

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7153

APPROVING THE TERMS OF A PREDEVELOPMENT LOAN, A DEVELOPMENT AND DISPOSITION AGREEMENT, AND A COMMERCIAL PROPERTY REDEVELOPMENT LOAN TO ROSE COMMUNITY DEVELOPMENT CORPORATION FOR REDEVELOPMENT OF A CERTAIN PROPERTY IN THE LENTS TOWN CENTER URBAN RENEWAL AREA

WHEREAS, in September 1998, the Portland Development Commission (“PDC”) Board of Commissioners (“Board”) approved and the Portland City Council (“City Council” adopted the Lents Town Center Urban Renewal Area (“URA”);

WHEREAS, PDC purchased the property located at 5728 SE 91st Ave, commonly known as the Church Lots (“Property”), in the Lents Town Center URA for the purposes of furthering the goals of the Lents Town Center URA Plan;

WHEREAS, in May of 2014, the PDC Board approved and City Council instituted the Lents Five-Year Action Plan;

WHEREAS, in December 2014, PDC completed a Request for Interest and in January 2015 an evaluation committee of local stakeholders recommended four proposals, one of which was the ROSE Community Development Corporation (“Developer”) redevelopment proposal;

WHEREAS, the proposal is a mixed-income residential development (the “Project”);

WHEREAS, the Developer’s redevelopment proposal aligns with the Neighborhood Economic Development Strategy and the Lents Five-Year Action Plan;

WHEREAS, the Developer has identified and PDC has confirmed that the Project is not financially feasible without additional support; and

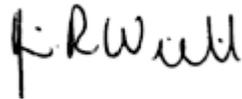
WHEREAS, PDC staff and the Developer have agreed upon the major terms of a Predevelopment Loan, a Development and Disposition Agreement, and a Commercial Property Redevelopment Loan.

NOW, THEREFORE, BE IT RESOLVED that the Executive Director is hereby authorized to execute: 1) a Predevelopment Loan, 2) a Development and Disposition Agreement, and 3) a Commercial Property Redevelopment Loan with Developer all substantially in accord with the provisions of Exhibits A, B, and C;

BE IT FURTHER RESOLVED, that the Executive Director may approve changes to the Predevelopment Loan, the Development and Disposition Agreement, and the Commercial Property Redevelopment Loan, if such changes do not materially increase PDC's obligations or risks, as determined by the Executive Director in consultation with PDC's General Counsel; and

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

Adopted by the Portland Development Commission on November 18, 2015



Gina Wiedrick, Recording Secretary

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7153

EXHIBIT A

APPROVING THE TERMS OF A PREDEVELOPMENT LOAN, A DEVELOPMENT AND DISPOSITION AGREEMENT, AND A COMMERCIAL PROPERTY REDEVELOPMENT LOAN TO ROSE COMMUNITY DEVELOPMENT CORPORATION FOR REDEVELOPMENT OF A CERTAIN PROPERTY IN THE LENTS TOWN CENTER URBAN RENEWAL AREA

Exhibit A includes this cover page and contains three pages:

- Proposed Terms and Conditions of PDC Predevelopment Loan

Proposed Terms and Conditions of PDC Predevelopment Loan

Borrowing Entity:	ROSE Community Development Corporation																
Loan Program:	Commercial Property Redevelopment Loan - Predevelopment																
Loan Amount:	\$1,064,500																
Use of Funds:	<p>All TIF-eligible, PDC pre-approved predevelopment expenses in accordance with the following proposed budget:</p> <table> <tr> <td>Property</td> <td>\$ 27,000</td> </tr> <tr> <td>Design</td> <td>\$ 650,400</td> </tr> <tr> <td>Fees / Permits</td> <td>\$ 71,350</td> </tr> <tr> <td>Legal</td> <td>\$ 30,000</td> </tr> <tr> <td>Financing Costs</td> <td>\$ 115,750</td> </tr> <tr> <td>Contingency</td> <td>\$ 90,000</td> </tr> <tr> <td>Development Overhead</td> <td><u>\$ 80,000</u></td> </tr> <tr> <td>Total</td> <td>\$1,064,500</td> </tr> </table>	Property	\$ 27,000	Design	\$ 650,400	Fees / Permits	\$ 71,350	Legal	\$ 30,000	Financing Costs	\$ 115,750	Contingency	\$ 90,000	Development Overhead	<u>\$ 80,000</u>	Total	\$1,064,500
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Financing Costs	\$ 115,750																
Contingency	\$ 90,000																
Development Overhead	<u>\$ 80,000</u>																
Total	\$1,064,500																
Loan Fee:	1% of loan amount (\$10,645.00), financed																
Interest Rate:	3.25% per annum																
Term:	18 months																
Repayment:	Deferred; taken out by construction financing or forgiven if project does not proceed																
Collateral:	Project materials																
Guarantors:	None																
Program Guideline Exceptions:	<ul style="list-style-type: none"> • Loan amount exceeds program maximum of \$200,000 • Borrower Cash Contribution is less than 50% of predevelopment costs with a minimum of 25% cash • Loan Forgiveness is presupposed; no additional guarantees or collateral to be required • Loan Fee: the loan fee to be financed instead of paid at closing 																
Other Conditions:	Borrower must successfully obtain anticipated project-based rental assistance vouchers (Section 8) from Home Forward prior to loan disbursement.																

	<p>Borrower must execute a developer partnership agreement satisfactory to PDC and PHB in form and substance prior to loan disbursement.</p> <p>PDC reserves the unilateral right to cease disbursement of funds at any point during the term of the loan. If it becomes clear to PDC, in its sole discretion, that the costs would be significantly greater than projected, that the other project financing will not be secured, or any other information obtained renders the project not feasible, funding for any further predevelopment costs would cease.</p>
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PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7153

EXHIBIT B

APPROVING THE TERMS OF A PREDEVELOPMENT LOAN, A DEVELOPMENT AND DISPOSITION AGREEMENT, AND A COMMERCIAL PROPERTY REDEVELOPMENT LOAN TO ROSE COMMUNITY DEVELOPMENT CORPORATION FOR REDEVELOPMENT OF A CERTAIN PROPERTY IN THE LENTS TOWN CENTER URBAN RENEWAL AREA

Exhibit B includes this cover page and contains 10 pages:

- Summary of Terms and Conditions for Disposition, Development, and Financing of Property in the Lents Urban Renewal Area, ROSE Community Development Corporation
 - Exhibit A: Sources and Uses

SUMMARY OF TERMS AND CONDITIONS
FOR
DISPOSITION, DEVELOPMENT, AND FINANCING
OF
PROPERTY IN THE LENTS URBAN RENEWAL AREA

ROSE COMMUNITY DEVELOPMENT CORPORATION

Portland Development Commission (“Seller” or “PDC”) contemplates the following major terms and conditions leading to and informing the negotiation of a conveyance and development of the Property (defined below). Rose Community Development Corporation and its partner(s) (collectively “the Developer”) together with the Seller and Portland Housing Bureau (“PHB”) shall be referred to as “the Parties”.

Property Description: The “Property” is an approximately 32,536 square foot area located on the Southeast corner of SE 91st Ave. & SE Reedway Street, Portland, Oregon.

Land Value: According to an appraisal dated February 18, 2015, the Property is valued at \$910,000.

Project: The proposed “Project” consists of a 62,491 sq. ft. residential building. The Project to contain 68 residential 1-3 bedroom units and 23 associated parking spaces. Previously Developer proposed retail space of 2,700 sq. ft. is removed to account for three additional residential units to leverage the Project’s amenities and common space.

28 of the residential units to be restricted to residents with income levels up to 100% MFI, 22 units to be restricted to 80% MFI, and 17 to be restricted to 30% MFI and one unit to be dedicated to an on-site property manager (see below). For the purpose of this project workforce housing will be defined as residential units with maximum rent rates at or below 120% MFI. All units as restricted, except for the on-site property manager, shall remain restricted for a period of 60 years.

Unit Mix @MFI	30%	80%	100%	Manager	Total
1BR	5	13	20		38
2BR	7	7	6	1	21
3BR	5	2	2		9
	17	22	28	1	68
Mix	25%	34%	40%	n/a	

The Developer will give its best efforts to procure project-based rental assistance vouchers (Section 8) from Home Forward for 15 out of 17 units (or 88%) reserved for income levels at 30% MFI. The Developer is obliged to report to PHB rental information on all restricted units.

The Project will use MULTE tax exemption for all units, including those above 80% MFI, for 10 years per standard PHB policies and receive Home Forward tax exemption after Year 10 for units that are restricted at or below 80% MFI. The Developer is obliged to report to PHB rental information on all restricted units.

In the event the Project and programming of rental restrictions are changed, then the proposed financing terms and conditions are no longer valid.

Project Costs: Currently estimated to be \$17,384,434. The parties understand that the project is currently in the early design process and that Exhibit A is an estimate only. PDC acknowledges that the final design development process, future construction cost trends, HUD underwriting requirements, City of Portland permitting requirements, and market necessities will affect the final costs. PDC further acknowledges that, to attract and retain tenants in units that are at or near market rates, additional amenities such as in-unit laundry hookups and attractive finishes are likely to be required. See Exhibit A for Project Sources and Uses.

AS IS Sale: Subject to appropriate due diligence, the Property is offered and Developer is acquiring the Property in the condition existing at the time of Closing, AS IS, with all defects, if any.

Feasibility Period: The Feasibility Period is 180 days from the date the PDC Board approves the Terms and Conditions of the DDA (currently anticipated November 18, 2015). During the Feasibility Period the Developer shall cause design documents to be drafted and delivered to the City of Portland for design review. Developer shall also undertake all appropriate due diligence so as to enable Developer to execute a binding agreement for conveyance of the Property and construction of the Project.

Exclusive Negotiation: To the extent that Developer abides by the terms of this summary and is progressing toward negotiation of a final form of conveyance and development agreement, Seller shall refrain from negotiating with other parties regarding the disposition of the Property during the Feasibility Period.

Title Objection: Developer shall have 30 days from the date the PDC Board approves the Terms and Conditions of the DDA to provide Seller with any title objections ("Title Objection Letter"). Seller shall then have 30 days from receipt thereof to respond to the Title Objection Letter.

Title Conveyance: Title shall be free of all liens except non-delinquent real estate taxes and title restrictions or other conditions acceptable to Developer.

Agreement: Prior to the expiration of the Feasibility Period the Developer and Seller shall have made significant progress on the final form of a DDA. The DDA shall be a legally binding instrument and shall set forth the more detailed provisions governing the rights and obligations of the Parties with respect to conveyance of the Property and construction of the Project.

Closing/Closing Date: "Closing" shall be the conveyance of the Property to Developer. (Many elements of the DDA will survive Closing.) The "Closing Date" shall be within 30 days after a building permit for the Project is deemed "ready to issue" by the City of Portland, Bureau of Development Services or as soon thereafter as allowed by HUD, the process for which will be expedited as much as possible by the Developer and its team in cooperation with the selected FHA lender.

Draft and Preliminary – Subject to PDC Board Approvals – Discussion Purposes only

November 18, 2015

Closing shall remain subject to, among other things, financing commitments, final form of deed, environmental condition acceptance, and agreed-upon final Project Budget.

Additional DDA Terms:

- a. **Non-Assignment.** The DDA may not be assigned without prior written PDC approval.
- b. **Borrower/SPE.** The Parties anticipate that Developer will create a special purpose entity (SPE) to execute the DDA or to accept an assignment of elements of the DDA. Developer shall provide to PDC all necessary information for PDC to determine that the SPE will be able to fulfill the obligations of the DDA and that PDC assumes no greater risk as a product of the SPE's roles. The Borrower formation agreement and the Developer partnership agreement, in form and substance, shall be satisfactory to PDC and PHB.
- c. **Restricted Units.** In the event the Developer sells the Project prior to 60 years from the commencement of operations, the obligations to restrict income levels for the residential units will be transferred to the buyer and the new owner is obligated to continue reporting to PHB. The DDA shall include specific provisions to ensure that public benefits of income restricted units are secured. Restricted Units in this Project apply to affordable units at 30% MFI and the workforce units at or below 80% MFI and 100% MFI to be restricted under the Regulatory Agreement with PHB. If required by the Senior Lender, the Parties agree that the DDA and the Regulatory Agreement will be subordinated to any HUD Regulatory Agreement and Security Agreement.
- d. **Short Term Repurchase Right.** Seller proposes to convey the land to the Developer and shall have the right to reclaim the Property if Developer has not shown satisfactory evidence that the Project is proceeding and, barring any force majeure, has failed to commence construction after 60 days of the Closing Date.
- e. **PDC Policies.** Developer shall comply with all applicable PDC policies and Oregon State and Federal statutes including prevailing wage laws.
- f. **Development & Construction.** PDC and PHB must approve the Developer's entire project development team members and all contracts related to the redevelopment and construction of the Project.

- g. **Public Involvement.** Developer shall participate in public engagement meetings organized by PDC with local community stakeholders and the public, after approval of the DDA terms by the PDC Board.
- h. **Broker Commission.** Neither Developer nor Seller is represented by a broker and no sales commissions shall be paid as part of this contemplated transaction.

PDC Loans:

PDC anticipates both a PDC Predevelopment Loan and a Construction/Permanent Loan (“Perm Loan”) to the Developer. The PDC Board is scheduled to review the Loans on November 18, 2015.

PDC Predevelopment Loan and Perm Loan at this time are considered a necessary step to induce financial participation on the part of other financial partners. While the real estate market in Lents is improving, current lease rates in Lents Town Center do not adequately return capital sources required to fund new construction. Preliminary pro forma indicate that there is a significant gap in the economic and financial feasibility of the Project.

PDC and PHB’s role as gap financier is critical, and the Developer would be unable to proceed with the project in Lents Town Center but for PDC and PHB’s involvement. Consequently, the PDC Predevelopment Loan and the Perm Loan are intended to demonstrate a conditional willingness on PDC’s part to support the Project so as to generate an incentive for the Developer to proceed. PHB loan terms and conditions to be provided separately under its term sheet, subject to PHB due diligence and investment committee approvals.

- a. **Predevelopment Loan.** PDC anticipates a \$1,064,500 Predevelopment Loan to Developer. If approved by the PDC Board, loan funds would be disbursed to Developer after all conditions to Predevelopment Loan close have been met and PDC has approved the respective scope(s) of work. The Predevelopment Loan may be forgivable if the Project is determined not to be financially feasible or if the subsidy package contemplated is not available. PDC will have the unilateral right to cease disbursement of funds at any point during the term of the loan. If it becomes clear to PDC, at its sole discretion, that a) the costs would be significantly greater than projected, b) the other project financing will not be secured, or c) any other information obtained renders the project not feasible, funding for any further predevelopment costs would cease
- b. **Perm Loan.** PDC anticipates a \$6,941,994 Perm Loan to the Borrower/SPE to be established by the Developer. The Perm Loan shall be subordinated to the Senior Loan. The Perm Loan shall have a 40 year term and carry a 3.25%

interest rate. Repayment will be cash flow dependent as described below. Interest shall accrue and be paid first (accrued interest balance will not incur additional interest) and unpaid principal will be deferred. The remaining balance is due at the end of year 40, unless otherwise extended by PDC. The Perm loan shall be non-recourse, and be secured by a second lien on the property.

A portion of the Perm Loan is anticipated to be designated a Short Term Loan. The Short Term Loan of \$283,000 shall fund a 2-year Working Capital Reserve Account that is required to mitigate market risks for the Senior Lender and the Developer. Funds in the Working Capital Reserve may be used in lieu of or to support Lease Ups and/or Replacement Reserves, subject to satisfactory PDC review and due diligence. In the event the Working Capital Reserve account is drawn, the amount drawn will be repaid in the same manner as the Perm Loan. At the end of the 2-year period, all funds in the Working Capital Reserve account that are released shall repay the Short Term Loan.

Returns to
Developer and PDC:

Excess Cash Flow is defined as annual cash available after payment of qualified operating expenses, contributions to lender-required operating reserves, and payment of the Senior Loan's annual debt service. Qualified operating expenses will include a resident services/asset management fee payable to Rose of \$125 / unit / year. In the event that a Senior Lender requires such fee to be paid from the permitted return to owner rather than as an expense, such fee shall be payable from Excess Cash Flow in the order shown below. Excess Cash Flow is to be allocated between the Parties in the following manner:

- a. **Resident Services/Asset Management Fee:** A fee payable to ROSE Community Development for asset management services to the extent such fee is not treated as an "above-the-line" operating expense (included as operating expenses prior to any Senior Loan debt service).
- b. **Reserve Accounts:** 100% to "top up" for any Reserve Accounts including Replacement and Operating Reserves of \$350 per unit increasing at 3% per annum, as determined by the Developer in agreement with PDC and PHB.
- c. **Deferred Developer Fee Repayment.** 50% of Excess Cash Flow to the Developer to repay the Deferred Developer Fee of \$475,000. 50% of Excess

Cash Flow to repay outstanding PDC Perm Loan accrued interest and debt service.

- d. **Cash Flow Split.** After payment of the Developer Deferred Fee and in accordance with HUD requirements, the remaining Excess Cash Flow shall be applied at the higher of 75% or the maximum allowed by HUD to PDC in order to pay for outstanding accrued interest and debt service. The balance shall be applied to the Developer. Upon the Developer's Total Return exceeding \$1,525,000; (Developer Total Return consisting of: i) Developer Fee paid in cash of \$300,000, ii) the Deferred Developer Fee of \$475,000 and iii) the Developer's portion of the Cash Flow Split of up to \$750,000) 12.5% of the balance shall be held in a Capital and Operating Reserve Account which cannot be released without PDC's written approval. The remaining balance of 12.5% shall be applied to the Developer.
- e. **Capital Event Net Proceeds Participation.** A Capital Event shall be either a) the sale of all or part of the Project as improved, or b) any refinancing of the Project. Net Proceeds shall be those funds remaining after 1) full satisfaction of the repayment obligations associated with any Senior Loan, PDC Perm Loan and PHB Loan including all interest accruals, and 2) the payment to Developer of an amount equal to Developer's Equity. Upon any Capital Event, the Developer shall pay 90% of all Net Proceeds to PDC and PHB. The foregoing notwithstanding and provided that there are no cash-out distributions to the Developer, any refinancing of the Project during or after the 15th year of operation shall not be a Capital Event for the purposes of this subsection e if, the proceeds of such refinancing are used to recapitalize the Project, make capital repairs and improvements, and/or further fund reserves. Nor shall a Capital Event include any sale or transfer of the Project to any agency of the City it being understood that the acquisition of the Project by the City will adequately preserve the City's interest in the Project.

EXHIBITS

A. Sources and Uses

EXHIBIT "A"

SOURCES AND USES

Sources:

Senior Loan (HUD 221d 4)	\$ 7,075,000
Portland Development Commission (PDC) Perm Loan	\$ 6,658,994
Portland Development Commission (PDC) ST Loan	\$ 283,000
Portland Housing Bureau (PHB) Funding	\$ 2,075,000
Metro TOD Grant	\$ 400,000
Baby Booster MMT Grant	\$ 0
SDC Waiver	\$ 167,440
Deferred Developer Fee	\$ 475,000
Developer Equity	<u>\$ 250,000</u>
Total	\$ 17,384,434

Uses:

Land	\$910,000
Construction Costs (incl. contingencies)	\$12,196,869
Soft Costs	\$2,907,315
Operating Reserves	\$495,250
Development Contingency	\$100,000
Developer Fee (about 5%)	<u>\$775,000</u>
Total	\$17,384,434

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7153

EXHIBIT C

APPROVING THE TERMS OF A PREDEVELOPMENT LOAN, A DEVELOPMENT AND DISPOSITION AGREEMENT, AND A COMMERCIAL PROPERTY REDEVELOPMENT LOAN TO ROSE COMMUNITY DEVELOPMENT CORPORATION FOR REDEVELOPMENT OF A CERTAIN PROPERTY IN THE LENTS TOWN CENTER URBAN RENEWAL AREA

Exhibit C includes this cover page and contains four pages:

- Proposed Terms and Conditions of PDC Commercial Property Redevelopment Loan

Proposed Terms and Conditions of PDC Commercial Property Redevelopment Loan

Borrowing Entity:	Special Purpose Entity established by ROSE Community Development Corporation and its partner(s) per DDA														
Loan Program:	Commercial Property Redevelopment Loan – Construction/Permanent														
Loan Amount:	<p>\$6,941,994 consisting of:</p> <ul style="list-style-type: none"> - Construction/Permanent Loan (“Perm Loan”) of \$6,658,994 - Short Term Loan (“ST Loan”) of \$283,000 to fund a two-year working capital reserve account. ST Loan to mitigate initial market risk for the Senior Lender and Developer. In the event the working capital reserve account is drawn, the amount drawn will be repaid according to the terms of the Perm Loan. At the end of the two year period, all funds permitted by Senior Lender to be released from the working capital reserve account will repay the ST Loan. 														
Uses of Funds:	New construction														
Loan Fee:	1% of the loan amount (\$69,420), financed														
Interest Rate:	3.25% annual fixed rate														
Term:	40 year term, 40 year amortization														
Repayment:	Principal and interest payments for 40 years with the balance due at the end of year 40. All payments are cash flow dependent; interest accrues and is paid down first (no interest on accruals) and unpaid principal is deferred.														
Collateral:	2 nd lien position on the property														
Guarantors:	None														
Total Development Sources and Uses:	<p><u>Sources:</u></p> <table> <tr> <td>Senior Loan</td> <td align="right">\$ 7,075,000</td> </tr> <tr> <td>PDC Loan</td> <td align="right">\$ 6,941,994</td> </tr> <tr> <td>Portland Housing Bureau (PHB) Funding</td> <td align="right">\$ 2,075,000</td> </tr> <tr> <td>Metro Grant & SDC Waiver</td> <td align="right">\$ 567,440</td> </tr> <tr> <td>Developer Equity</td> <td align="right">\$ 250,000</td> </tr> <tr> <td>Deferred Developer Fee</td> <td align="right"><u>\$ 475,000</u></td> </tr> <tr> <td>Total</td> <td align="right">\$ 17,384,434</td> </tr> </table>	Senior Loan	\$ 7,075,000	PDC Loan	\$ 6,941,994	Portland Housing Bureau (PHB) Funding	\$ 2,075,000	Metro Grant & SDC Waiver	\$ 567,440	Developer Equity	\$ 250,000	Deferred Developer Fee	<u>\$ 475,000</u>	Total	\$ 17,384,434
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	<p><u>Uses:</u></p> <table border="0"> <tr> <td>Land</td> <td style="text-align: right;">\$ 910,000</td> </tr> <tr> <td>Construction Costs (incl. contingencies)</td> <td style="text-align: right;">\$ 12,196,869</td> </tr> <tr> <td>Soft Costs</td> <td style="text-align: right;">\$ 2,907,315</td> </tr> <tr> <td>Development Contingency</td> <td style="text-align: right;">\$ 100,000</td> </tr> <tr> <td>Operating Reserves</td> <td style="text-align: right;">\$ 495,250</td> </tr> <tr> <td>Developer Fee (approx. 5%)</td> <td style="text-align: right;"><u>\$ 775,000</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ 17,384,434</td> </tr> </table>	Land	\$ 910,000	Construction Costs (incl. contingencies)	\$ 12,196,869	Soft Costs	\$ 2,907,315	Development Contingency	\$ 100,000	Operating Reserves	\$ 495,250	Developer Fee (approx. 5%)	<u>\$ 775,000</u>	Total	\$ 17,384,434
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Total	\$ 17,384,434														
<p>Program Guideline Exceptions:</p>	<ul style="list-style-type: none"> • Loan amount exceeds program maximum of \$2,000,000 • Interest rate is not based on Prime + 3% • Fee to be financed instead of paid at closing • Loan term exceeds 10 years, amortization exceeds 25 years • Loan payments are cash flow dependent • Program is not intended to be used for development of solely residential projects • Borrower's equity contribution is less than 10% • Personal/ corporate guarantees not required from the principals/ entities • Combined Loan to Value exceeds 100%; • Debt service coverage ratio does not meet minimum 1:1.15 														
<p>Other Conditions:</p>															
<p>Capital Sources Precedent to Closing</p>	<ul style="list-style-type: none"> • Senior Loan (HUD 221d 4 Guaranteed Debt) of not less than \$7,075,000 on terms and conditions acceptable to PDC and PHB; such loan secured by a first lien on the property • Other Funding secured, including Metro TOD Grant and PHB loan, in an amount and terms acceptable to PDC • Project-based rental assistance vouchers (Section 8) secured for 15 of 17 units restricted at 30% Median Family Income (MFI) • MULTE tax exemption secured for a minimum of 10 years applicable to all units up to and including 100% MFI units. • Home Forward tax exemption secured for units that are restricted at or below 80% MFI after 10 years 														

Equity Goals	Pursuant to PDC's adopted Equity Policy & Procedures, Borrower will comply with PDC's requirements for participation of minority-owned, women-owned and emerging small businesses and will make good faith efforts to utilize apprentices and women, minorities, and disadvantaged individuals in the construction workforce for the project, as provided by the Business Equity Program Requirements.
Green Building	Pursuant to PDC's adopted Green Building Policy, the project will register and certify for the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) at the Gold level.
Prevailing Wage	The project will be considered a "public work" subject to Oregon's Prevailing Wage Law (ORS 279C.800 to 279C.870 and the administrative rules adopted thereunder.)
Other	Borrower will provide additional information, execute and deliver additional agreements and documents, and comply with additional terms and conditions, in connection with the loans, as PDC may reasonably require.

RESOLUTION NO. 7153

RESOLUTION TITLE:

APPROVING THE TERMS OF A PREDEVELOPMENT LOAN, A DEVELOPMENT AND DISPOSITION AGREEMENT, AND A COMMERCIAL PROPERTY REDEVELOPMENT LOAN TO ROSE COMMUNITY DEVELOPMENT CORPORATION FOR REDEVELOPMENT OF A CERTAIN PROPERTY IN THE LENTS TOWN CENTER URBAN RENEWAL AREA

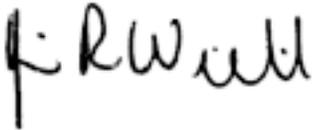
Adopted by the Portland Development Commission on November 18, 2015

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 checked="" type="checkbox"/>	Commissioner Mark Edlen	<input checked="" 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 type="checkbox"/> Consent Agenda		<input checked="" 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>November 20, 2015</p>
<p>Gina Wiedrick, Recording Secretary</p>	