

Portland's Housing Bond

Date: February 2, 2023

To: Bond Oversight Committee (BOC) Members

From: Molly Rogers, Portland Housing Bureau

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

Re: Bond Expenditure Report, as of 12/31/2022

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, 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
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	\$ 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

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 (12/31/2022)
Anna Mann House*	\$ 12,544,000	\$ 9,832,449
Las Adelitas	15,020,934	9,350,829
Cathedral Village	15,969,750	11,579,834
The Aurora (Stark Street)	14,926,500	11,233,559
Crescent Court (115th at Division St)	16,754,923	10,844,769
Hayu Tilixam (Prescott)	7,971,500	6,586,038
Emmons Place	19,786,343	18,797,026
Joyce *	802,500	802,500
Starlight (Westwind) *	12,662,077	10,958,369
3000-3032 SE Powell	33,063,000	14,774,585
Alder 9 *	27,231,500	0
Barbur Apts.	22,798,490	0
Francis + Clare Place	9,044,706	0
Total	\$208,576,223	\$104,759,958

* - 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	\$457,318
add Net Interest and Other Credits****	\$2,697,393
Bond Funds Remaining***	\$0

Bond Program Delivery Expenses

Bond Issuance costs through 12/31/20	\$1,693,114
Program Delivery Costs through 6/30/19**	\$1,526,183
Program Delivery Costs through 6/30/20**	\$1,967,509
Program Delivery Costs through 6/30/21**	\$1,855,485
Program Delivery Costs through 6/30/22**	\$2,379,605
Program Delivery Costs through 12/31/2022	\$915,038
Total Bond Program Delivery Expenses	\$10,336,935

Bond Delivery Expenses as a % of Project Expenses - Expenses 6.59%

Bond Delivery Expenses as a % of Project Expenses - Expenses and Commitments 4.18%

** - Included are property acquisition related costs, staff time and indirect for those acquisitions and the staff costs to date for the bond project commitments. Fiscal year 2021-22 costs are unaudited and don't reflect final adjustments.

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

**** - Current debt managed cash available.