

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

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

1. Name of Initiator Maija Spencer		2. Telephone No. 503-823-7720	3. Bureau/Office/Dept. Portland Parks & Recreation
4a. To be filed (hearing date): May 22, 2013	4b. Calendar (Check One) Regular Consent 4/5ths <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: May 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:

* Implement the temporary suspension of system development charges for the construction or conversion of structures to accessory dwelling units (Ordinance; amend Ordinance No. 181669)

2) Purpose of the Proposed Legislation:

The proposed ordinance implements Council directives set forth in Resolution No. 36980, dated December 5, 2012. The Council's intent is to eliminate obstacles to the City of achievement of density and affordable housing goals that finds that the cumulative impact of system development charges are disproportional to the improvement values of accessible dwelling units, rendering such housing uneconomical to develop. The extension of the temporary suspension of system development charges will provide an incentive for property owners and developers to advance affordable housing projects during the current economic recession, thus increasing local employment and the available stock of affordable housing.

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 checked="" 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 type="checkbox"/> Central City | | | |

FINANCIAL IMPACT

Revenue and/or Expense:
 Is ALL the Revenue and/or Expense a part of the current year's budget? or 5-yr CIP? No
 SAP COST OBJECT No(s): 9PKCP0010200
 All Revenue and Expense financial questions must be completed regardless of the current year's budget. Documents may be returned where the FIPIS portion has not been sufficiently completed.

3) 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 ordinance will reduce revenue coming into the Parks and Recreation’s system development charge program and will impact service delivery. At least \$2 million dollars in Parks SDC fees were waived during the first 3 years of the ADU waiver. However, because Resolution No. 36766 waived all SDC fees for ADUs, there was also a dramatic increase in ADU permit applications, as many new applicants stepped up to take advantage of the savings in fees. It can be assumed that at least 85% of these permits would not have been submitted had the full SDC fees been in place during this time period, based on prior year ADU applications. It can be assumed that the lost revenue will be similar during the next 3 years of ADU fee suspensions.

5) 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 year, including Operations & Maintenance (O&M) costs, if known, and estimates, if not known. 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.)

Implementation of this ordinance is limited to the time and expense in taking the ordinance to Council, drafting and processing administrative rules, and educating staff on new procedures. This expense can be funded by the Parks SDC administration and compliance budget.

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

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

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.

Public involvement was done as part of passage of Resolution No. 36980.

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.

No.



APPROPRIATION UNIT HEAD (Typed name and signature)

080881

186036



PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

ORDINANCE COVER SHEET

Title of Ordinance/Report:

* Implement the temporary suspension of system development charges for the construction or conversion of structures to accessory dwelling units (Ordinance; amend Ordinance No. 181669)

Today's Date: May 3, 2013

Expected Date to Council: May 22, 2013

Preparer's Name: Maija Spencer

Manager's Name: Riley Whitcomb

Manager's signature: _____

If this is an Agreement, a Contract, or a Contract amendment, has it been "Approved as to Form" by the City Attorney? N/A

Will this be on **Regular** or **Consent** agenda? Consent

1. **Background**

On December 5, 2012, Council adopted Resolution No. 36980 to extend the current suspension of systems development charges for Parks and Recreation, Environmental Services, Transportation, and Water for the construction of accessory dwelling units or the conversion of structures to accessory dwelling units until July 31, 2016.

Resolution No. 36980 directed Portland Parks & Recreation to return to City Council with the changes necessary to implement this resolution by April 10, 2013.

2. **Financial Impact** – See Budget Impact Statement.

3. **Controversial and/or legal issues**
None.

4. **Link to current City policies**
Ordinance No. 181669 and City Code 17.13

5. **Citizen participation**

None. Testimony was given at passage of Resolution No. 36980.

6. **Other government participation**

If the ordinance is being placed on the **Regular** agenda, please also provide the following: N/A

A. Provide three talking points that our Commissioner can use to introduce this item

-
-
-

B. Will you, as the preparer of this item, be at Council when this is heard?
If not, who will be there in your place?

C. Will you, as the preparer of this item, make a presentation to Council along with your manager?

If yes, please describe (PowerPoint, guest presenters, etc.) and how much time will be needed for the presentation.

D. Will members of the community be invited?

E. Will members of the community be part of the presentation?

Anything else you think is important to add?