

<p style="text-align: center;">PORTLAND CITY COUNCIL AGENDA City Hall - 1221 SW Fourth Avenue</p> <p style="text-align: center;"><u>TUESDAY, 9:00 AM, DECEMBER 13, 2016</u></p> <p style="text-align: center;">SPECIAL COUNCIL MEETING</p>	<p style="text-align: center;">Disposition:</p>
<p>1381 TIME CERTAIN: 9:00 AM – Provide affordable housing through an Inclusionary Housing program (Previous Agenda 1379; Ordinance introduced by Mayor Hales; amend Title 33, Planning and Zoning) 3 hours requested for items 1381-1382</p>	<p style="text-align: center;">See Below.</p>
<p>1382 Provide affordable housing through an Inclusionary Housing program (Previous Agenda 1380; Ordinance introduced by Commissioner Saltzman; add Code Section 30.01.120, amend Section 30.01.030 and Chapter 3.103)</p>	<p style="text-align: center;">See Below.</p>
<p><u>WEDNESDAY, 9:30 AM, DECEMBER 14, 2016</u></p>	
<p>TIMES CERTAIN</p>	
<p>1383 TIME CERTAIN: 9:45 AM – Adopt the 2017 Portland Electric Vehicle Strategy to accelerate the transition to electric vehicles and increase deployment of public charging infrastructure (Resolution introduced by Mayor Hales) 30 minutes requested</p>	<p>No immediate fiscal impact to accept the report. There are potential direct costs to the City associated with implementing the action items, which may require additional resources in future budget actions. This includes charging infrastructure costs. While comparable to fuel costs over the lifetime for a standard sedan, one-time capital costs will be required upfront to accommodate 60 additional electric vehicles in the City's fleet by 2020. The plan directs CBO to work with BPS and BIBS to explore funding mechanisms to capture ongoing fuel savings to fund these upfront costs.</p>
<p>1384 TIME CERTAIN: 10:15 AM – Accept the 2016 Annual Fire Prevention Report (Report introduced by Commissioner Saltzman) 30 minutes requested</p>	<p style="text-align: center;">No fiscal impact.</p>

1385 TIME CERTAIN: 10:45 AM – Restrict bulk fossil fuel terminals
(Previous Agenda 1378; Ordinance introduced by Mayor Hales;
amend Title 33, Planning and Zoning) 10 minutes requested

No direct fiscal impact
anticipated.

<p style="text-align: center;">CONSENT AGENDA – NO DISCUSSION</p> <p>1386 Appoint Thuy Tu and Daniel Newberry to the Urban Forestry Commission (Report introduced by Mayor Hales and Commissioner Fritz)</p>	<p>No fiscal impact.</p>
<p style="text-align: center;">Mayor Charlie Hales</p> <p>1387 Extend the terms of Jeff Bachrach, Michelle Rudd, Katherine Schultz, Chris Smith, Mike Houck, Gary Oxman and Maggie Tallmadge of the Planning and Sustainability Commission to expire April 1, 2017 (Report)</p>	<p>No fiscal impact.</p>
<p style="text-align: center;">Office of Management and Finance</p> <p>*1388 Ratify a Letter of Agreement between the City and Laborers' Local 483 regarding shift premium pay for certain Portland Bureau of Transportation employees (Ordinance)</p>	<p>The estimated cost of this premium is \$1,055 this fiscal year. Since the premium will be retroactive to November 15, 2016, ongoing costs should be less than \$1,500. The Leaf program is paid for by a combination of fees and General Transportation Revenues.</p>
<p style="text-align: center;">Commissioner Steve Novick Bureau of Transportation</p> <p>*1389 Accept a grant from the Portland Development Commission in an amount of \$1,453,956 for construction of Foster Transportation and Streetscape Project, SE 82nd Ave to 90th Ave (Ordinance)</p>	<p>For the project, PBOT is receiving \$3.3 million of federal funds through ODOT, \$1.9 million from PDC, and using \$600,000 of its own Transportation System Development Charges as well as \$3.0 million from the new gas and heavy vehicle taxes. Through a prior IGA with PDC, the first phase of the project has already used \$425,340 of funding for design engineering of both the first and second construction phases. This current ordinance allows the balance of PDC's commitment, \$1,453,956, to fund the construction phase.</p>

<p>*1390 Authorize a contract with the lowest responsible bidder for the Foster Streetscape Project, Phase I (Ordinance)</p>	<p>The project is estimated, with moderate confidence, to cost \$8,853,556. See write-up of Item #1389 above for funding sources. Project design is completed, and PBOT is now proceeding with bidding the project for construction. The bureau has funds budgeted in FY 2016-17, and intends to also budget funds in FY 2017-18, for construction, inspection and management of the project.</p>
<p>*1391 Amend contract with CH2M Engineers, Inc. for final payment for work completed for the Smart City Challenge grant project in the amount of \$5,000 (Ordinance; amend Contract No. 31000660)</p>	<p>The new total contract amount will now be \$205,000. PBOT's level of confidence in the cost estimates for this project is high. The contract is paid for with General Transportation Revenues.</p>
<p>Commissioner Amanda Fritz Portland Parks & Recreation</p>	
<p>1392 Authorize a competitive solicitation and contract with the lowest responsive and responsible bidder for construction of the Argay Park Tennis Court Improvements Project for an estimated \$500,000 (Second Reading Agenda 1352)</p>	<p>Total project cost is estimated at \$500,000 and the confidence level is medium. This project will be funded by the 2014 Parks Replacement Bond.</p>
<p>1393 Authorize a competitive solicitation and contract with the lowest responsive and responsible bidder for construction of the Forest Park Trail Bridges Replacement Project for an estimated \$640,000 (Second Reading Agenda 1353)</p>	<p>Total project cost is estimated at \$640,000 and the confidence level is medium. This project will be funded by the 2014 Parks Replacement Bond.</p>
<p>1394 Authorize a competitive solicitation and contract with the lowest responsive and responsible bidder for construction of the Rieke Field Replacement Project for an estimated \$968,808 (Second Reading Agenda 1354)</p>	<p>Total project cost is estimated at \$968,808 and the confidence level is medium. This project will be funded by the 2014 Parks Replacement Bond.</p>

<p>1395 Authorize a competitive solicitation and contract with the lowest responsive and responsible bidder for construction of the Whitaker Ponds Entry Improvements Project for an estimated \$606,000 (Second Reading Agenda 1355)</p>	<p>Total project cost is estimated at \$606,000 and the confidence level is medium. This project will be funded by a grant from Metro's Nature in Neighborhood program and Parks' system development charge revenues.</p>
<p>REGULAR AGENDA</p> <p>Mayor Charlie Hales</p> <p>Bureau of Planning & Sustainability</p>	
<p>1396 Require disclosure of energy performance ratings for residential single family buildings when listed for sale to promote transparency in housing costs and reduction in local carbon emissions (Second Reading Agenda 1358; add Code Chapter 17.108)</p>	<p>No fiscal impact to bureau anticipated. BPS intends to use existing staff and resources to implement the policy.</p>
<p>Bureau of Police</p>	
<p>*1397 Apply for and accept a grant in the amount of \$15,00 and appropriate \$10,000 for FY 2016-17 from the Oregon Department of Transportation Traffic Safety Division FY 2017 Speed Enforcement Grant program for sworn personnel overtime reimbursement (Ordinance)</p>	<p>Of the total \$15,000 grant award, \$10,000 will be appropriated in FY 2016-17 and \$5,000 in FY 2017-18. Acceptance of this grant requires a local match in the amount of \$3,750, which will be met with officer straight-time in the Traffic Division.</p>
<p>*1398 Authorize an Intergovernmental Agreement with Washington County for sharing tactical team resources in mutual aid (Previous Agenda 1359) 10 minutes requested</p>	<p>No fiscal impact.</p>
<p>City Budget Office</p>	
<p>1399 Authorize contract with the World Council on City Data for joining a global network of cities that are improving city services and quality of life with open data (Ordinance) 15 minutes requested</p>	<p>Total cost of the agreement will be split equally, resulting in a \$2,475 cost to both the City Budget Office and the Bureau of Planning and Sustainability for one year of participation. Ongoing costs of agreements will be absorbed within existing appropriations, and there is no obligation for ongoing participation.</p>

Office of Management and Finance	
<p>1400 Accept bid of Streimer Sheet Metal Works, Inc. for the Mt Scott Community Center Heating, Ventilation and Air Condition Replacement and Direct Digital Control Upgrade Project for \$828,585 (Procurement Report – Bid No. 00000428)</p>	<p>Funding of \$818,000 General Fund discretionary resources was approved for this project in the FY 2015-16 Adopted Budget. The engineer’s estimate (moderate confidence) for the project was \$581,525; however, due to expanding the scope of the project, the construction contract is now estimated to be \$828,585. To date, \$130,000 has already been spent on the project, and total project cost is now estimated to be \$1.1 million. An allowable portion of the project (gym roof) will be funded by \$120,000 of system development charge revenues; additionally, General Fund resources of \$47,000 for a related project will provide funding. The remaining gap of \$130,000 will be funded by the bureau’s annual major maintenance allocation.</p>
<p>*1401 Authorize an amendment of the FY 2016-17 appropriation schedule in the amount of \$19,255,033 for the Portland Building Reconstruction project (Ordinance)</p>	<p>This action does not increase or decrease the Portland Building reconstruction project budget of \$195 million. It increases appropriation funded with debt proceeds due to an accelerated spending plan.</p>

<p>1402 Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Construction Manager/General Contractor all in connection with the Tryon Creek Wastewater Treatment Plant Headworks Project for an estimated amount of \$54,000,000 (Ordinance) 10 minutes requested</p>	<p>The estimated contract value is \$54,000,000. This is a low confidence estimate based on the conceptual nature of the design, the need to acquire and receive land use approval for an adjacent parcel, and the uncertainty regarding the optimal influent alternative (i.e. gravity fed or pump station). This figure represents an increase over the total project cost figure included in the FY 2016-17 budget (\$38.5 million). Project costs for the project are borne 50/50 by City of Portland and City of Lake Oswego. Operating costs are expected to increase based on new functions at the plant such as odor control grit removal. An additional 0.5 FTE and up to \$50,000 in materials and services is anticipated.</p>
<p>1403 Clarify definitions, administrative authority and make housekeeping changes to the Transient Lodgings Tax Code (Ordinance; amend Code Chapter 6.04) 30 minutes requested for items 1403-1404</p>	<p>See Below.</p>
<p>1404 Amend Tourism Improvement District code to update definitions and change the due dates and delinquency dates to match those in the Transient Lodging Tax code (Ordinance; amend Code Chapter 6.05)</p>	<p>No fiscal impact anticipated. Any decline in penalty or interest revenue due to clarification of due dates and delinquency dates will result in reduced pass through to Travel Portland.</p>
<p>*1405 Authorize a lease extension with Oregon Pacific Investment & Development Company for the Bureau of Fire and Police Disability and Retirement office space at 1800 SW First Ave, Suite 450, commonly known as the Harrison Square Building through October 31, 2020 for approximately \$205,000 annually (Previous Agenda 1365)</p>	<p>There is no fiscal impact. The current lease will increase by approximately 3% and existing resources are available in the bureau's operating budget.</p>
<p>*1406 Authorize financing not expected to exceed \$51 million for an affordable housing project known as the Ellington Apartments (Previous Agenda 1364) 15 minutes requested for items 1406 and 1413</p>	<p>See Below.</p>

<p style="text-align: center;">Commissioner Steve Novick Bureau of Transportation</p> <p>1407 Authorize the Portland Bureau of Transportation to develop a Transportation System Development Charge methodology based upon the "Person Trip" model to more accurately reflect Portland's Transportation System (Resolution) 15 minutes requested</p>	<p>No fiscal impact since this action only provides direction for the bureau on the methodology to pursue. PBOT will be bringing an entire package to City Council before the end of the fiscal year with an updated methodology, project list, and rates after outreach and ORS mandated notification timelines.</p>
<p>1408 Accept findings of the South Portal Partnership Plan Project pertaining to proposed changes to roadway alignments of SW Bond Ave, SW Moody Ave, SW Hamilton St, SW Hamilton Ct, SW Lowell St, and SW Thomas St, and direct implementation of a plan to fund, design and construct remaining South Waterfront street connections (Previous Agenda 1369) 10 minutes requested</p>	<p>See Below.</p>
<p style="text-align: center;">Commissioner Amanda Fritz</p> <p>S-1409 Adopt the Open and Accountable Elections Policy (Previous Agenda S-1370; add Code Chapter 2.16)</p>	<p>See Below.</p>
<p style="text-align: center;">Portland Parks & Recreation</p> <p>1410 Create a local improvement district to construct park improvements in the Portland Open Space Sequence Local Improvement District in partnership with the Halprin Landscape Conservancy (Previous Agenda 1371; Hearing; Ordinance; C-10054) 10 minutes requested</p>	<p>The estimated amount of the LID is \$2,150,000, which will fund a portion of the estimated total project cost of \$3,850,000 (low confidence estimate). The remaining portion of costs will be funded by General Fund resources, which were approved by Council in the FY 2016-17 Fall Supplemental Budget.</p>
<p style="text-align: center;">Commissioner Nick Fish Bureau of Environmental Services</p>	

<p>*1411 Authorize an application to Oregon Office of Emergency Management for a Hazard Mitigation Grant Program grant in the amount of up to \$2,500,000 for Johnson Creek floodplain acquisition (Ordinance)</p>	<p>Should BES receive this grant, revenue to fund acquisition in the floodplain would increase by \$2.5 million. This grant would require a 25% match (\$840,000) which would be funded out of salary, benefits, and capital outlay currently budgeted and planned in the CIP under the Johnson Creek Willing Seller project budget which has \$500,000 planned in every year of the five-year plan.</p>
<p style="text-align: center;">Water Bureau</p> <p>1412 Authorize a contract with the lowest responsible bidder for the construction of the Greenleaf Pump Station Project at an estimated cost of \$1,275,000 (Second Reading Agenda 1374)</p>	<p>Total project cost is estimated at \$1,707,310. Funding is budgeted in the bureau's FY 2016-17 through FY 2018-19 capital plan. Approving this contact will not impact forecasted water rates.</p>
<p style="text-align: center;">Commissioner Dan Saltzman Portland Housing Bureau</p> <p>*1413 Authorize the purchase of certain real property located at 1610 NE 66th Ave at a price not to exceed \$47,000,000 for affordable rental housing (Previous Agenda 1376)</p>	<p style="text-align: center;">See Below.</p>

WEDNESDAY, 2:00 PM, DECEMBER 14, 2016

1414 TIME CERTAIN: 2:00 PM - Amend the Official City Zoning Map, Planning and Zoning Code and Transportation System Plan to carry out Portland’s 2035 Comprehensive Plan; establish a new Community Involvement Program and Committee; amend related codes, the 2035 Comprehensive Plan and Plan Map to coordinate policies and programs (Previous Agenda 1293; Ordinance introduced by Mayor Hales) 1 hour requested for items 1414-1415

The bureau estimates the need for one additional Community Involvement and Outreach Coordinator position related to the new Community Involvement Committee, which may have other administrative costs. There are additional potential fiscal impacts related to the cost of administering new zoning code provisions, as well as possible impacts to development activity, which may impact City costs and revenues.

1415 Adopt a Connectivity Strategy for Comprehensive Plan Centers in Eastern Neighborhoods (Ordinance introduced by Commissioner Novick)

Adoption of this strategy does not amend the budget, change current or future revenue sources, or propose changes to staffing levels. The Council action would direct PBOT to determine if new street or pathway connections would count towards “qualified public improvement” credit as part of the current update to the Transportation System Development Charge. PBOT received \$150,000 of one-time General Fund resources during the FY 2016-17 budget development process to develop circulation plans for two centers in East Portland.

DECEMBER 13-15, 2016

<p>1416 TIME CERTAIN: 3:00 PM – Amend City’s marijuana business regulations (Ordinance introduced by Commissioner Fritz; amend Code Chapter 14B.130, Portland Policy Document ADM-20.01) 3 hours requested</p>	<p>The amendment includes a revised fee schedule with the addition of fees for retail couriers (application fee: \$750 initial and \$500 renewal; license fee: \$3,500 initial and \$3,500 renewal). Since it is currently unknown how many businesses would be affected by the new courier fees, with ONI estimating perhaps two, or by other fee schedule adjustments in the amendment, the fiscal impact, including costs to the program, is unknown at this time.</p>
<p><u>THURSDAY, 2:00 PM, DECEMBER 15, 2016</u></p>	
<p>1417 TIME CERTAIN: 2:00 PM – Modify Area Parking Permit Program to create new permit area type for residential areas, expand provisions of the Supplemental Plan Description, and integrate transportation demand management principles, in accordance with the recommendations of the Centers and Corridors Parking Project (Ordinance introduced by Commissioner Novick; amend Code Sections 16.20.800 – 16.20.850) 1 hour requested</p>	<p>No fiscal impact at this time. The ordinance is a first step setting up the processes by which neighborhoods can create new permit areas. If the neighborhoods choose to do so, there would be fiscal impacts which PBOT would then proceed to estimate, since permit fees would be involved.</p>
<p>1418 TIME CERTAIN: 3:30 PM – Extend to December 31, 2017 the Council-approved Corporate Securities Do-Not-Buy List (Resolution introduced by Commissioner Novick) 2 hours requested</p>	<p>Extending current DNB list to December 31, 2017 has no additional fiscal impact. Recommendation adds Credit Suisse and Nestle to DNB list resulting in \$695,000-\$921,667 less investment revenue unless other equivalent investments are found.</p>

1381/1382 TIME CERTAIN: 2:10 PM – Provide affordable housing through an Inclusionary Housing program

CBO Analysis: The proposed policy would result in an estimated per-affordable unit cost that ranges from \$20,787/unit to \$218,663/unit, depending on project location and incentive package selected. The cost to the City General Fund is less – ranging from \$4,674/unit to \$57,529/unit – due to the property tax exemption costs being spread across schools, the County and other local public agencies. With an affordability term of 99 years, the total cost per unit per year of affordability ranges from \$210 to \$2,209. See chart below.

At or Above 5:1 FAR (mainly Central City)

	10 Year Property Tax Exemption Estimated Cost	10 Year Property Tax Exemption Cost to the City General Fund	SDC Waiver Cost				CET Waiver Cost	Total Cost per Unit	Total City Cost per Unit	Total Cost per Year of Affordability
			BES	PBOT	PWB	PP&R				
80% AMI Unit	\$100,000	\$19,433	\$0	\$0	\$0	\$0	\$642	\$100,642	\$20,075	\$1,017
60% AMI Unit	\$200,000	\$38,866	\$4,748	\$2,024	\$2,400	\$8,849	\$642	\$218,663	\$57,529	\$2,209

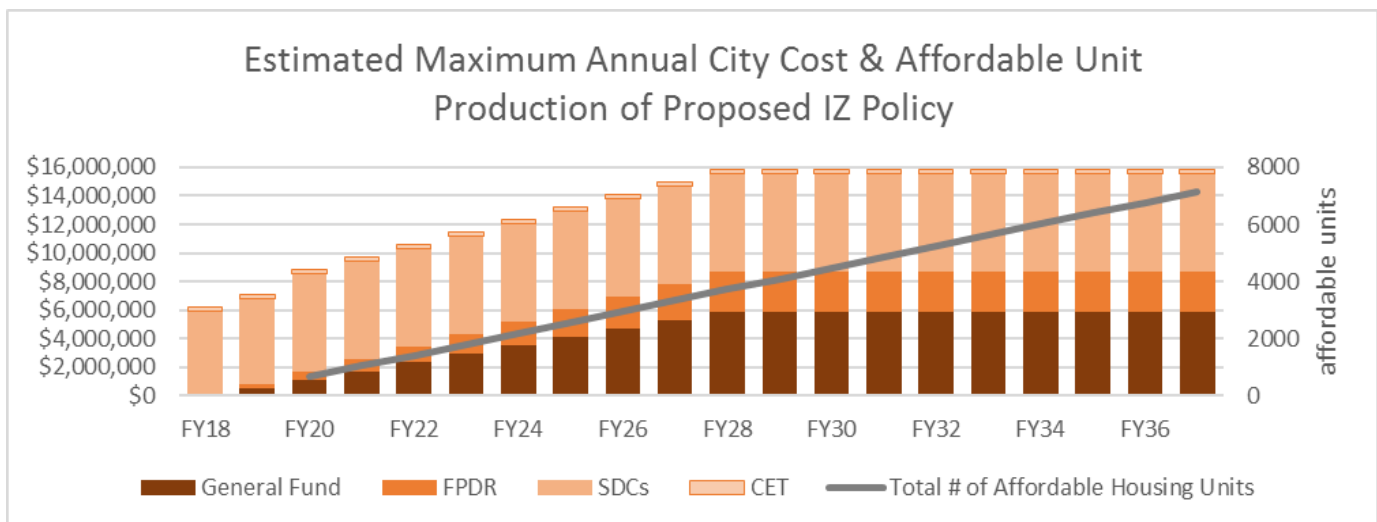
Below 5:1 FAR (mainly outside of the Central City)

	10 Year Property Tax Exemption Estimated Cost	10 Year Property Tax Exemption Cost to the City General Fund	SDC Waiver Cost				CET Waiver Cost	Total Cost per Unit	Total City Cost per Unit	Total Cost per Year of Affordability
			BES	PBOT	PWB	PP&R				
80% AMI Unit	\$20,000	\$3,887	\$0	\$0	\$0	\$0	\$787	\$20,787	\$4,674	\$210
60% AMI Unit	\$20,000	\$3,887	\$4,748	\$2,024	\$2,400	\$8,849	\$787	\$38,808	\$22,695	\$392

These per-unit estimates assume a single average tax exemption cost based on available MULTE program participants, which aligns with PHB methodology. Earlier CBO estimates were slightly different as CBO assumed a higher average cost for higher density buildings and a lower average cost for lower density buildings.

It is difficult to anticipate the number of affordable units per year that will be created through an inclusionary housing program, and thus the level of foregone revenue each year. Conservative estimates assume the maximum number of affordable units will be constructed under this policy, with 100% of buildings opting to include units on-site rather than pay a fee in lieu, and opting for the incentive packages offered at 60% MFI. CBO assumes that all units not currently in the construction pipeline toward our 2035 Comprehensive Plan goals (total = 72,587 units) will be constructed under this policy.

Using the above per unit costs and maximum construction estimates, CBO estimates the total maximum cost to the City of the program to grow from \$6.2 million/year to \$15.8 million/year. The General Fund portion of this cost grows from roughly \$574,000/year to \$5.9 million/year. This is for the construction of 331 units in the first two years of the program (assumes utilization of an 8% inclusion rate) and 382 units in the subsequent years (10% inclusion rate). The chart below shows these costs and units phased in over time; it is assumed that SDC and CET waiver costs will be felt by the City beginning FY 2017-18 and that property tax exemption costs will be felt beginning in FY 2018-19.



1403 Clarify definitions, administrative authority and make housekeeping changes to the Transient Lodgings Tax Code (Ordinance; amend Code Chapter 6.04) 30 minutes requested for items 1403-1404

CBO Analysis: In January 2015, Council supported changes to the TLT Code intended to compel “sharing economy” hosts and vacation rental companies (e.g. HomeAway, VRBO) to collect and remit TLT on behalf of the listings on their sites. The intent of this ordinance, in response to a 2016 adverse court opinion, is to further clarify in City Code that short term rental operations are subject to regulatory requirements and taxation. No specific additional revenues are anticipated at this time, but this change will improve the Revenue Division’s ability to pursue cases of noncompliance. This ordinance also formally codifies the Revenue Division’s authority to issue presumptive tax bills for operators that fail to register or file taxes. Finally, changes are being made to the code that clarify rules around due dates and delinquency dates; these changes are anticipated to reduce revenue derived from unintentional late payments by approximately \$75,000.

***1406** Authorize financing not expected to exceed \$51 million for an affordable housing project known as the Ellington Apartments

CBO Analysis: This ordinance authorizes financing for the purchase and rehabilitation of the Ellington apartments, being considered under Council Agenda Item 1376. The full project cost is estimated at \$57 million, which the Portland Housing Bureau anticipates eventually funding through a combination of recently-voter-approved General Obligation (GO) Bond sales as well as through potential federal loan(s). More information on project costs is contained in the CBO analysis for item 1413, below.

This ordinance authorizes the sale of GO Bonds and authorizes the use of interim financing secured by the City’s full faith and credit to fund capital costs of purchasing the Project. As bond funds will not be available before the purchase closing date of January 5, 2017, it is presumed that the City will need to provide an interim financing method for up to \$51 million in costs. Using recent interest rate calculations, the cost to the City of issuing a \$51 million line of credit for a 6-month term would be approximately \$255,000. The City is also investigating the use of an inter-fund loan to finance the purchase costs on a short-term basis and will return to Council with that proposal, if deemed appropriate.

1408 Accept findings of the South Portal Partnership Plan Project pertaining to proposed changes to roadway alignments of SW Bond Ave, SW Moody Ave, SW Hamilton St, SW Hamilton Ct, SW Lowell St, and SW Thomas St, and direct implementation of a plan to fund, design and construct remaining South Waterfront street connections.

CBO Analysis: Council passage of this Resolution by 12/31/16 is required to retain the full extent of Metro funding of \$250,000 for this planning effort. Additional cost refinements will be made after Council passage of this Resolution, but the nominal cost change of the planned improvements is expected to range from 10% to 25% less even before considering ten years’ inflation. The planned improvements will add additional value to South Waterfront not considered during the last South Waterfront Street Plan amendment in 2009 by including a new water main in SW Moody Avenue south of SW Bancroft Street to improve life-safety in this area. The Local Improvement District Administrator’s level of confidence in the cost estimate for this project as of the filing date of this Ordinance is “Low” per Exhibit A of Resolution No. 36430 adopted by Council on July 26, 2006 given that the project scope is at the conceptual level pending design guidance from the Planning & Sustainability Commission subsequent to passage of this Resolution.

S-1409 Adopt the Open and Accountable Elections Policy (Ordinance introduced by Commissioner Fritz; add Code Chapter 2.16)

CBO Analysis: This ordinance amends City Code Title 2 by adding Chapter 2.16 Election Reform. The ordinance establishes a program and methodology for public campaign finance for the Offices of Mayor,

Commissioner, and Auditor.

The ordinance establishes a new fund, the Public Election Fund, for which annual funding is limited to 0.2% of the City General Fund (approximately \$1.2 million in the current year). Monies in the Public Election Fund will be used to match eligible campaign contributions for certified candidates at a 6:1 ratio, as well to cover administrative costs associated with management of the program.

The original ordinance was amended and now includes language that directs CBO to adjust the FY 2017-18 Current Appropriations Level target for the Public Elections Fund by \$1.2 million. This funding has not been offset and will add to the expected FY 2017-18 shortfall.

Notably, this ordinance does not contain guidance around administrative spending or specify a target level of funding dedicated to administration of this new program. Administrative costs are to be funded from the Public Election Fund. In cases where there are insufficient funds in the Public Elections Fund to cover matched contributions and administrative costs in a given year, the ratio of matched contributions will be reduced equally to all candidates.

It is CBO's understanding that the Auditor's Office has declined to accept this assignment, and ONI will be responsible for implementing this program.

This is a substantial administrative workload, which will vary depending on the number of candidates utilizing the public finance program in a given year. Per the Auditor's Office, a public campaign financing program in San Francisco has 7 dedicated FTE for the certification of candidates, disbursement, and oversight of public matching dollars. Disbursements for this program ranged from approximately \$200,000 to \$1,300,000 in the last five years.

***1413** Authorize the purchase of certain real property located at 1610 NE 66th Ave at a price not to exceed \$47,000,000 for affordable rental housing

CBO Analysis: The total price of acquisition, including estimated closing costs and pre-funded accounts, is \$47,915,000. In addition, the bureau estimates a need for \$5,960,000 to address structural and immediate repairs. The bureau intends to fund these expenses with the sale of recently voter-approved bonds and potentially through a HUD 223 (f) or other Senior loan, to be sought by the bureau next Spring. As these funds will not be available before the closing date of January 5, 2017, a separate ordinance through the Office of Management and Finance authorizes the use of a City-backed line of credit for \$51 million to cover the cost of acquisition and initial repairs. Using recent line of credit interest rates, the cost of issuing a \$51 million line of credit with full repayment by June is estimated at \$255,000.

Estimated Ellington Property Costs	
Purchase Price	47,000,000
Estimated Closing Costs & Pre-Funded Accounts	915,000
Interest Payment	255,000
Immediate Repairs	2,830,000
<i>Total maximum line of credit</i>	<i>51,000,000</i>
Additional Structural Costs & Immediate Repairs	3,130,000
Reserves (for repairs w/in 24 mos. or as needed)	2,870,000
<i>Total estimated project costs</i>	<i>57,000,000</i>

The full project cost, including repairs and repair reserves, is estimated at \$57,000,000, generating a per-affordable unit cost of \$260,274/unit. However, the bureau anticipates that the operating income from the building will be able to cover maintenance and some acquisition costs, should the bureau be able to receive a \$20 million HUD loan for those costs. This would yield a net cost of the project of \$37,000,000, generating a per-affordable unit cost of \$168,950/unit.

By approving this purchase, this property will become City-owned and no longer pay property taxes, valued in the current year at \$350,639. The cost to the City General Fund of this forgone tax revenue is estimated at \$68,140/year.

PHB may extend the closing date to February 6, 2017 by depositing an additional \$100,000 into the escrow account. Should Council not approve the purchase, the City would lose the \$1,395,000 currently deposited in escrow.

NOTE: "Time Certain" indicates that an item will not be heard by Council **prior** to the time specified.

Communications items are three minutes each. Regular Agenda items taking longer than five minutes have the time estimate noted next to the item.

The * indicates an emergency ordinance, which takes effect immediately if passed. Non-emergency ordinances require two readings and a 30-day waiting period before taking effect. Resolutions, reports, etc., adopted by Council are effective after adjournment.

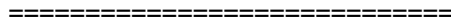
The above summary is published by the City Auditor as provided by Section 2-113 of the Charter and Ordinance No. 130672.

Council Chambers is equipped with a sound system for the hearing impaired. Assisted listening devices are available from the Clerk.

The City of Portland will gladly accommodate requests for an interpreter or make other accommodations that further inclusivity. Please make your request at least 48 hours before the meeting to the Council Clerk 503-823-4086. (TTY 503-823-6868).

City Council meetings can be viewed at <http://www.portlandoregon.gov/video>. The meetings are also cablecast on CityNet 30, Portland Community Media television.

Mary Hull Caballero
Auditor of the City of Portland



Testimony is taken on Reports, Resolutions and Ordinances (first reading). To testify, sign up on a testimony sheet as you enter Council Chambers on the day of the meeting. Individuals have 3 minutes to testify, unless otherwise stated at the meeting. Testimony is not taken on Communications, Second Readings, Proclamations or Presentations in accordance with Code 3.02.040 F. and G.

Written testimony may be emailed or mailed to the Council Clerk prior to the meeting.

To schedule a Communication, email or mail your request to the Council Clerk. Include your name, address, phone number and a brief description of the subject you will be addressing. For full details, see Testimony Policies and procedures. <http://www.portlandonline.com/auditor/index.cfm?&a=63123&c=34447>

Clerk Email: karla.moore-love@portlandoregon.gov
Council Clerk Testimony: cctestimony@portlandoregon.gov
US Mail: Council Clerk, 1221 SW Fourth Ave., Room 130, Portland OR 97204

=====

Declaration Required by Lobbyists. Portland City Code 2.12.060 states: Prior to offering public testimony before City officials, at the beginning of any meetings or phone calls with City officials, or in emails and letters to City officials, a lobbyist must declare which lobbying entity he or she is authorized to represent for that communication.

=====

“Be a part of the picture...get involved with your City...volunteer for a City of Portland Board or Commission. For more information, a brochure, or a volunteer application, stop by the Office of Neighborhood Involvement in City Hall or call 503-823-4519.”