

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 98-124

Supporting a Local Improvement District for the Central City Streetcar Project.

The Multnomah County Board of Commissioners Finds:

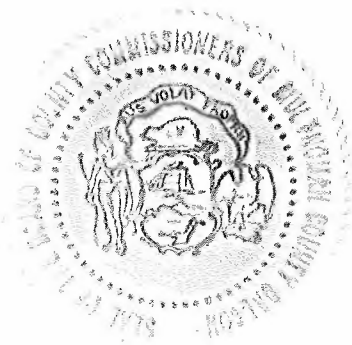
- a. On January 12, 1994, the City Council of Portland, Oregon adopted the Central City Streetcar Alignment (Exhibit A) and initiated design and engineering of a segment of the alignment between Northwest Portland and Portland State University (Phase I).
- b. The Central City Streetcar Alignment will support and facilitate private investment in a significant number of residential units for persons of all incomes and other development consistent with goals of the Central City Plan.
- c. The Central City Streetcar is a key infrastructure project identified in the River District Development Plan, the University District Plan, the Central City 2000 Strategy and the North Macadam Framework Plan for achieving the housing and job growth needed to implement city and regional growth management policies.
- d. The Central City Streetcar Project will provide an essential link between jobs and housing, as well as to retail, entertainment, arts and educational centers and will help reduce the reliance on the automobile by providing an attractive, quiet, clean transit option.
- e. The City of Portland has contracted with Portland Streetcar, Inc. (PSI), a non-profit corporation with 501(c)(3) designation, for professional services related to the Central City Streetcar Project.

- f. On July 30, 1997, City Council accepted the results of the Preliminary Design and Engineering work, as well as the preliminary financial plans for the Phase I project, and initiated Final Engineering.
- g. A part of the work to be provided under the Final Engineering Contract, that is scheduled to be completed by April, 1999, is the preparation of the final Central City Streetcar Capital and Operations Plans for the Phase I project.
- h. On July 25, 1998, City Council accepted the final financial plans and directed a variety of actions, including the formation of a Local Improvement District (LID) to assist in funding the capital costs, that will result in the implementation of the Phase I project.
- i. The total amount of capital needed to construct the Phase I project is \$42.0 million and the maximum LID assessment will be \$8.32 million, including the actual administrative costs necessary to establish the LID, not to exceed \$320,000.
- j. 10% of the Total Assessment Amount will be apportioned among properties based on their frontage on Streetcar streets and balance will be apportioned among properties based on the principal use and a percentage of their Land and Improvement Value.
- k. Multnomah County owns two properties within the LID boundary (Exhibit B) that will receive the benefits of increased access for customers, employees and visitors.
- l. The Multnomah County properties will be assessed a total of about \$82,733, based on current land use and value. Use of the Transportation System Development Charge discount will reduce the assessment by about 25% to a new total of \$62,050, which may be paid in a one-time lump sum or over time for up to 20 years.
- m. The property owners within the LID will be assessed only when the project is substantially completed, currently scheduled for approximately July 4, 2000.
- n. In the interim, the total value may change due to additional development, inflation and changes in market conditions. Any increase in value will be used to reduce the assessment rates and not to increase the total assessment amount in the district.

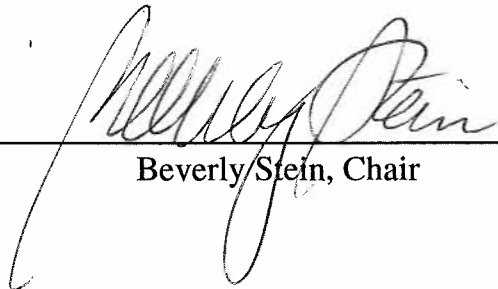
The Multnomah County Board of Commissioners Resolves:

1. The Central City Streetcar Phase I Project will add an important transit linkage between existing and emerging high density residential neighborhoods and the Central Business District, and will improve access to County properties.
2. The Board supports the formation of and participation in a Local Improvement District to fund capital improvements related to the Central City Streetcar Phase I Project, and authorizes the Chair to sign the LID petition.

Approved this 3rd day of September, 1998.

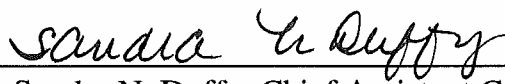


BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON


Beverly Stein, Chair

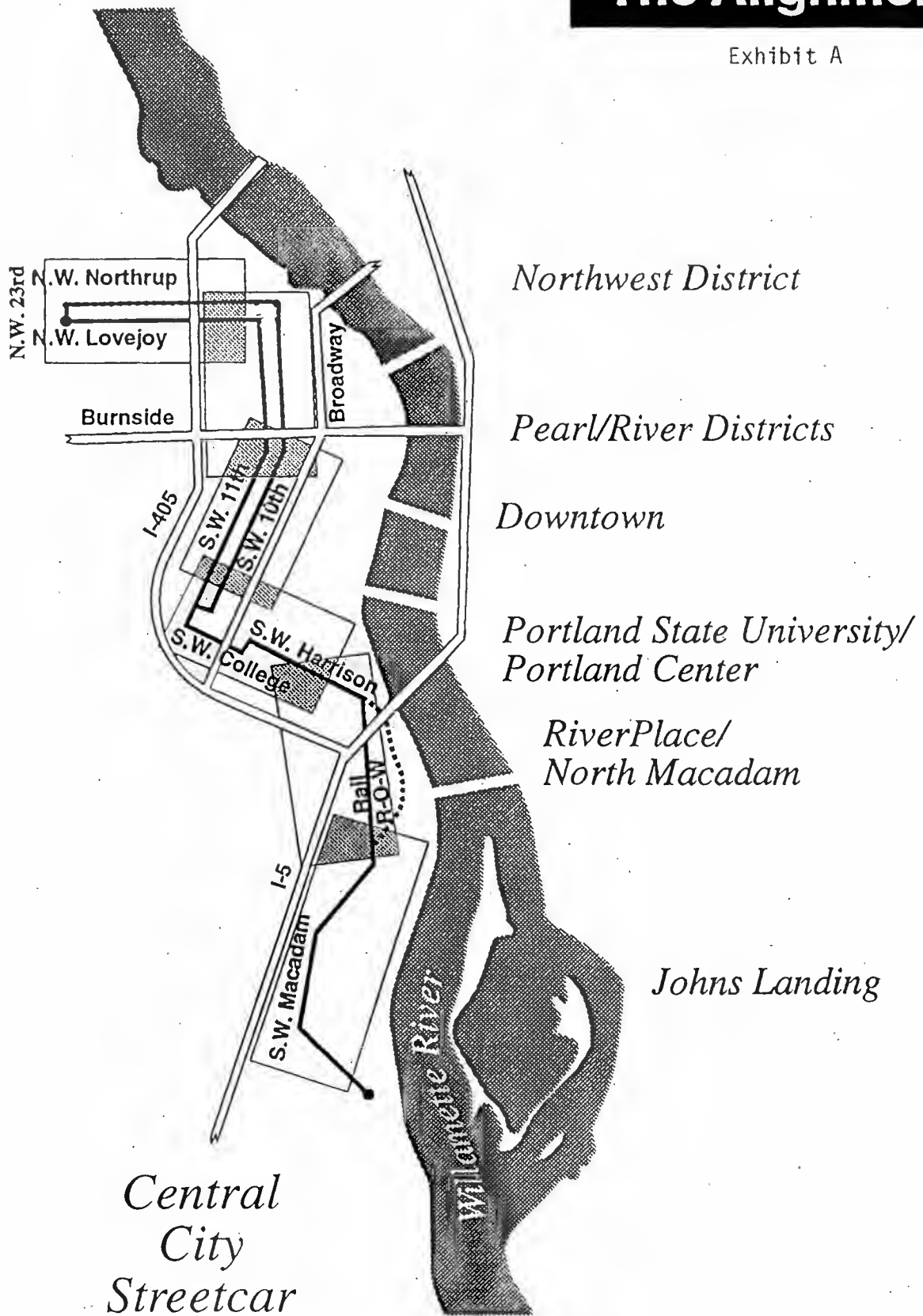
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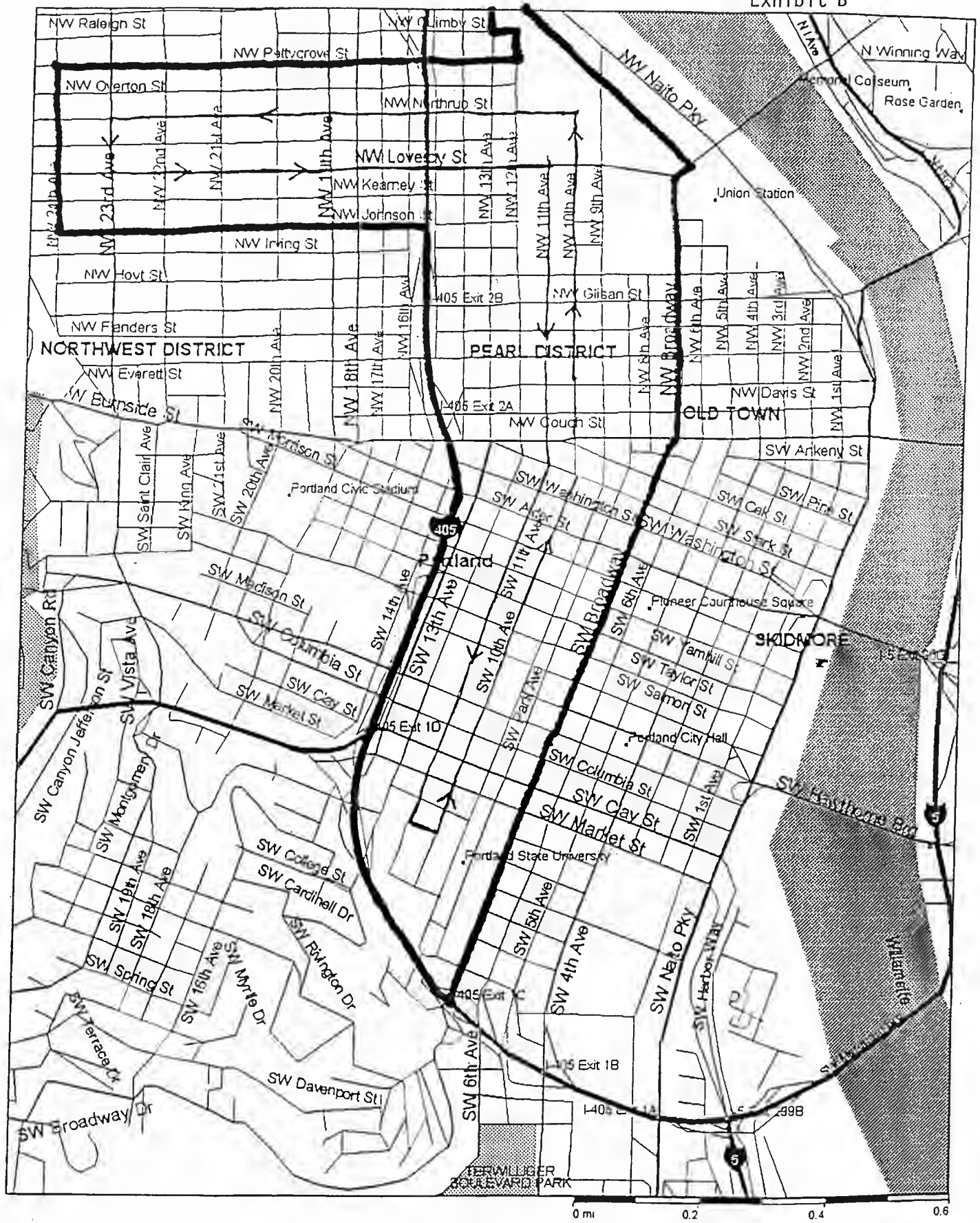
Thomas Sponsler, County Counsel
For Multnomah County, Oregon

By 
Sandra N. Duffy, Chief Assistant County Counsel

The Alignment

Exhibit A





Central City Streetcar
Local Improvement District (LID)

Petition for Creation of a Local Improvement District(LID) to Fund Capital Improvements Related to the Central City Streetcar Phase I

To the Portland City Council:

The Undersigned, being the owner or contract purchaser of the property held in the name or names of companies or individuals set forth below and within the boundary of the LID herein described, hereby petitions the Portland City Council to form an LID to assist in funding the capital cost of the Central City Streetcar Phase I (Project), subject to the terms and conditions of this petition.

Project Description. The Project shall include the design and construction of tracks, overhead wiring, station stops and other capital improvements, enabling Streetcar transit service from S.W. Montgomery, on S.W. and N.W. 10th and 11th Avenues, N.W. Northrup and Lovejoy to N.W. 23rd Avenue (Streetcar Streets).

LID Boundary. The LID shall include all properties within an area bounded by S.W. and N.W. Broadway, N.W. Pettygrove, N.W. 24th, N.W. Johnson and the I-405 Freeway and the Hoyt Street Yards. The LID shall be further broken down into Zone A which shall include properties within 200 feet of a Streetcar Street, and Zone B which shall include all other properties within the LID Boundary.

Maximum LID Assessment. The Total Assessment Amount shall be equal to the maximum of \$8.32 million or 20% of the actual cost of the Project, whichever amount is smaller, including the actual administrative costs necessary to establish the LID, not to exceed \$320,000.

Capital and Operations Funding. The LID shall not be formed until the City provides assurances that funding is available to cover the balance of the Project capital cost and all of the annual operating cost, and that property owners within the LID will not be additionally assessed for those purposes.

Assessment Method. Ten percent (10%) of the Total Assessment Amount shall be apportioned among properties based on their frontage on Streetcar Streets. The balance of the Total Assessment Amount shall be apportioned among properties based on their principal use and a percentage of their Land and Improvement Value (Value), except for properties within the Hoyt Street Yards owned by Hoyt Street Properties, Inc. (HSP) which shall be assessed a lump sum of \$700,000 in accordance with provisions of the Agreement for Development between the City and HSP dated August 30, 1997. The Total Assessment Amount shall be apportioned based on the principal land uses at the percentages of Value as follows:

Regional Institutional	100%
Commercial	75%
Local Institutional	50%
Industrial	50%
Residential	50%

One-half of the above percentages of Value shall be used for Commercial, Local Institutional, Industrial and Residential uses in Zone B. Regional Institutional shall include Portland State University and Legacy Health Systems properties. Local Institutional shall include churches, theaters, museums, libraries, parks and other publicly owned or non-profit places of public assembly. Industrial shall include property within an IG zone or within an EX zone and designated "Industrial" by the Multnomah County Assessor. Residential shall include property primarily in residential use or within a R1 zone. All other property shall be considered Commercial. Owner occupied residences and federally owned property shall be exempt.

Transportation System Development Charge (TSDC) Credits. Under City Code Chapter 17.15.60, the Streetcar LID payment entitles property owners to a credit against TSDCs levied on new private development within the City. The amount of the credit is a prorated share of the \$2.2 million included in the City TSDC budget for the Streetcar Project. The City shall establish a program that will offer property owners the option of either: 1) retaining; or 2) surrendering the TSDC credit. If a property owner elects to surrender its TSDC credit, the amount of the credit, less 10% to cover administration and financing cost, will be applied against the property owner's Streetcar LID assessment, resulting in a reduction of about 25%.

Estimate of Assessment Rate. There is an estimated 28,200 feet of non-exempt Streetcar Streets frontage. The total Value in the LID is approximately \$1.1 billion. Not including TSDC credits described above, the Assessment is estimated to be the sum of approximately \$30.00 per foot fronting on a Streetcar Street; plus dollars per thousand dollars of Value times an estimated assessment rate for the principal land use as follows:

Land Use	Zone A	Zone B
Regional Institutional	\$11.00	\$11.00/\$1,000 Value
Commercial	\$8.25	\$4.125
Local Institutional	\$5.50	\$2.75
Industrial	\$5.50	\$2.75
Residential	\$5.50	\$2.75

For example, a Commercial property in Zone A with a 100 foot Streetcar Street frontage and a Value of \$1 million will be assessed about \$11,250. If the property owner surrenders its TSDC credits, this assessment will be reduced to about \$8,438 or \$735 per year, if financed as described below (20 years @ 6%). A \$1 million Commercial property in Zone B will be assessed about \$3,094 or \$270 per year (20 years @ 6%) with surrendered TSDC credits.

Land and Improvement Value Determination. Values used in determining the assessments shall be the true market value established by the Multnomah County Assessor at the time that the district is assessed. If the value is not contained in the county records, the value shall be established by independent appraisal. The district will be assessed when the project is substantially completed presently scheduled on about July 4, 2000. In the interim, the total value may change due to additional development, inflation and changes in market conditions. Any increase shall be used to reduce the assessment rates and not to increase the total assessment amount.

Financing. The City shall arrange long-term financing of the LID Assessment and make such financing available to property owners. Such financing shall be for a term of up to 20 years at interest rates estimated not to exceed 6 percent. The actual interest rate charged to property owners shall be the interest rate at which municipal bonds for the LID are sold plus the percentage markup specified in the Portland City Code.

Time Limit. This petition is valid provided that the LID is formed by the City before December 31, 2000.

It is understood that this Petition constitutes a commitment by the undersigned to support the formation of and participation in an LID subject to the conditions of this petition and requirements of Title 17, Portland City Code.

For properties held in the following name(s): _____

MULTNOMAH COUNTY

Signed: 

Name: Beverly Stein, County Chair

Address: 1120 SW Fifth Avenue, Suite 1515

Portland, Oregon 97204-1914

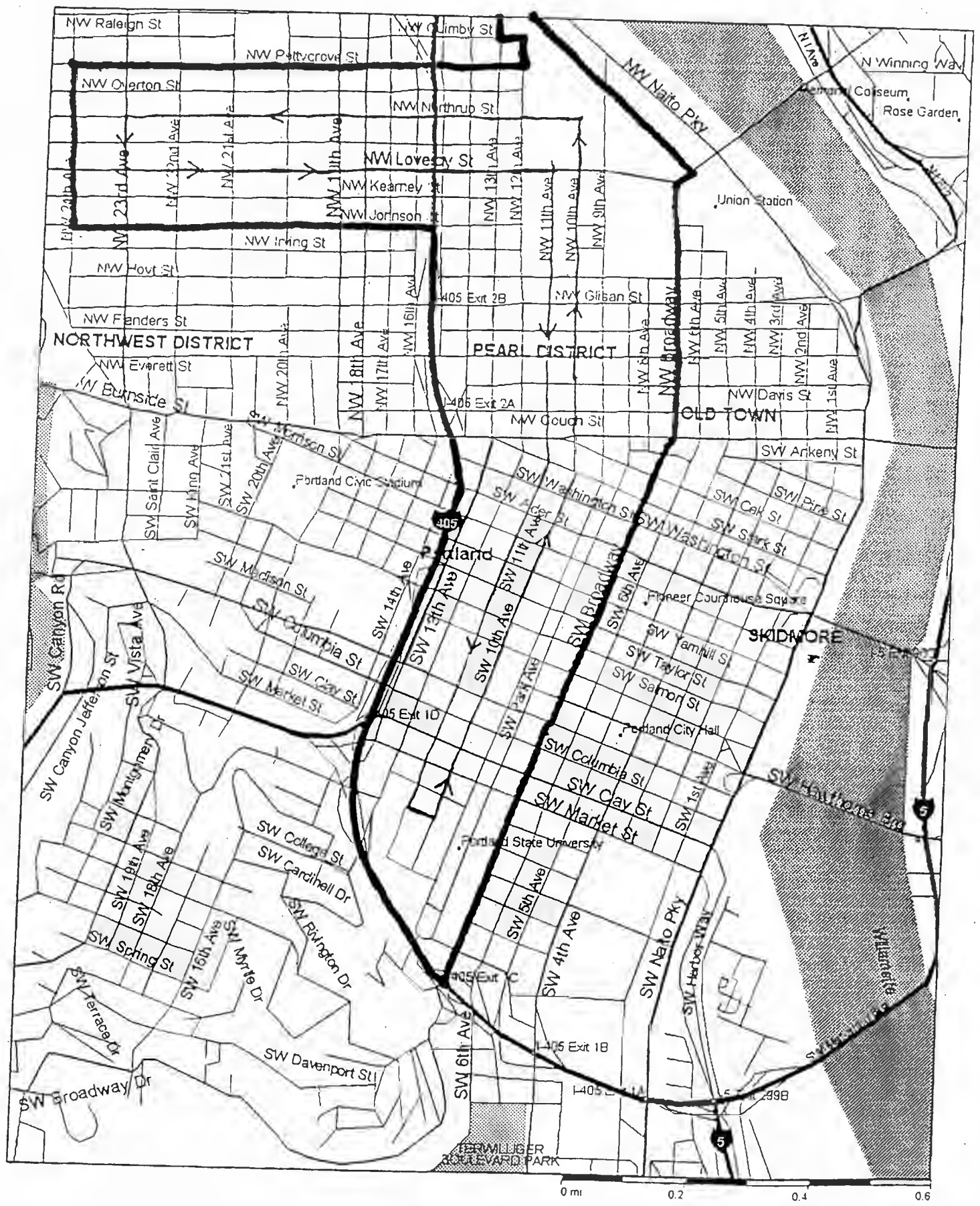
Phone: (503) 248-3308

Date: September 3, 1998

Direct Inquiries/Return to:

Michael Powell, Chair
Streetcar LID Steering Committee
1005 W. Burnside
Portland, OR 97209
(503) 228-4651

Roger Shiels, Executive Director
Portland Streetcar, Inc.
115 N.W. First Avenue, Suite 200
Portland, OR 97209
(503) 242-0084



Central City Streetcar
Local Improvement District (LID)

CENTRAL CITY STREETCAR/LOCAL IMPROVEMENT DISTRICT ANALYSIS
Page No. 1

Parcel No.	Owner	Legal Description	AZone	Frontage	LandVal	ImpVal	LandArea	BldgArea	UseCode	Amount
866772	7650 Multnomah County (Library-Central	PORTLAND BLOCK 250 MAP 3128	A	400	2376000	8180000	40000	79728	33	70058
866772	9040 Multnomah County	PORTLAND LOT 1-3 BLOCK 262 N 10 OF LOT 4 BLOCK 262 MAP 3128	A	160	604800	827000	16000	51680	54	12675
Total				560	2980800	9007000	56000	131408		82733

Central City Streetcar
Local Improvement District
Property Information

Parcel Number:	R66772 7650
Owner:	Multnomah County (Library-Central
Address:	2505 SE 11th Ave
City/State/Zip:	Portland Or 97202
Site Address:	821 SW 10th Ave
Legal 1:	PORTLAND BLOCK 250 MAP 3128
Legal 2:	
Land Value:	2376000
Improvement Value:	8180000
Zoning:	CXD
Land Use:	33
Land Area (sf):	40000
Building Area (sf):	79728
Assessment Zone:	A
Frontage (feet):	400
Owner Code:	MULT
County Code:	271w
Assessment:	\$70,058
Assessment x .75:	\$52,544
20 years @ 6%:	\$4,571

Central City Streetcar
Local Improvement District
Property Information

Parcel Number:	R66772 9040
Owner:	Multnomah County
Address:	1120 SW 5th Ave #1400
City/State/Zip:	Portland Or 97204
Site Address:	1115 SW 11th Ave
Legal 1:	PORTLAND LOT 1-3 BLOCK 262 N 10 OF
Legal 2:	LOT 4 BLOCK 262 MAP 3128
Land Value:	604800
Improvement Value:	827000
Zoning:	RXD
Land Use:	54
Land Area (sf):	16000
Building Area (sf):	51680
Assessment Zone:	A
Frontage (feet):	160
Owner Code:	MULT
County Code:	771w
Assessment:	\$12,675
Assessment x .75:	\$9,506
20 years @ 6%:	\$827