

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

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Dory Van Bockel		2. Telephone No. 503-823-4469		3. Bureau/Office/Dept. Portland Housing Bureau/Neighborhood Housing	
4a. To be filed (hearing date): January 29, 2014		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 CBO Budget Analyst: January 15, 2014	
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 amended application under the Multiple-Unit Limited Tax Exemption Program for The Rose Apartments located at 9700 and 9850 NE Everett Court (Ordinance)

2) Purpose of the Proposed Legislation:

This Ordinance provides City Council approval of a request to amend an approved application for a ten year property tax exemption under the Multiple Unit Limited Tax Exemption (MULTE) Program for The Rose Apartments located at 9700 and 9850 NE Everett Court.

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 checked="" type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |

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 Ordinance is approving an amendment to a previously approved tax exemption application which estimated the amount of foregone revenue to be \$435,231 over the ten year exemption.

Based on the current project, the estimated ten-year value of exempted tax revenue is \$849,689 in today's dollars assuming a 4.0 percent discount rate (selected in consultation with the City's Debt Manager), and a three percent annual assessment increase.

These dollar amounts include taxes foregone by the City of Portland, Multnomah County and other entities which receive property taxes within Multnomah County.

With the originally approved application, the applicant paid a \$5000 application fee to the City to help cover costs of administering the program and monitoring during the exemption period.

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**.)

There are no costs to the City other than the foregone revenue.

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.

MULTE City Code 3.103 and the approved Administrative Rules for the program require that applicants have made contact with the potentially impacted community and relevant neighborhood associations surrounding the proposed project.

The amended application for The Rose Apartments was reviewed by the PHB Investment Committee (IC). The role of the review committee is to approve the staff recommendation that the application meets the basic program threshold criteria and public benefits requirements. Additionally The Rose Apartments was presented at a public hearing before the Bureau of Planning and Sustainability's Planning and Sustainability Commission prior to its original approval in 2012, where public testimony was invited, including that of area school districts.

Prior to the applicant applying formally, PHB held a pre-application meeting including representatives from Multnomah County and other City Bureaus.

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

a) What impacts are anticipated in the community from this proposed Council item?

This action will amend a previously approved tax exemption application to reduce the number of affordable units from 90 to 36 within the Gateway Urban Renewal Area, and within close proximity of multiple mass transit lines.

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?

See above in #8.

c) How did public involvement shape the outcome of this Council item?

Input received through the public involvement process for the application included in this Ordinance validated the importance of creating 36 affordable housing units in The Rose Apartments.

d) Who designed and implemented the public involvement related to this Council item?

Public involvement was designed and implemented by PHB with support and input from Bureau of Planning staff as part of development of the MULTE Program.

e) Primary contact for more information on this public involvement process (name, title, phone, email):

Dory Van Bockel, Housing Program Coordinator, Portland Housing Bureau, 503-823-4469

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

No. The project approved by the Council action is directly responsive to the priorities established through the public involvement process to date. No further action is needed.



Traci Manning, Director

Date