

## IMPACT STATEMENT

**Legislation title:** Authorize agreement with Central Eastside Industrial Council (CEIC) for program management in the Central Eastside Industrial District (Ordinance)

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**Presenter name:** Thomas Lannom

**Purpose of proposed legislation and background information:**

This ordinance authorizes a contract with Central Eastside Industrial Council to provide services for the Central Eastside Industrial District. These services are paid for by the Property Managers of those properties within the District through the Business Property Management License Fee assessed under authority of PCC 6.06 and collected by the Revenue Division (Revenue). This contract spells out the City's service levels in the District, the license fee collection and remittance obligations, and other obligations; in turn, the contract spells out service level expectations for CEIC, as well as budget and reporting obligations back to the City each year. This contract covers the 3 years of the initial authorized ESD period.

**Financial and budgetary impacts:**

As a result of the ESD and this contract, Revenue is responsible for billing and collecting the revenues from the property managers within the District. Revenue may retain 2.0% of the annual license fees billed to partially cover the costs to administer the program, along with certain centrally charged Fund expenses. Revenue will also retain \$50,000 of the first license year fees billed to partially recover Revenue's one-time startup costs for the District plus up to \$10,000 additional for temporarily reassigning staff to the creation of the ESD. The District's license year 2019-20 fee revenue budget is \$1,200,000. These fees will be collected by Revenue and remitted to the District less cost of administration.

**Community impacts and community involvement:**

Providing additional services for this district contributes to the attractiveness and livability of the Central Eastside area for residents, businesses and visitors, as well as the City as a whole. A vital Central Eastside area increases business revenues, which increases city tax revenues that support the General Fund.

**Budgetary Impact Worksheet****Does this action change appropriations?**☒ **YES:** Please complete the information below.☐ **NO:** Skip this section

<b>Fund</b>	<b>Fund Center</b>	<b>Commitment Item</b>	<b>Functional Area</b>	<b>Funded Program</b>	<b>Grant</b>	<b>Sponsored Program</b>	<b>Amount</b>
204003	MFRB000001	422100	LARDRCLTES	N/A	N/A	N/A	1,200,000
204003	MFRB000001	454200	LARDRCLTES	N/A	N/A	N/A	5,000
204003	MFRB000001	549000	LARDRCLTES	N/A	N/A	N/A	1,131,000
204003	MFRB000001	652241	LARDRCLTES	N/A	N/A	N/A	74,000
100000	MFRB000001	642241	LARDRCLTES	N/A	N/A	N/A	74,000