

PROSPER PORTLAND

Portland, Oregon

RESOLUTION NO. 7642

AMEND AUTHORIZATION OF SHORT-TERM INTERFUND OPERATING LOANS FOR THE PERIOD OF JULY 1, 2025, TO JUNE 30, 2026, IN A TOTAL AMOUNT NOT TO EXCEED \$4,600,000 FROM THE BUSINESS MANAGEMENT FUND AND \$5,400,000 FROM THE STRATEGIC INVESTMENT FUND TO THE FOLLOWING FUNDS: CITY OF PORTLAND GENERAL FUND; COMMUNITY DEVELOPMENT BLOCK GRANT - ECONOMIC OPPORTUNITY INITIATIVE FUND; COMMUNITY OPPORTUNITIES AND ENHANCEMENTS PROGRAM FUND; PORTLAND CLEAN ENERGY FUND; 82ND AVENUE TAX INCREMENT FINANCE FUND; CENTRAL EASTSIDE CORRIDOR TAX INCREMENT FINANCE FUND; CULLY TAX INCREMENT FINANCE FUND; EAST 205 TAX INCREMENT FINANCE FUND; AND SUMNER, PARKROSE, ARGAY, COLUMBIA CORRIDOR TAX INCREMENT FINANCE FUND

WHEREAS, Prosper Portland has entered into agreements with the City of Portland (“City”) Budget Office (“CBO”), the City Housing Bureau (“PHB”), City Procurement Services, and the City Bureau of Planning and Sustainability (“BPS”) for fiscal year (“FY”) 2025-26 pursuant to which Prosper Portland will receive federal and City funds from CBO, PHB, City Procurement Services, and BPS for implementation of the Community Development Block Grant - Economic Opportunity Initiative (“CDBG-EOI”), Community Opportunities and Enhancements Program (“COEP”), Portland Clean Energy Fund programs (“PCEF”) and other economic development activities (collectively, “Programs”);

WHEREAS, Prosper Portland submits monthly or other periodic billings to CBO, PHB, City Procurement Services, and BPS for expenditures incurred by Prosper Portland in implementing the Programs;

WHEREAS, Prosper Portland 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 Prosper Portland;

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 City General Fund, CDBG-EOI, COEP, and PCEF; and

WHEREAS, the 82nd Avenue Tax Increment Finance (“TIF”) Fund, Cully TIF Fund, and East 205 TIF Fund will all have insufficient funding for continuing project work until receipt of tax increment financing du jour proceeds in April 2026;

WHEREAS, Central Eastside Corridor TIF Fund and Sumner, Parkrose, Argay, Columbia Corridor TIF Fund are no longer projected to receive TIF proceeds and require a one-time budgeted transfer of cash;

WHEREAS, to avoid negative balances in the recipient funds, interfund borrowing is needed in accordance with local budget law; and

WHEREAS, Oregon Revised Statutes (“ORS”) 294.468 authorizes public agencies 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 Prosper Portland Board of Commissioners (the “Board”) hereby authorizes, pursuant to ORS 294.468, short-term interfund operating loans (“Interfund Loans”) not to exceed \$10,000,000 in aggregate at any one time, from the lender fund identified below in (b) to provide cash, as needed on a temporary basis, to the borrowing funds specified below in (a), in accordance with the following loan terms:

- (a) The following funds will be permitted to borrow cash on a monthly basis, in multiples of \$1,000, in an amount sufficient to prevent a cash overdraft, up to the amount specified per fund, from the fund set forth in (b) below:

City General Fund (Fund 101) \$5,000,000

CDBG-EOI Fund (Fund 213) \$1,000,000

COEP Fund (Fund 220) \$1,500,000

PCEF (Fund 240) \$800,000

TIF Funds:

82nd Avenue (Fund 351) \$500,000

Central Eastside Corridor (Fund 331) \$100,000

Cully (Fund 335) \$200,000

East 205 (Fund 361) \$700,000

Sumner, Parkrose, Argay, Columbia Corridor (Fund 371) \$200,000

- (b) Interfund Loans to the above-mentioned funds will be made by the Business Management Fund (Fund 520) in an aggregate amount not to exceed \$4,600,000 and the Strategic Investment Fund (Fund 455) in an aggregate amount not to exceed \$5,400,000 at any one time to the extent of available cash.
- (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 June 30, 2026. The Interfund Loans will bear no interest.
- (d) Authorization to extend Interfund Loans under this resolution will commence July 1, 2025, and expire on June 30, 2026;

BE IT FURTHER RESOLVED, that that this resolution amends and supersedes Resolution No. 7619, approved by the Prosper Portland Board on September 10, 2025, with the primary differences above in paragraph (a) and shown in bold; and

BE IT FURTHER RESOLVED, that with the affirmative vote of no fewer than four commissioners for this resolution and of all of those present, this resolution will become effective immediately upon its adoption, and otherwise it will take effect thirty days after adoption.