

Portland, Oregon
FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT
For Council Action Items

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

1. Name of Initiator Andrea Matthiessen	2. Telephone No. 823-2379	3. Bureau/Office/Dept. Portland Housing Bureau
4a. To be filed (date): March 21, 2012	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>	5. Date Submitted to Commissioner's office and FPD Budget Analyst: March 7, 2012
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed

1) Legislation Title:

* Approve application under the Transit Oriented Development limited tax exemption program for the Rose Apartments located at 305 NE 99th Avenue (Ordinance)

2) Purpose of the Proposed Legislation:

Limited tax exemptions are permitted under special provisions of the Portland City Code. This item, a Transit Oriented Development, falls under §3.103. The project requires the exemption on the residential improvements in order to make the project financially feasible to build.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- City-wide/Regional Northeast Northwest North
 Central Northeast Southeast Southwest East
 Central City
 Internal City Government Services

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

This legislation will reduce revenue for the duration of the tax exemption, ten years. The limited property tax exemption, if approved by the City, exempts the value of the Project's residential improvements (only) from taxation for a period of up to ten years. The estimated ten year value of exempted tax revenue is approximately \$599,779 dollars assuming three per cent annual appreciation. The net present value using a 6% discount rate is \$435,231. Of that total, approximately 33%, or \$143,626 is attributable to City of Portland foregone revenue.

5) **Expense:** What are the costs to the City related to this legislation? What is the source of funding for the expense? *(Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)*

Foregone revenue for the duration of the tax exemption is detailed above.

6) **Staffing Requirements:**

- Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No.

- Will positions be created or eliminated in future years as a result of this legislation?

No.

(Complete the following section only if an amendment to the budget is proposed.)

7) **Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

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

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

- YES: Please proceed to Question #9.
 NO: Please, explain why below; and proceed to Question #10.

Representatives of various public agencies provide input as part of the approval process set forth for obtaining the tax exemption; Planning and Sustainability, Multnomah County assessor's Office, Portland Bureau of Transportation, and representatives of the involved Portland Public School district provide input as the request progresses through various bodies for approval.

9) If "YES," please answer the following questions:

- a) What impacts are anticipated in the community from this proposed Council item?
- b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?
- c) How did public involvement shape the outcome of this Council item?
- d) Who designed and implemented the public involvement related to this Council item?
- e) Primary contact for more information on this public involvement process (name, title, phone, email):

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Future public involvement as to the tax exemption is not anticipated.

Traci Manning

BUREAU DIRECTOR (Typed name and signature)