

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7188

AUTHORIZING SHORT-TERM INTERFUND OPERATING LOANS NOT TO EXCEED \$1,000,000 FROM SPECIFIED FUNDS TO THE COMMUNITY DEVELOPMENT BLOCK GRANT – ECONOMIC OPPORTUNITY INITIATIVE FUND AND NEIGHBORHOOD PROSPERITY INITIATIVE URBAN RENEWAL AREA FUNDS FROM JULY 1, 2016, TO JUNE 30, 2017

WHEREAS, the Portland Development Commission (“PDC”) anticipates entering into agreements with the Portland Housing Bureau (“PHB”) and the City of Portland (“City”) for fiscal year 2016-17 pursuant to which PDC will receive federal and other funds from PHB and the City for the implementation of the Economic Opportunity Initiative (“EOI”);

WHEREAS, PDC will submit monthly or other periodic billings to PHB and the City for expenditures incurred by PDC in implementation of the EOI;

WHEREAS, PDC staff submit the monthly billings within approximately two weeks after the end of a billing period in which expenses attributable to that billing period have been recorded on the books of PDC;

WHEREAS, the combination of a two-week billing period and the customary 30-day payment period will result in, absent interfund borrowing, a minimum average cash overdraft position equal to one and one half months of expenditures in the Community Development Block Grant (“CDBG”) – EOI Fund;

WHEREAS, the Neighborhood Prosperity Initiative (“NPI”) Urban Renewal Areas (“URA”), Fund 310 – 42nd Avenue NPI URA, Fund 311 – Cully Boulevard NPI URA, Fund 312 – Parkrose NPI URA, Fund 313 – Rosewood NPI URA, Fund 314 – Division-Midway NPI URA, and Fund 315 – 82nd Avenue & Division NPI URA will have insufficient funding for continuing project work until receipt of tax increment financing du jour proceeds in March 2017;

WHEREAS, PDC’s financial auditor, Moss Adams, stated in its December 20, 2007, letter to management that “...for both state legal and governmental accounting purposes, overdrawn cash balances represent interfund borrowings....and cash balances should be monitored on a monthly basis to identify individual funds that are at risk for overdrawing their share of the pooled cash and investments. The revised monitoring procedures should include informing the Board of Commissioners of the need for an interfund borrowing timely enough to approve the loan via resolution in advance;” and

WHEREAS, PDC is authorized pursuant to Oregon Revised Statutes (“ORS”) 294.468 to loan money from a fund to another fund of the municipal corporation if the loan is authorized by official resolution or ordinance of the governing body.

NOW, THEREFORE, BE IT RESOLVED, that the PDC Board of Commissioners hereby authorizes, pursuant to ORS 294.468, short-term interfund operating loans (“Interfund Loans”) not to exceed \$1,000,000 in aggregate at any one time, from the lender funds identified below to provide cash, as needed on a temporary basis, to the borrowing fund specified below, in accordance with the following loan terms:

- (a) The following funds shall be permitted to borrow cash on a monthly basis, in multiples of \$1,000, in an amount sufficient to prevent a cash overdraft:

Fund 213 – CDBG-EOI Fund	Fund 310 – 42nd Avenue NPI URA
Fund 311 – Cully Boulevard NPI URA	Fund 312 – Parkrose NPI URA
Fund 313 – Rosewood NPI URA	Fund 314 – Division-Midway NPI URA
Fund 315 – 82nd Avenue & Division NPI URA	

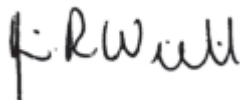
- (b) Interfund Loans may be made by any of the following sub-funds to the extent of available cash, but in an amount not to exceed the maximum amounts specified below:

Fund 108 – Grant Offset Fund	\$700,000
Fund 410 – Small Business Loan Fund	\$700,000
Fund 463 – Business Development Loan Fund	\$400,000

- (c) The Interfund Loans are operating loans to be repaid within the first accounting period after funds are received from the City but in no event later than the following fiscal year. The Interfund Loans shall bear no interest.
- (d) Authorization to extend Interfund Loans under this resolution shall commence July 1, 2016, and expire on June 30, 2017; and

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

Adopted by the Portland Development Commission on June 8, 2016



Gina Wiedrick, Recording Secretary

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RESOLUTION TITLE:

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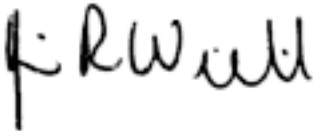
Adopted by the Portland Development Commission on June 8, 2016

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Tom Kelly	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Gustavo Cruz, Jr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Aneshka Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Mark Edlen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner William Myers	<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 as duly recorded in the official minutes of the meeting.

	<p>Date:</p> <p style="text-align: center;">June 9, 2016</p>
<p>Gina Wiedrick, Recording Secretary</p>	