

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): May 14, 2014	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 CBO Budget Analyst: April 30, 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 application under the Multiple-Unit Limited Tax Exemption Program for Sky3 located at SW Jefferson St between SW 11th Ave and 12th Ave (Ordinance)

2) Purpose of the Proposed Legislation:

This Ordinance provides City Council approval of a request for a ten year property tax exemption under the Multiple Unit Limited Tax Exemption (MULTE) Program for Sky3 located at SW Jefferson St between SW 11th Ave and 12th Ave.

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 checked="" type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input checked="" 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 will reduce future revenue coming to the City in the form of foregone property tax dollars. The estimated ten-year value of exempted tax revenue is approximately \$6,035,841 in today's dollars assuming a 5.0 percent discount rate (selected in consultation with the City's Debt Manager), and a three percent annual assessment increase.

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 associated with approving this Ordinance 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.

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

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

This action will create 39 affordable housing units in downtown Portland within the Education Urban Renewal Area along the Portland Streetcar line.

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?

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 application for Sky3 was reviewed by the PHB Investment Committee with expanded representation from the Portland Bureau of Planning and Sustainability's Planning and Sustainability Commission and the Multnomah County Tax Assessor's Office. The role of the review committee is to approve the staff recommendation that the application meets the basic program threshold criteria and adequately addresses the required competitive elements of affordability, equity, access to amenities, and accessibility outlined in City Code Chapter 3.103.

Additionally the PHB Portland Housing Advisory Committee is convening a public hearing on the proposed approval for the Sky3 MULTE on May 6, 2014 where public testimony is invited.

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 39 affordable housing units.

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

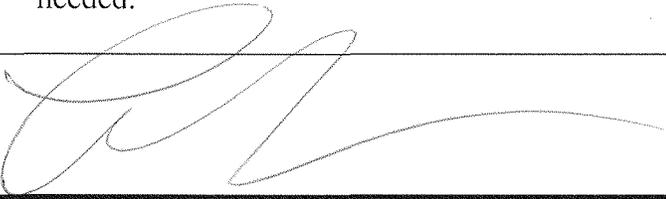
Public involvement was designed and implemented by PHB with support and input from Bureau of Planning staff as part of development of the MULTE Program.

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