



Tribal Council Workshop Information

Title: CIHA Warehouse Financing Options		Date: 03/08/2017
<input checked="" type="checkbox"/> Open Workshop	<input checked="" type="checkbox"/> Continued from previous Workshop – Date: 02/24/2017	
<input type="checkbox"/> Closed Executive Workshop (<i>Only complete Title and Date information</i>)		
Presenter's Name: Mark Gagnon and Anne Cook		
Presenter's Title: Chief Financial Officer and CIHA Executive Director		
Presenter's Department: Finance and CIHA		
<p>Brief Description: The bid received on February 9, 2017 for construction of the CIHA Projects and Maintenance Operations and Storage Facility exceeds funds available. To move forward with the project, CIHA is considering eliminating features, breaking the work into phases, and additional financing. The purpose of this workshop is to discuss potential combinations of bond and loan financing, proposed interest rate structure for the loan, and sources of funds that might be used for the loan.</p> <p>AFTER WORKSHOP FOLLOW-UP:</p> <p>Tribal Council Direction: The Council urged that construction of the new building move forward as planned. It was recommended that work be completed now rather than deferring portions for later completion. CIHA was asked to proceed with full drawdown and repayment of the bond to establish a track record of successful bond financing for the Tribe. The Council wishes to loan CIHA the additional funds needed from the Economic Development Revolving Loan Fund established by CITC Chapter 177, which will be amended to include community development. The interest rate will be based on the rate of return for the Tribe's most conservative investment, adjusted at five-year intervals. Documents necessary to execute the loan will be presented to the Council for approval over the next few months.</p>		
<p>Reference Materials: Sources and Uses of Funds Sources and Uses of Funds Supplement Financing Options</p>		
<p>Action Taken By Tribal Council: <i>If Action or Decision is required by Tribal Council, please request to be placed on the next available Tribal Council Meeting Agenda.</i></p> <p><input type="checkbox"/> Information Only</p> <p><input type="checkbox"/> Decision:</p> <p><input type="checkbox"/> Resolution: No. Title:</p> <p><input type="checkbox"/> Ordinance: CITC Ch. 177 Title: Economic Development Revolving Loan Fund (amendment)</p> <p><input type="checkbox"/> Other:</p>		
Executive Director Comments:		
Executive Director Review: Initials _____		

Coquille Indian Housing Authority
 Projects and Maintenance Operations and Storage Facility
Sources and Uses of Funds
 March 8, 2017

Base Bid

February 2017 Estimate		
Uses of Funds		
Development	279,093	12%
Construction	1,710,500	76%
Oversight	256,575	11%
	<u>2,246,168</u>	
Sources of Funds		
IHBG	397,397	18%
Bond & Loan	1,500,000	67%
Non-Program	336,925	15%
	<u>2,234,322</u>	
Difference	(11,846)	

Adjusted Bid

March 2017 Adjusted for Bid Error and Recommended Savings		
Uses of Funds		
Development	279,093	12%
Construction	1,716,459	76%
Oversight	257,469	11%
	<u>2,253,021</u>	
Sources of Funds		
IHBG	398,157	18%
Bond & Loan	1,500,000	67%
Non-Program	337,953	15%
	<u>2,236,110</u>	
Difference	(16,911)	

March 2017 Adjusted for Bid Error		
Uses of Funds		
Development	279,093	12%
Construction	1,803,845	80%
Oversight	270,577	12%
	<u>2,353,515</u>	
Sources of Funds		
IHBG	409,298	18%
Bond & Loan	1,500,000	67%
Non-Program	353,027	16%
	<u>2,262,326</u>	
Difference	(91,189)	

March 2017 Adjusted for Bid Error, Recommended Savings, and Deferred Costs		
Uses of Funds		
Development	279,093	12%
Construction	1,654,081	73%
Oversight	248,112	11%
	<u>2,181,286</u>	
Sources of Funds		
IHBG	390,203	17%
Bond & Loan	1,500,000	67%
Non-Program	327,193	15%
	<u>2,217,396</u>	
Difference	36,110	

Coquille Indian Housing Authority
Projects and Maintenance Operations and Storage Facility
Financing Options - Estimates for Discussion Purposes Only
March 8, 2017

Summary

Description	Total Cost
Option #1: \$1,002,500 Bond plus \$500,000 Loan	\$2,033,215
Option #2: \$750,000 Bond plus \$750,000 Loan	\$1,956,504
Option #3: \$500,000 Bond plus \$1,000,000 Loan	\$1,883,280
Option #4: \$250,000 Bond plus \$1,250,000 Loan	\$1,810,320
Option #5: \$1,500,000 Loan	\$1,796,779

Coquille Indian Housing Authority
Projects and Maintenance Operations and Storage Facility
Financing Options - Estimates for Discussion Purposes Only
March 8, 2017

Option #1: \$1,002,500 Bond plus \$500,000 Loan

Bond

Amount	\$1,002,500
Rate	3.97%
Term	20 years
Monthly	\$6,059
Annual	\$72,708
Full term	\$1,454,160

Loan

Amount	\$500,000
Rate	1.50%
Term	20 years
Monthly	\$2,413
Annual	\$28,953
Full term	\$579,055

Combined

Monthly	\$8,472
Annual	\$101,661

Total	\$2,033,215
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Coquille Indian Housing Authority
Projects and Maintenance Operations and Storage Facility
Financing Options - Estimates for Discussion Purposes Only
March 8, 2017

Option #2: \$750,000 Bond plus \$750,000 Loan

Bond

Amount	\$750,000
Rate	3.97%
Term	20 years
Monthly	\$4,533
Annual	\$54,396
Full term	\$1,087,922

Loan

Amount	\$750,000
Rate	1.50%
Term	20 years
Monthly	\$3,619
Annual	\$43,429
Full term	\$868,582

Combined

Monthly	\$8,152
Annual	\$97,825

Total	\$1,956,504
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Coquille Indian Housing Authority
Projects and Maintenance Operations and Storage Facility
Financing Options - Estimates for Discussion Purposes Only
March 8, 2017

Option #3: \$500,000 Bond plus \$1,000,000 Loan

Bond

Amount	\$500,000
Rate	3.97%
Term	20 years
Monthly	\$3,022
Annual	\$36,264
Full term	\$725,280

Loan

Amount	\$1,000,000
Rate	1.50%
Term	20 years
Monthly	\$4,825
Annual	\$57,900
Full term	\$1,158,000

Combined

Monthly	\$7,847
Annual	\$94,164

Total	\$1,883,280
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Coquille Indian Housing Authority
Projects and Maintenance Operations and Storage Facility
Financing Options - Estimates for Discussion Purposes Only
March 8, 2017

Option #4: \$250,000 Bond plus \$1,250,000 Loan

Bond

Amount	\$250,000
Rate	3.97%
Term	20 years
Monthly	\$1,511
Annual	\$18,132
Full term	\$362,640

Loan

Amount	\$1,250,000
Rate	1.50%
Term	20 years
Monthly	\$6,032
Annual	\$72,384
Full term	\$1,447,680

Combined

Monthly	\$7,543
Annual	\$90,516

Total	\$1,810,320
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Coquille Indian Housing Authority
Projects and Maintenance Operations and Storage Facility
Financing Options - Estimates for Discussion Purposes Only
March 8, 2017

Option #5: \$1,500,000 Loan

Bond

Current balance	\$57,921
Prepayment fee rate	3.00%
Prepayment fee amount	\$1,738
Total	\$59,659

Loan

Amount	\$1,500,000
Rate	1.50%
Term	20 years
Monthly	\$7,238
Annual	\$86,856
Full term	\$1,737,120

Total **\$1,796,779**