

Jaime Alvarez, Chair & Designee
Office of the State Treasurer

Rhonda L. Nelson, Designee
Oregon Department of Administrative Services

Theresa K. Deibele, Public Member



**PRIVATE ACTIVITY
BOND COMMITTEE**
867 Hawthorne Ave SE
Salem, OR 97301-5241
(503) 378-4930
Fax (503) 378-2870
DMD@ost.state.or.us

October 8, 2025

TO: Members of the Private Activity Bond Committee

FROM: Jaime Alvarez, Chair
Office of the State Treasurer, Director of Debt Management Division

SUBJECT: Meeting on Wednesday, October 15, 2025

The Private Activity Bond Committee will meet on Wednesday, October 15, 2025, to discuss the 2025 committee Volume Cap Allocation requests and other agenda topics.

This meeting will be conducted from 1:00 pm – 3:00 pm (estimated end time) via a hybrid system; Microsoft Teams will be used for the virtual meeting side, while the Jim Hill Conference room located at the Oregon State Treasury building will house anyone that would like to physically attend the meeting; see enclosed Public Meeting Notice and Agenda for participation details.

An e-copy of the meeting packet is provided on the [PAB webpage](#). Due to remote working locations of staff, a hard copy is not distributed; please print if hard copy is preferred.

Please contact us at 503-378-4930 if you have any questions.

TAB 1 –

PUBLIC MEETING NOTICE & AGENDA

October 15, 2025

Jaime Alvarez, Chair & Designee
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**PRIVATE ACTIVITY
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Salem, OR 97301-5241
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DMD@ost.state.or.us

PUBLIC MEETING NOTICE AND AGENDA

THE PRIVATE ACTIVITY BOND COMMITTEE WILL HOLD A REGULARLY SCHEDULED

HYBRID VIRTUAL MEETING ON

Wednesday, October 15, 2025

1:00pm – 3:00pm¹

AUDIO AND VIDEO PARTICIPATION: [Click here to join the meeting](#)

AUDIO PARTICIPATION ONLY:	Dial-In Access	971-279-6217
	Dial-In Toll Free	833-213-7399
	Conference ID #	839 294 584#
IN-PERSON PARTICIPATION:	867 HAWTHORNE AVE SE – SALEM	

AGENDA¹

- | | | | |
|----|---|---------|---------|
| 1. | Call to Order & Roll Call | 1:00 PM | 1:05 PM |
| 2. | Private Activity Bond Status <ul style="list-style-type: none">2024 Carryforward Summary2025 Volume Cap2025 Current Allocations | 1:05 PM | 1:15 PM |
| 3. | <u>2025 Volume Cap Request</u>
Oregon Housing and Community Services <ul style="list-style-type: none">\$54,408,230, <i>various projects</i>Public Comment ²Vote | 1:15 PM | 2:00 PM |
| 4. | Adjournment | | |

¹ Estimated times

² Public comment, each person will be restricted to 2 minutes

TAB 2 – PAB STATUS

2024 CARRYFORWARD SUMMARY UPDATE

2025 VOLUME CAP STATUS AND

2025 VOLUME CAP ALLOCATIONS

Private Activity Bond Carryforward Allocation History

ALLOCATION YEAR	ALLOCATED TO/USED BY:	AMOUNT ALLOCATED	USED	Date Closed or Issued	Issuer Remaining / Expiring
2024 expires: 12/31/2027	Oregon Housing and Community Services Department IRC 142(a)(7) and 142(d)	\$134,971,230.00			
	Housing Development Revenue Bond (Peaceful Villa) 2025 Series C-1,C-2, C-3		\$53,950,000.00	2/20/2025	
	Housing Development Revenue Bond (Orchard Apartments) 2025 Series B-1, B-2		\$45,300,000.00	3/11/2025	
	Housing Development Revenue Bond (Mariposa Village) 2025 Series E		\$35,721,230.00	4/17/2025	
	Subtotal - OHCS D		\$134,971,230.00		
			*Verified figures with OHCS D on 10/1/25		\$0.00
	Total		\$134,971,230.00		

				Allocation			Date	Date	Date
	Legislatively Allocated	Amount Requested To Date	Amount Approved To Date	Used To Date	Remaining	Returned To Committed	Allocated	Used	Expires/ Returned
PAB Committee - Allocation x HB 5005 (2023-25 Legislature)	\$58,538,600								
Additional Allocation based on 07-01-2024 U.S. Census Data/2025 IR:	\$45,869,630								
TOTAL PAB Committee Allocation for 2025:	<u>\$104,408,230</u>								
Oregon Housing & Community Services									
Qualified mortgage project (IRC 143(a))		\$ 50,000,000.00	\$ 50,000,000.00	\$ 49,997,997.60	\$ 2,002.40		4/17/25	06/24/25	
Various projects		\$ 54,408,230.00							
TOTALS		\$ 104,408,230.00	\$ 50,000,000.00	\$ 49,997,997.60	\$ 2,002.40	\$ -			

Total Amount Volume Cap Requested for Today's Meeting: \$ 54,408,230.00

Private Activity Bond Committee
2025 Current Allocations
As of 10/8/2025

State Agencies	Legislative Cap Allocations ¹	PAB Current Requests	PAB Committee Approved Allocations	Allocations
Oregon Housing & Community Services Department	450,000,000.00			450,000,000.00
Oregon Business Development Department-- <i>Beginning & Expanding Farmer</i>	1,000,000.00			1,000,000.00
State Agency Subtotals	451,000,000.00			451,000,000.00

Total PAB Committee Allocation² **104,408,230.00 (or \$26,102,057.50/quarter)³**

Local Government	
Oregon Housing & Community Services Department	50,000,000.00
Oregon Housing & Community Services Department	54,408,230.00
Local Government Subtotals	\$54,408,230.00 \$ 50,000,000.00

Oregon PAB Volume Cap Totals⁴	\$ 555,408,230.00	\$54,408,230.00	\$ 50,000,000.00
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2025 Committee PAB Current Allocation Summary	
Committee Available Allocation Cap:	\$104,408,230.00
Current Approved: -	-\$50,000,000.00
Current Requests: -	-\$54,408,230.00
Expired/Returned to Committee ⁵ : +	\$0.00
Potential Remaining Allocation:	\$0.00

¹ House Bill 5005 (2023 Legislative Session for 2023-2025 biennium)

² PAB Legislative Allocation for 2025 + Additional Allocation Based on Census Data & IRS Cap per Capita

³ The Committee agrees to allocate its annual current volume cap in equal amounts throughout the year with any unallocated quarterly portions added to the next quarter.

U.S.Census-Oregon x IRS Cap per Capita :OR Total Volume Cap

⁴ Calculated by multiplying U.S. Census FY25 Population by 2025 IRS Cap per Capita: 4,272,371 \$130.00 \$555,408,230

⁵ Balance of expired/returned 2024 Committee Current Allocations

Any excess resulting from an increase in population and/or dollar cap subsequent to adoption of the bond bill is allocated to the PAB committee for allocation.

TAB 3 -

2025 VOLUME CAP REQUEST

Oregon Housing and Community Services

Residential rental projects

Qualifying IRS 142(a)(7) & 142(d)

\$54,408,230

Project Presentation

Jaime Alvarez, Chair & Designee
Oregon State Treasury

Rhonda L. Nelson, Designee
Department of Administrative Services

Theresa K. Deibele, Public Member



PRIVATE ACTIVITY BOND COMMITTEE

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PRIVATE ACTIVITY BOND ALLOCATION REQUEST

ALLOCATION REQUEST TYPE

Current Year Allocation Request
Carry Forward Allocation Request

DATE:

ISSUER DETAILS

Issuer:

Address:

City, State, Zip:

Contact Name:

Contact Phone:

Contact Email:

PROJECT INFORMATION

Title of Project:

Project Amount:

Bond Amount:

Request Amount:

Sale Date:

Closing Date:

IRC Section & Paragraph Applicable to Qualifying Private Activity Bond Project *(if selecting 'Other', specify below)*:

Please describe the project:

Expected Number of Family Wage Jobs Created/Saved:

Describe how the project meets statutory standards:

HOUSING PROJECT INFORMATION, if applicable

Expected Number of Resulting Housing Units:

Describe how the affordability status of housing units was determined:

If project qualifies for 4% low income housing tax credit (LIHTC), submit a [Low Income Housing Tax Credit Uses & Sources](#) (see sample).

Has either a pre-application package or a final application package been submitted to [Oregon Housing & Community Services for 4% LIHTC](#)?

PRINCIPAL USER OF ISSUE PROCEEDS, if different from Issuer

Company:

Address:

City, State, Zip:

Contact Name:

Contact Phone:

Contact Email:

BOND COUNSEL

Firm Name:

Address:

City, State, Zip:

Contact Name:

Contact Phone:

Contact Email:

*Requests must be received by Oregon State Treasury – Debt Management Division (contact details on page 1) **at least 2 weeks prior to a scheduled Private Activity Bond Committee meeting** and must **include a non-refundable \$200 application fee** payable to the Office of the State Treasurer with “PAB” in the memo field. Payments by wire are preferred; wire instructions can be provided by fax or phone.*



**OREGON HOUSING *and*
COMMUNITY SERVICES**

725 SUMMER STREET NE, SUITE B | SALEM, OR 97301
503-986-2000 | www.oregon.gov/OHCS

TO: Private Activity Bond Committee

FROM: Andrea Bell, Executive Director
Caleb Yant, Deputy Director
Keeble Giscombe, Director of Homeownership
Natasha Detweiler-Daby, Director of Affordable Rental Housing
Matthew Harris, Chief Financial Officer

DATE: October 1, 2025

SUBJECT: 2025 PAB Current Year Allocation Request

Chair Alvarez and members of the Private Activity Committee,

The following memo is provided to supplement Oregon Housing and Community Service's application for requesting the remaining unused Private Activity Bond Allocation of \$54,408,230.00. The request for the volume cap will provide continue support for OHCS's multifamily 2025 pipeline and be used to help close part or all of the following projects:

- Seaside-Pacific Apartments - a request for \$20,000,000 in PAB to be used to finance a 60-unit multifamily housing development located in Seaside.
- Valley Vista Apartments - a request for \$24,000,000 in PAB to be used to finance a 96-unit multifamily housing development located in McMinnville.
- Verde Pines – a request for \$28,500,000 in PAB to be used to finance a 128-unit multifamily housing development located in Bend.
- Whiteaker Commons – a request for \$21,000,000 to be used to finance a 120 -unit multifamily housing development located in Eugene.

OHCS allocated all of its 2024 Carryforward and a majority of its 2025 legislative allocation towards its multifamily pipeline through the Oregon Centralized Application (ORCA) funding process and a small portion for OHCS Single-Family Bond Sale in late fall. The request we bring today factors in all agreed upon needs for OHCS Multifamily pipeline and set aside for OHCS single-family deal where we have set aside \$40 million in Private Activity Bonds for our bond sale scheduled to price in mid-October and close in late November.



Use of Resources

Over the past two years OHCS has used its legislatively allocated amount of current year PAB allocation, along with all Carry Forward and Current Year allocation made available to fund Multifamily Housing Development Revenue Bond Program (Conduit Revenue Bonds) and the Single-Family Mortgage Revenue Bond program (First Home). OHCS has acted intentionally to ensure funds have been available to projects across the state to finance affordable rental housing developments that are paired with the federal 4% Low Income Housing Tax Credit (LIHTC). To generate LIHTCs, 50% of the project costs are required to be financed with tax-exempt bonds. In 2024, 22 projects with 2,262 units of affordable rental housing were financed using PAB and 4% LIHTC resources. Year to date, OHCS has funded 5 projects utilizing Private Activity Bonds to create 638 units of affordable housing, and sub-allocated Private Activity Bonds to close 1 project to create 172 units of affordable housing. In addition, we have utilized recycled Private Activity Bond cap to close one project, generating 160 new units.

Affordable Rental Housing ORCA Pipeline Update 2025-2026

2025: The pipeline of 4% LIHTC and PAB projects on the calendar to close in 2025 and 2026 is extensive. There are 13 projects on the closing calendar for 2025 which will account for 1,530 units. In addition to the PAB and 4% LIHTC equity for these projects, additional sources include Local Innovative and Fast Tract funds (LIFT), Permanent Supportive Housing funds (PSH), Preservation funding and General Housing Account Program (GHAP), Oregon Affordable Housing Tax Credits (OAHTC), and Ag Worker Housing Tax Credits (AWHTC). OHCS is also working to close our first project utilizing 501(c)(3) bonds that will bring 44 new units to Sisters. The 501(c)(3) bonds issued by the Department under its Pass-Through (Conduit) Revenue Bond Program allow the bonds to be issued on a tax-exempt basis based on the non-profit status of the project owner without an award of private activity bond (PAB) volume cap. Lastly, OHCS is scheduled to issue one supplemental conduit issuance in order for the project to meet the 50% test.

2026: The 2026 pipeline is developing and projects are still working through the application process to receive a closing date. There are currently 9 projects on the calendar for 2026 closings which will generate 939 units. Four percent LIHTC Private Activity Bonds (PAB) are available for applications in both 2025 and 2026; projects eligible for the funds may submit applications for evaluation. Where projects do not need paired gap funds, the project will be able to proceed based on available PAB only.

Single Family First Home and Next Step Update 2025-2026

With the launch of OHCS's new single-family lending programs, named "First Home" and "Next Step", on November 1st, 2024, the Department has seen its volume of loan applications increase significantly. Through the end of August, the department received 642 loan applications compared to 397 for the whole year of 2024. Because of the



increase in demand in First Home, and the \$50 million dollar PAB investment in our June 23, 2025, Single Family bond sale, 162 Oregonians were able to purchase their first home through our “First Home” program. The department plans to invest an additional \$40M in Current Year volume cap to our fall single family bond sale scheduled to price the week of October 27, 2025 and close November 19, 2025. The investment of \$40M represents first time home buyer loans for about 128 Oregonians (average loan size \$313K). The department also plans to supplement the program through a new taxable issuance in early 2026. Every dollar of new PABs allows not only the issuance of new tax-exempt bonds but also allows the Department to blend overall taxable rates down to offer Oregonians below market mortgage rates that would otherwise be challenging to provide.

Economic Benefits to Oregonians

Oregon Administrative Rule (OAR) Chapter 170 Division 71 states that the purpose of PABs in Oregon is to “maximize the economic benefits of such bonding to the citizens of this State.” In our current work, OHCS programs meet five of six allocation criteria listed in the OAR, including: supporting projects that increase the number of family wage jobs; promoting economic recovery in small cities heavily dependent on a single industry; emphasizing development in underdeveloped rural areas of the State; supporting development in the State’s small businesses, especially women and minority owned businesses; and encouraging use of Oregon’s human and natural resources endeavors, which harness Oregon’s economic comparative advantages.

As the primary tool Oregon uses to address the supply of affordable housing, PABs also provide economic benefits to communities across the state. PABs enable increased production in rural Oregon. The 4% LIHTC program often necessitate large projects in order to ensure they’re financially viable, leading to these programs being used predominantly in urban or suburban communities. That said, the availability of this resource to meet those needs enables OHCS to target other housing development resources to rural communities. In calendar year 2024, of the total PAB projects financed, OHCS closed three projects with over 175 units in rural communities¹, constituting about 14% of total projects. In 2025, of the total number of projects closed to date, 2 with 354 units in rural communities, and those scheduled to close by end of year 2 with 165 units are in rural communities, constituting about 14% of total projects.

In addition, all PAB allocations provided by OHCS require a detailed plan for how the project owner will affirmatively further fair housing principles (e.g., ensuring equitable marketing of the homes) and incorporate MWESB goals and reporting requirements. At a minimum these projects are required to specify how the projects will incorporate culturally responsive services and communication to serve the needs of communities where they are located.

OHCS has also continued to work on strategies to maximize the impact of each PAB dollar received and reduce the agency’s dependency on PAB resources.

¹ Using rural definition provided by the LIFT Competitive Funding Offering



Efforts include:

- Incorporation of federal updates that allow for the generation of a 4% LIHTC where just 25% (vs prior 50%) of the costs are financed with Private Activity Bond authority beginning in 2026. OHCS has incorporated the updated [policy](#) into our work and will continue to ensure only critically needed PAB is used in order to extend the impact as far as possible.
- Continue to expand the use of 501c3 tax-exempt bonds and other lending strategies to create funding strategies outside PAB/4% LIHTC reliance.
- Taxable Mortgage Revenue Bond (MRB) strategies, including the use of “zeroes”, variable rate debt, and interest rate swaps to reduce demand with the Single-Family MRB program for PABs.
- The implementation of “To Be Announced” financed of the Department’s single-family loan programs to again reduce demand on the agency for PABs.

OHCS acknowledges that the PAB Committee faces difficult allocation decisions given the scale of demand for PABs to meet public needs. We also believe that every Oregonian deserves a safe and affordable place to call home, and allocations of PABs for housing are a critical tool in pursuit of that objective. OHCS always stands ready to provide any additional information necessary to inform the Committee’s work with regards to affordable housing for all Oregonians.



Housing PAB Issuance Updates – October 1, 2025

Appendix A

Shared Statewide Pipeline Approach

Scenario 1

Assuming No additional PAB is made available to Affordable Rental Housing Projects

Calendar Year	PAB Begin Balance					Bonds Issued Using PAB - Actual and Projected			PAB Ending Balance		
	Existing Carryforward	Carryforward Allocated by PAB Committee	Total Carryforward Available in Calendar Year	Current Year Allocation	Total Carryforward & Current Year	Multi-Family Affordable Housing Projects	Oregon Bond Loan1st-time Homebuyer Mortgages	Total	Remaining Carryforward	Current Year (reverts to PAB Committee at CYE)	Additional PAB Needed
2022	\$94,071,734	\$294,872,256	\$388,943,990	\$357,287,050	\$746,231,040	\$632,206,859	\$0	\$632,206,859	\$0	\$114,024,181	
2023	\$157,849,180	\$157,849,180	\$157,849,180	\$250,000,000	\$407,849,180	\$284,402,306	\$0	\$284,402,306	\$0	\$123,446,874	
2024	\$0	\$287,155,474	\$287,155,474	\$450,000,000	\$737,155,474	\$574,353,994	\$75,000,000	\$649,353,994	\$0	\$87,801,480	
2025	\$0	\$134,971,230	\$134,971,230	\$500,000,000	\$634,971,230	\$592,270,503	\$89,997,998	\$682,268,501	\$0	(\$47,297,271)	

Scenario 2

Assuming OHCS gets its current year Requests

Calendar Year	PAB Begin Balance					Bonds Issued Using PAB - Actual and Projected			PAB Ending Balance		
	Existing Carryforward	Carryforward Allocated by PAB Committee	Total Carryforward Available in Calendar Year	Current Year Allocation	Total Carryforward & Current Year	Multi-Family Affordable Housing Projects	Oregon Bond Loan1st-time Homebuyer Mortgages	Total	Remaining Carryforward	Current Year (reverts to PAB Committee at CYE)	Additional PAB Needed
2022	\$94,071,734	\$294,872,256	\$388,943,990	\$357,287,050	\$746,231,040	\$632,206,859	\$0	\$632,206,859	\$0	\$114,024,181	
2023	\$157,849,180	\$157,849,180	\$157,849,180	\$250,000,000	\$407,849,180	\$284,402,306	\$0	\$284,402,306	\$0	\$123,446,874	
2024	\$0	\$287,155,474	\$287,155,474	\$450,000,000	\$737,155,474	\$574,353,994	\$75,000,000	\$649,353,994	\$0	\$87,801,480	
2025	\$0	\$134,971,230	\$134,971,230	\$554,408,230	\$689,379,460	\$592,270,503	\$89,997,998	\$682,268,501	\$0	\$7,110,959	



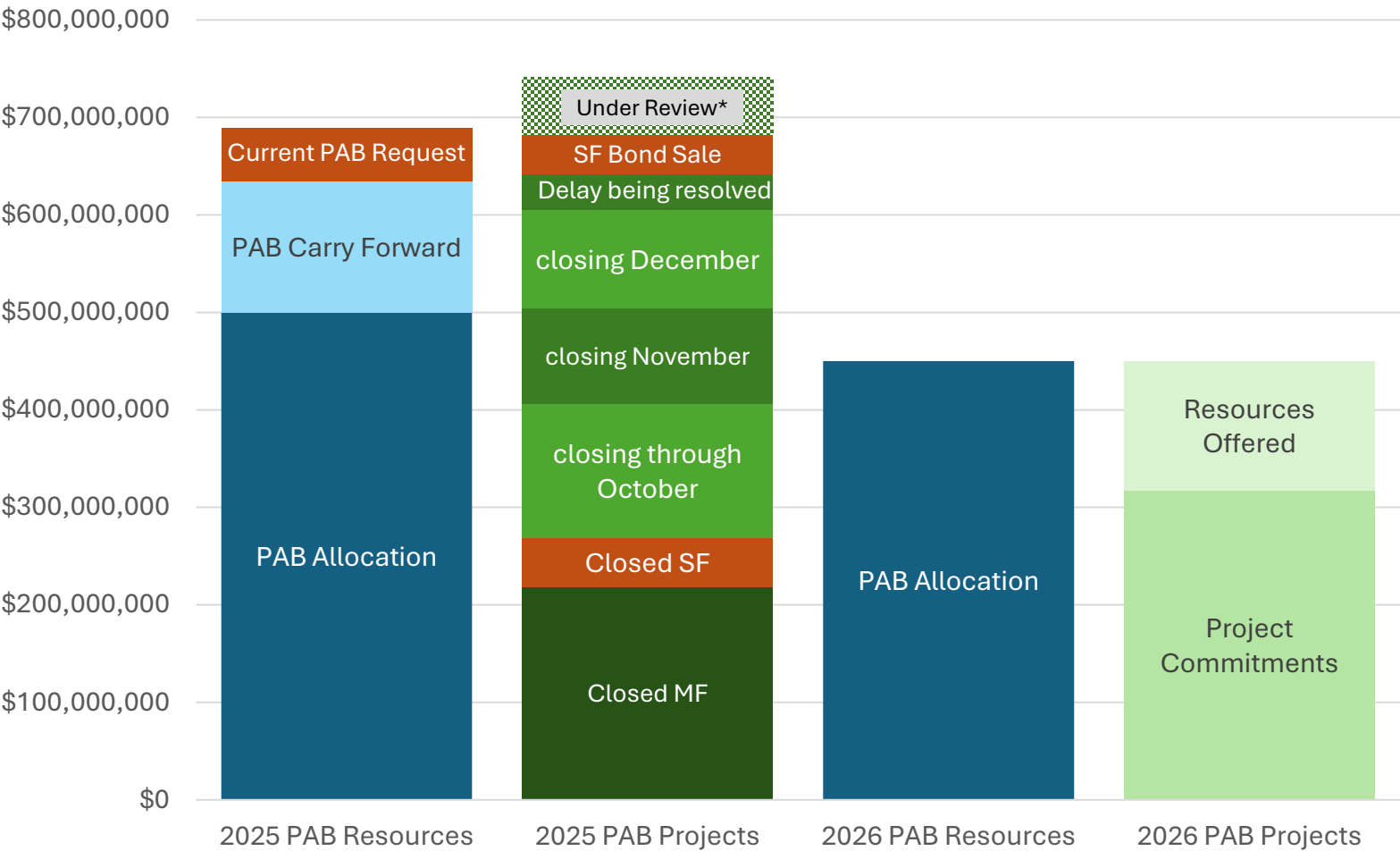


Private Activity Bond Committee

Oregon Housing and Community Services Department

October 15, 2025

Private Activity Bond Plan for 2025/2026



2025 Pipeline

- \$592M PAB active commitments
- \$58.8M PAB under review*
- 22 projects
- 2,694 affordable housing units
- 162 first time homebuyer mortgages

2026 Pipeline

- \$322M PAB committed
- 12 projects
- 1,407 affordable housing units

Majority of new legislative investments have been committed projects. Updates made to the federal requirement for PAB to generate 4% LIHTC which expand potential use where paired subsidy is available.

* Under review indicates the project will not close this calendar year and review is underway to determine whether readiness is demonstrated to retain resource reservation

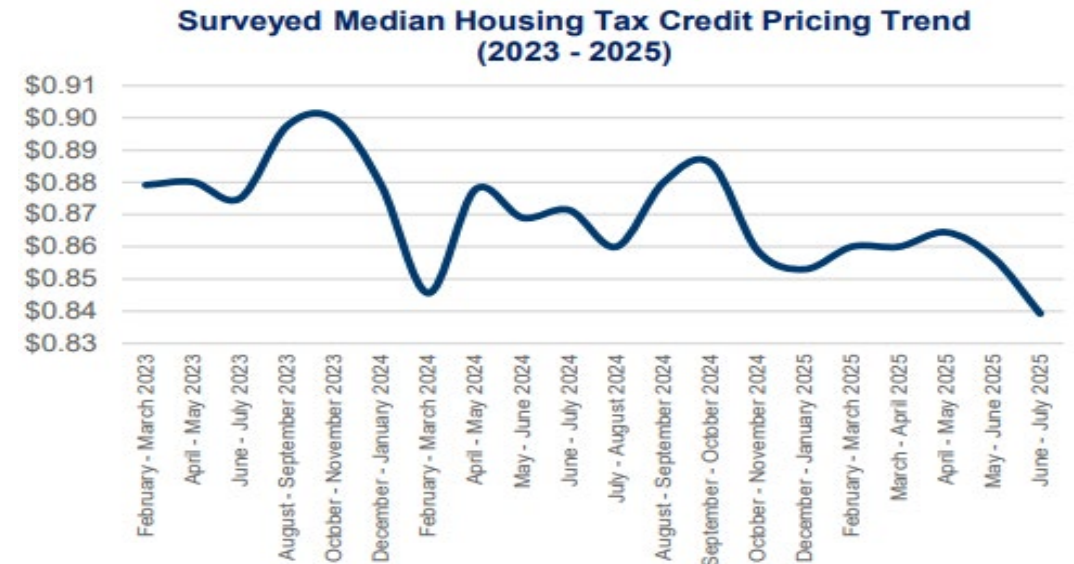
Affordable Rental Housing Outlook

Opportunities

- OHCS updated its policy to lower the 50 percent financed-by test to 25 percent of the aggregate basis for any transaction with a bond issuance on or after January 1 2026, or for transactions with a bond issuance in 2025 if at least 5 percent of aggregate basis is issued in 2026.
- 501c3 tax-exempt bonds to create funding strategies outside PAB/4% LIHTC reliance.
- Adding more tools to the OHCS toolbox – HUD Risk Share, E&D Bonds and FFB financing.

Challenges

- Tax credit pricing continues to decrease nationwide, currently at \$0.84. Pricing in OR trends lower by \$0.03 - \$0.05.



Mortgage Revenue Bond Update

- MRB 2025 AB results
 - \$92.1M total par utilizing the \$50M of PAB Volume Cap awarded on April 17th, 2025 paired with \$20M of taxable bonds and the remainder of recycled cap
 - Combined Bond Yield of 4.84%, 4.73% tax-exempt/5.34% taxable
 - Proceeds originate loans for 162 new first-time homebuyers between July through November

- MRB 2025 CD
 - Bond Sale planned for late October/November, pricing week of October 27, 2025 and closing November 19, 2025
 - Bond structure will be \$40M tax-exempt and \$20M replacement refunding
 - Bond Proceeds will be used to originate loans to an expected 128 new first-time homebuyers (ave. loan size of \$313K) for low-to- moderate income Oregonians with rates below market
 - Plan to due an all-taxable bond sale in early 2026

Open Discussion