

IMPACT STATEMENT

Legislation title: *Amend contract with FAST Enterprises, LLC, to increase contract amount by \$27,807,054 and extend the contract term by up to 15 months to incorporate Metro's Supportive Housing Services personal and business income taxes into the Revenue Division's Integrated Tax System (Ordinance; amend Contract No. 30006958)

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Purpose of proposed legislation and background information:

Approval of an IGA between the City and Metro for the Bureau of Revenue and Financial Services, Revenue Division to administer Metro's new business and personal income tax programs is pending. The Revenue Division is in the process of implementing a new tax administration system known as Integrated Tax System (ITS). There are additional ITS development costs related to the Revenue Division's administration of the new Metro taxes. The City's contract with FAST Enterprises, LLC, the developer of ITS, needs to be amended to include these additional costs.

Financial and budgetary impacts:

There is no financial impact to the City of Portland. Metro will reimburse the City for the City's actual costs related to the administration of the new tax programs, including ITS costs, in accordance with the negotiated IGA. In other words, FAST's ITS development costs of \$25,307,054 would be a component of the City's total actual costs to administer Metro's tax programs. The additional \$2,500,000 in the increased contract amount is a result of adding 15 months of City maintenance to the contract term. These additional months are needed for the new contract expiration date to match the Metro IGA. The added maintenance amount is already included in budgeted City maintenance costs, and does not represent any increase to that budget. The additional City maintenance cost will not be reimbursed by Metro, as it is directly related only to the original implementation scope of ITS.

Community impacts and community involvement:

This legislation is not expected to have any community impacts and therefore does not warrant any specific community involvement.

100% Renewable Goal:

N/A

Budgetary Impact Worksheet**Does this action change appropriations?**

- ☐ **YES:** Please complete the information below.
☒ **NO:** Skip this section

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