

**PORTLAND DEVELOPMENT COMMISSION**  
Portland, Oregon

**RESOLUTION NO. 6598**

**AUTHORIZE EXTENSION OF MATURITY DATE ON LINE OF  
CREDIT ESTABLISHED FOR PURPOSE OF FINANCING  
CONSTRUCTION OF PORTLAND STREETCAR EXTENSION  
WITHIN THE NORTH MACADAM URBAN RENEWAL AREA**

**WHEREAS**, the Portland Development Commission (“Commission”) is charged by the North Macadam Urban Renewal Plan and its amendments with carrying out activities that improve the condition and appearance of the North Macadam Urban Renewal Area, eliminate blight and blighting influences, expand and improve public facilities and stimulate private investment and economic growth in the Area;

**WHEREAS**, the Portland Streetcar Phase III Project (“Streetcar Extension”) includes the design and construction of tracks, overhead wiring, station stops and other capital improvements, extending streetcar transit service from SW Montgomery Street and SW 5<sup>th</sup> Avenue, at the PSU Urban Center, to SW River Parkway at SW Moody Avenue;

**WHEREAS**, the Portland City Council, in Resolution 36075 adopted May 29, 2002, instructed the City of Portland Office of Management and Finance to work with the Commission to structure interim financing for the design and construction of the Streetcar Extension (“Streetcar Extension Financing”), the source of repayment of which would be net sales proceeds derived from the sale of two parcels at Riverplace, identified as “Parcel 3” and “Parcel 8”;

**WHEREAS**, on August 14, 2002, the Portland Development Commission Board of Commissioners (“Board”) adopted Resolution 5911 which authorized the Commission’s Executive Director to negotiate and execute an agreement with the City of Portland Office of Management and Finance to provide \$1,188,200 in funding for the engineering and purchase of rail for the Streetcar Extension;

**WHEREAS**, the City Council passed Ordinance No. 177129 on December 18, 2002, authorizing the issuance of up to \$200,000,000 of bonds under the Uniform Revenue Bond Act to finance facilities improvements, property acquisition and other public purposes;

**WHEREAS**, the City issued a portion of the bonds authorized by Ordinance No. 177129 in the form of a \$7,000,000 line of credit to finance a portion of the cost of the Streetcar Extension (the “Line of Credit”);

**WHEREAS**, the Line of Credit is scheduled to mature on June 15, 2008;

**WHEREAS**, the Commission has budgeted \$6,000,000 for the repayment of principal and capitalized interest due on the Line of Credit in the Commission’s FY 2007-08 Adopted Budget;

**WHEREAS**, the Commission has experienced an unanticipated delay in consummating the sale by the Commission of Parcel 3 and Parcel 8;

**WHEREAS**, the delay in the sale of Parcel 3 and Parcel 8 from that projected in the original resource forecast, will necessitate an extension of the Line of Credit until additional resources are realized through the sale of Block 49, Parcel 8 and/or Parcel 3; and

**WHEREAS**, the Portland City Council has adopted Ordinance No. 181865 which authorizes the City of Portland Office of Management and Finance to enter into negotiations with Bank of America for an extension on the Line of Credit.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby authorizes the extension of the maturity date for the Line of Credit to a date no later than June 15, 2011;

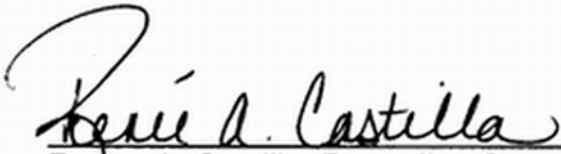
**BE IT FURTHER RESOLVED** that estimated funding for the repayment of the Line of Credit will be included in the FY 2008-09 Adopted Budget and Forecast;

**BE IT FURTHER RESOLVED** that the Board hereby authorizes the Executive Director, or designee, on behalf of the Board and without further action by the Board, to (a) work with the City on negotiations regarding the three-year extension of the Line of Credit (b) take such additional actions as may be required to obtain an extension to the Line of Credit on terms favorable to the City and the Commission and (c) to enter into an agreement with the City to legally commit the net sales proceeds from the sale of Block 49, Parcel 8 and/or Parcel 3 to the repayment of the outstanding principal and interest due on the Line of Credit ("Repayment Agreement");

**BE IT FURTHER RESOLVED** that Commission staff will obtain approval of the Board as to final form of the Repayment Agreement prior to execution of such Repayment Agreement by the Commission and the City; and

**BE IT FURTHER RESOLVED** that this resolution shall become effective immediately upon its adoption.

**Adopted by the Portland Development Commission on June 11, 2008.**

  
Renee A. Castilla, Recording Secretary

# PDC

PORTLAND DEVELOPMENT COMMISSION

## Resolution Number 6598

TITLE: AUTHORIZE EXTENSION OF MATURITY DATE ON LINE OF CREDIT ESTABLISHED FOR PURPOSE OF FINANCING CONSTRUCTION OF PORTLAND STREETCAR EXTENSION WITHIN THE NORTH MACADAM URBAN RENEWAL AREA

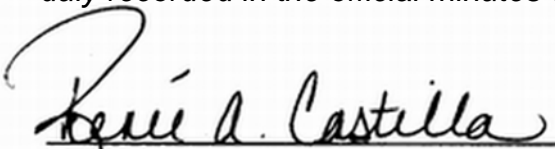
Adopted by the Portland Development Commission on June 11, 2008.

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Mark Rosenbaum, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Sal Kadri	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Bertha Ferrán	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Charles Wilhoite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Consent Agenda		<input type="checkbox"/> Regular Agenda		

### Certification

The undersigned hereby certifies that:

*The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and duly recorded in the official minutes of the meeting.*

  
Renee A. Castilla, Recording Secretary

Date: June 12, 2008