

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): October 1, 2014	4b. Calendar (Check One) Regular Consent 4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	5. Date Submitted to Commissioner's office and CBO Budget Analyst: September 17, 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:

* Amend approved application under the Multiple-Unit Limited Tax Exemption Program for The Abigail Apartments located at 1650 NW 13th Ave (Ordinance; amend Ordinance No. 186290)

2) Purpose of the Proposed Legislation:

This Ordinance provides City Council approval to amend the previous approval of a request for a ten year property tax exemption under the Multiple Unit Limited Tax Exemption (MULTE) Program for The Abigail Apartments located at 1650 NW 13th 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 checked="" 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**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 not significantly reduce future revenue coming to the City in the form of foregone property tax dollars; it is approving an amendment to a previously approved tax exemption application. As previously approved by Council the ten-year value of exempted tax revenue was estimated to be approximately \$580,403 in today's dollars assuming a five percent discount rate (selected in consultation with the City's Debt Manager), and a three percent annual assessment increase. After reviewing the changes to the project, the estimated ten-year value of the exempted tax revenue is estimated to be approximately \$877,834 by assuming a 4.5 percent discount rate (again selected in consultation with the City's Debt manager) and still using a three percent annual increase in the tax. The difference of the \$297,431, over ten years, is due primarily to an increase in the construction costs and the overall value of the project.

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 amend a previously approved MULTE application to increase the number of affordable units in the north Pearl District in the River District Urban Renewal Area within close proximity of multiple mass transit lines from 123 to 127, but otherwise the amenities provided to the community will be unchanged.

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 original application for The Abigail as well as the amended application were 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 convened a public hearing on the originally approved application for The Abigail MULTE on October 1, 2013 where public testimony was 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 supporting the creation of 127 affordable housing units.

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

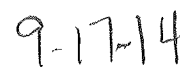
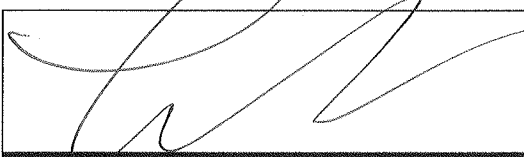
Public involvement was designed and implemented by PHB with support and input from Bureau of Planning staff as part of development of the MULTE Program.

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