

City of Portland, Oregon
FINANCIAL IMPACT STATEMENT
For Council Action Items

184105

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

1. Name of Initiator Andrew Aebi	2. Telephone No. 503-823-5648	3. Bureau/Office/Dept. PBOT/PMD
5a. To be filed (hearing date): September 1, 2010 9:30 am	5b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>	4. Date Submitted to Commissioner's office and FPD Budget Analyst: August 20, 2010

1) Legislation Title:

Create a local improvement district to construct street, sidewalk and stormwater improvements from NE 76th Ave to NE 79th Ave and from 120 feet east of NE 80th Ave to NE 82nd Avenue of Roses in the NE Alberta St Phase I Local Improvement District (Hearing; Ordinance; C-10037)

2) Purpose of the Proposed Legislation:

Creates the local improvement district as a prerequisite to beginning the survey, design or right-of-way acquisition.

Revenue and/or Expense:

Is ALL the Revenue and/or Expense a part of the current year's budget? Yes _____ No X
 SAP COST OBJECT No(s): T00240 then go to Step #5.
 If NO, complete Steps 3 & 4. For modifications to budgets, identify/discuss only the changes to the budget.

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 increase revenue in the estimated amount of \$718,433.39 from the LID. The Bureau of Transportation is absorbing the remaining \$73,016.90 in estimated overhead costs through GTR funding.

4) Expense:

What are the costs to the City as a result of 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.")

This legislation will increase direct costs in the estimated amount of \$718,483.39 and indirect costs in the estimated amount of \$73,016.90 for a total increase in costs of \$791,500.29. The level of confidence is "Low" because survey and engineering are not complete.

Staffing Requirements:

5) 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

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.

Not applicable.

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.) Upon approval, any necessary budget adjustments will be made in the City's Budget Monitoring Process.

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

KK 08-18-10

APPROPRIATION UNIT HEAD SUSAN D. KEIL, Director, Bureau of Transportation



Sam
Adams
Mayor

Susan D.
Keil
Director

August 26, 2010

TO: City Council Members

FROM: Andrew Aebi, Local Improvement District Administrator *AA*

SUBJECT: **September 1, 2010 – 9:30 AM Regular Agenda for NE Alberta Street Phase I
LID: Amend Ordinance**

Ordinance Title (previous):

Create a local improvement district to construct street, sidewalk and stormwater improvements from NE 76th Ave to NE 79th Ave and from 120 feet east of NE 80th Ave to NE 82nd Avenue of Roses in the NE Alberta St Phase I Local Improvement District (Hearing; Ordinance; C-10037)

Ordinance Title (revised):

Create a local improvement district to construct street, sidewalk and stormwater improvements from NE 76th Ave to NE 79th Ave in the NE Alberta St Phase I Local Improvement District (Hearing; Ordinance; C-10037)

Purpose of Substitute:

This amendment removes improvements to NE Alberta Street from 120 feet east of NE 80th Avenue to NE 82nd Avenue of Roses from the scope of this LID project.

Therefore:

Staff Supplemental Report

1. Ordinance title is amended as shown above.
2. Item #4 History of Agenda Item/Background: Final sentence is changed as follows.

From:

“Although the Bureau of Parks and Recreation is not financially participating in this LID, the improvements would provide a paved street connection along the entire length of NE Alberta Street between 76th Avenue and 82nd Avenue, and a pedestrian connection for most of the length, including a connection to new infill sidewalks being built on the west side of NE 82nd Avenue.”

To:

“Although the Bureau of Parks and Recreation is not financially participating in this LID, the improvements would provide a paved street connection along the entire length of NE Alberta Street between 76th Avenue and 82nd Avenue, and a pedestrian connection for most of the length.”

3. Item #11 Financial Impact: Section is changed as follows.

From:

“\$846,306.12 will be budgeted for direct cost of this project by the Bureau of Transportation.”

To:

“\$718,483.39 will be budgeted for direct cost of this project by the Bureau of Transportation.”

From:

“\$846,306.12 in funding is being provided by the LID with \$86,007.07 being provided by the Bureau of Transportation for indirect overhead costs.”

To:

“\$718,483.39 in funding is being provided by the LID with \$73,016.90 being provided by the Bureau of Transportation for indirect overhead costs.”

Ordinance

1. Ordinance title is amended as shown on page 1 of this memorandum.

2. Finding No. 5 is changed as follows:

From:

“The improvements will be constructed on NE Alberta Street from the east right-of-way line of NE 76th Avenue to the west property line of 7945 NE Alberta Street, as well as on NE Alberta Street from 120 feet east of the east right-of-way line of NE 80th Avenue to the west right-of-way line of NE 82nd Avenue of Roses, plus any transition work on abutting street segments, intersections, and/or adjacent property determined to be necessary the City Engineer; the street will be 20’-wide with curb, sidewalk and drainage on one side of the street where property owners on one side of the street petitioned in favor per the record of Resolution No. 36806; and the street will be 28’-wide with curbs, sidewalks and drainage on both sides of the street where property owners on both sides of the street petitioned in favor per the record of Resolution No. 36806.”

To:

“The improvements will be constructed on NE Alberta Street from the east right-of-way line of NE 76th Avenue to the west property line of 7945 NE Alberta Street, plus any transition work on abutting street segments, intersections, and/or adjacent property determined to be necessary the City Engineer; the street will be 20’-wide with curb, sidewalk and drainage on one side of the street where property owners on one side of the street petitioned in favor per the record of Resolution No. 36806; and the street will be 28’-wide with curbs, sidewalks and drainage on both sides of the street where property owners on both sides of the street petitioned in favor per the record of Resolution No. 36806.”

3. Finding No. 9 is changed as follows:

From:

“The Local Improvement District Administrator’s estimated cost of designing, constructing and financing the improvements is \$932,313.19 as shown in Exhibit D, not including utility relocation costs that may be incurred by utilities. The Local Improvement District Administrator’s estimate is based on the Engineer’s Estimate as contained in Exhibit E. The Local Improvement District Administrator’s level of confidence in the cost estimate for this project as of the filing date of this Ordinance is “Low” per Exhibit A of Resolution No. 36430 adopted by Council on July 26, 2006 given that project specifications are preliminary. The estimated amount of the future assessment for the NE Alberta Street Phase I Local Improvement District is \$846,306.12 with the Bureau of Transportation providing funding for overhead costs in the estimated amount of \$86,007.07.”

To:

“The Local Improvement District Administrator’s estimated cost of designing, constructing and financing the improvements is \$791,500.29 as shown in Exhibit D, not including utility relocation costs that may be incurred by utilities. The Local Improvement District Administrator’s estimate is based on the Engineer’s Estimate as contained in Exhibit E. The Local Improvement District Administrator’s level of confidence in the cost estimate for this project as of the filing date of this Ordinance is “Low” per Exhibit A of Resolution No. 36430 adopted by Council on July 26, 2006 given that project specifications are preliminary. The estimated amount of the future assessment for the NE Alberta Street Phase I Local Improvement District is \$718,483.39 with the Bureau of Transportation providing funding for overhead costs in the estimated amount of \$73,016.90.”

4. Finding No. 11 is changed as follows:

From:

“The Local Improvement District Administrator has analyzed the financial feasibility of the NE Alberta Street Phase I Local Improvement District and has made a finding that the collective bonding capacity of benefiting properties is sufficient so as to minimize the City of Portland’s financial risk associated with this project. The collective real market valuation of benefiting properties included in the NE Alberta Street Phase I Local Improvement District is at least \$3,177,170 for a collective estimated assessment to valuation ratio of 3.8 : 1 as shown on Exhibit F.”

To:

“The Local Improvement District Administrator has analyzed the financial feasibility of the NE Alberta Street Phase I Local Improvement District and has made a finding that the collective bonding capacity of benefiting properties is sufficient so as to minimize the City of Portland’s financial risk associated with this project. The collective real market valuation of benefiting properties included in the NE Alberta Street Phase I Local Improvement

District is at least \$1,607,290 for a collective estimated assessment to valuation ratio of 2.2 : 1 as shown on Exhibit F.”

5. Finding No. 13 is changed as follows:

From:

“Each parcel of land within the NE Alberta Street Phase I Local Improvement District will receive special benefit from the project in the amounts set forth in Exhibits A and F.”

To:

“Each parcel of land within the NE Alberta Street Phase I Local Improvement District will receive special benefit from the project in the amounts set forth in Exhibit F.”

6. Directive “c” is changed as follows:

From:

“Properties shall be assessed on an abutting linear footage basis with 81.476222% of the project costs assigned to Assessment Zone A on the north side of NE Alberta Street between 76th and 79th Avenues currently estimated at \$689,538.25; 3.420174% of the project costs assigned to Assessment Zone B on the south side of NE Alberta Street between 76th and 79th Avenues currently estimated at \$28,945.14; and with 15.103605% of the project costs assigned to Assessment Zone C on the south side of NE Alberta Street between 79th and 82nd Avenues currently estimated at \$127,822.73.”

To:

“Properties shall be assessed on an abutting linear footage basis with 95.971356% of the project costs assigned to Assessment Zone A on the north side of NE Alberta Street between 76th and 79th Avenues currently estimated at \$689,538.25; and 4.028644% of the project costs assigned to Assessment Zone B on the south side of NE Alberta Street between 76th and 79th Avenues currently estimated at \$28,945.14”

Exhibit A – Assessment Register

1. No change to exhibit, however the City Auditor is directed to update the estimated LID assessment associated with pending lien record #149577 from \$127,822.73 to zero.

Exhibit B – Typical Section

No change.

Exhibit C - Map

1. The Vista Hospitality LLC property at 4911 NE 82nd Avenue is shaded blue as an exempt property instead of green as an assessable property.

Exhibit D – LID Administrator’s Estimate

Replaced in its entirety with the attached Exhibit D.

Exhibit E – Engineer’s Estimate

Replaced in its entirety with the attached Exhibit E.

Exhibit F – Assessment Worksheet & Remonstrance Evaluation

Replaced in its entirety with the attached Exhibit F.

Exhibit G – Summary of Remonstrances

No change.

Financial Impact Statement

1. Ordinance title is amended as shown on page 1 of this memorandum.
2. Change Section 3 – Revenue:
From:
“This legislation will increase revenue in the estimated amount of \$846,306.12.”
To:
“This legislation will increase revenue in the estimated amount of \$718,433.39 from the LID. The Bureau of Transportation is absorbing the remaining \$73,016.90 in estimated overhead costs through GTR funding.”
3. Change Section 4 – Expense:
From:
“This legislation will increase direct costs in the estimated amount of \$846,306.12. The level of confidence is “Low” because survey and engineering are not complete.”
To:
“This legislation will increase direct costs in the estimated amount of \$718,483.39 and indirect costs in the estimated amount of \$73,016.90 for a total increase in costs of \$791,500.29. The level of confidence is “Low” because survey and engineering are not complete.”