$6,430,000 top finance the Project,

WHEREAS, the Commission has received a private activity bond carry forward allocation in the amount of \$6,430,000 for the Project from the Oregon State Treasury, Private Activity Bond Committee, on January 23, 1997, with an expiration date of December 31, 1999, and

WHEREAS, the Commission has requested the Bonds be issued in two series of Bonds The first series, designated Series 1997A, will be issued in the approximate amount of \$4,430,000 and shall be payable solely from the revenues of the Project, the funds and accounts described in the Indenture of Trust dated as of March 1, 1997 and from amounts available under a Letter of Credit to be issued by United States National Bank of Oregon (the "Credit Facility") The second series of Bonds, designated Series 1997B, will be issued in the approximate amount of \$2,000,000 and shall be payable solely from the funds and accounts described in the Indenture of trust dated as of March 1, 1997 and from amounts pledged pursuant to a tax credit investor note, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland as follows

- 1 The City Council finds that the Project constitutes an "economic development project" within the meaning of Chapter 5 72 020(1) and (2) of the Code and that financing of the Project will serve the purposes of the Act and the Code and therefore the Council approves the Application
- 2 In furtherance of the approval of the Application, and in particular, in order to induce the applicant to proceed with the Project, the City hereby expresses its intent to issue revenue bonds in accordance with the Act and the Code The Bonds shall be issued in two series and in an aggregate principal amount not to exceed \$6,430,000 (the "Bonds") for the purpose of providing funds to finance the Project to be owned by the Applicant, subject to further review and final approval by the Commission of such entity and the final terms and conditions of the financing
- 3 The Commission is authorized to proceed with the processing of the Application, to execute a letter of intent with the Applicant, and to review the proposed terms and conditions of the financing of the Project and the Bonds
- 4 The Council hereby appoints Key Capital Markets, Inc To serve as underwriter for the Bonds
- 5 The Council hereby appoints Wells Fargo Bank, National Association, to serve as trustee for the Bonds
- 6 The City's conduit and housing bond counsel, Ater Wynne Hewitt Dodson & Skeritt, LLP, is designated as Bond Counsel for the Bonds The Commission and its staff are authorized and directed to consult with Bond Counsel in connection with the processing of the Application and review of the proposed terms and conditions of the financing and the Bonds to ensure that all procedural and substantive requirements of the Act, the Code and federal law are satisfied in connection with the issuance of the Bonds

Adopted by the Council,  
Mayor Vera Katz  
Bond Counsel  
Office of Finance and Administration  
February 6, 1997

**FEB 12 1997**

**BARBARA CLARK**  
Auditor of the City of Portland

By

*Betta Olson*  
Deputy

**172**

Agenda No

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INTRODUCED BY	Filed
MAYOR VERA KATZ	<b>FEB 07 1996</b> Barbara Clark Auditor of the City of Portland
NOTED BY COMMISSIONER	
Affairs	
Finance and Administration <i>Vera Katz</i>	By <i>Cay Kirschner</i> Deputy
Safety	For Meeting of _____
Utilities	
Works	ACTION TAKEN
BUREAU APPROVAL	
Bureau Finance and Administration	
Prepared by _____ Date _____	
Bond Counsel February 4, 1997	
Budget Impact Review	
X Completed _____ Not Required _____	
Bureau Head <i>Tim Grewe</i> Tim Grewe <i>J. Bell</i>	

AGENDA		FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS		
Consent	X	Regular		YEAS	NAYS
NOTED BY		Francesconi	Francesconi		
City Attorney		Hales	Hales		
City Auditor		Kafoury	Kafoury	_____	
City Engineer		Sten	Sten		
		Katz	Katz		