

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

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

1. Name of Initiator Barbara Shaw	2. Telephone No. 823-3339	3. Bureau/Office/Dept. Portland Housing Bureau
4a. To be filed date February 20, 2013	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: February 8, 2013
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:

Authorize Third Amendment to the Agreement for Disposition and Development of the Jefferson West Apartments (Ordinance)

2) Purpose of the Proposed Legislation:

Amend existing Disposition and Development Agreement (DDA) for the sale of City-owned property by making minor modifications to the terms and conditions, increasing sales price, and extending date of sale to February 2014 or earlier.

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)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input checked="" type="checkbox"/> Central City | | | |
| <input type="checkbox"/> 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.

The legislation will increase revenue coming to the City. The agreement currently provides for a sales price of \$1,930,000. Once executed by E&F and PHB, the Amendment will increase the price of the property to \$2,040,000. The sales price will further increase each month at a rate of 3.5% per annum to a maximum of \$2,112,557 in February 2014. This additional increase in purchase price is roughly equivalent to PHB's costs to own and manage the property during this period, and covers costs but provides minimal revenue above anticipated expenses.

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**.)*

The new legislation will not result in a net increase in City expenditures. Because the amendment extends the time for transfer to title, the expense of owning and managing the property will increase. However, the amendment increases the sales price by an amount that will cover these anticipated expenses.

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.

Because the affordable housing requirement of the DDA was satisfied by the construction of the Jeffrey Apartments, the DDA is now essentially a sales agreement transferring the Jefferson West to private parties upon payment of the sales price. This Council item is an Ordinance increasing the sales price to the appraised value, allowing assignment by E&F to a third party, and extending the date of sale.


Public participation including public hearings and a public solicitation was managed by PDC when the DDA was originally executed. The standard City processes related to design review and permitting of new construction projects will allow for some public participation.

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/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.

The approval of this Council item will allow the E&F development team, and its assignees, to move forward on design and planning tasks and take the project through BDS processes for design review and permitting.



Traci Manning, Bureau Director

Date