

City of Portland, Oregon
FINANCIAL IMPACT STATEMENT

184714

For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Kim McCarty		2. Telephone No. 3-5312	3. Bureau/Office/Dept. PHB 5/25/11
4a. To be filed (date) 06/29/2011	4b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to FPD Budget Analyst: 6/28/2011

1) Legislation Title:

* Approve an eighteen year tax exemption extension requested by the Hazelwood Group Limited Liability Company for the 96 affordable units and the pro-rated portion of parking in the multiple-unit housing development on 11933 NE Davis St known as the Hazelwood Retirement Community. (Ordinance; amend Ordinance No. 181961 and 181911)

2) Legislation:

Limited tax exemption extensions of transit oriented developments are permitted by state statute and city code for the affordable portions of the project that are also subject to a public assistance contract. The legislation is intended to help preserve affordable housing when the contractually lower rents create an economic need.

3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.

This legislation will not generate current revenue for the city. When the tax exemption expires it is likely that the new assessed value of the property will result in future revenue. Due to zoning requirements, the shopping Center constructed below the retirement community would not have been built if the Hazelwood Retirement Community had not been approved. The shopping center contributes a significant amount of tax revenue.

4) Expense:

What are the costs to the City as a result of this legislation? What is the source of funding for the expense?

There will be some foregone property tax revenue for the 96 affordable units. Approximately \$27,341 per year, the City of Portland portion of the total foregone tax revenue, will be foregone annually to preserve the affordable units.

Staffing Requirements:

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?

No

6) Will positions be created or eliminated in future years as a result of this legislation? No.

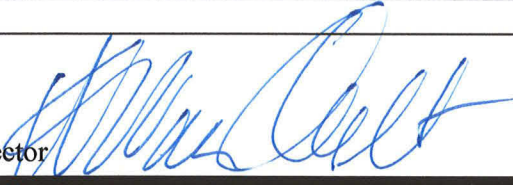
Complete the following section if you are accepting and appropriating a grant via ordinance. This section should only be completed if you are adjusting total appropriations, which currently only applies to grant ordinances.

7) Change in Appropriations (If the accompanying ordinance amends the budget, please reflect the dollar amount to be appropriated by this legislation. If the appropriation includes an interagency agreement with another bureau, please include the partner bureau budget adjustments in the table as well. Include the appropriate cost elements that are to be loaded by the Grants Office and/or Financial Planning. Use additional space if needed.)

There is no appropriation change.

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

Margaret Van Vliet, Director



APPROPRIATION UNIT HEAD (Typed name and signature)