

Attachment A

Community Investment Tool Evaluation Matrix

DRAFT
FOR CONCEPTUAL DISCUSSION ONLY

			Effective (helps close the market gap or otherwise stimulate redevelopment)	Feasible (legal, administrative)	Direct Impact on Individual Projects	Little or NO Up-Front Funding Required	Notes
Financial Tools							
1	MUPTe (time limited property tax abatement)	Reduces or waives property tax obligations following development for a limited term, e.g. 10 years	✓	✓	✓	✓	Modifications to existing program in progress; proven success in past 20 years; high return on relatively low investment
2	Tax-funded SDC's	City property taxes collected following project development are prioritized to reimburse PDD up to amount of the project's SDC obligation	✓	✓	✓	✓	Delays SDC revenue within limits of 20-year planning horizon; preserves SDC fund integrity; may further delay general fund property tax revenue if combined with MUPTe
3	SDC deferral or financing	Flexible payment terms for SDC's (currently available in certain cases)		✓	✓	✓	Existing program allows flexible terms; obligation to pay remains with developer
4	Tax-funded permit fees	Property taxes collected following redevelopment are prioritized to reimburse PDD up to amount of permit fees; bridge operating expenses with alternate source of funding	✓	✓	✓		Requires large funding source to bridge operational expenses until payment is collected; directs general fund revenue to cover permit fees following redevelopment up to full amount of obligation; may further delay revenue if combined with MUPTe
5	Permit fee deferral or financing	Flexible payment terms		✓	✓		Requires large funding source to bridge operational expenses until payment is collected; obligation to pay remains with developer
6	Grants	Use one-time funding from sources available to the City to assist with private project funding	✓	✓	✓		Effectiveness depends on the size of the grant; currently active in association with projects in TIF districts; requires funding source for grants
7	Land grant or discount	Public contribution of land or discounted land price	✓	✓	✓		Currently active through TIF districts; significantly reduces project cost; requires large funding source
8	Land assembly	Acquire, bank and manage land long-term until larger sites are held in key locations; may be used in combination with land grant/discount	✓	✓	✓		Currently active through TIF districts; significantly reduces project cost; requires large funding source
9	Public financing	Use a City-controlled funding source as a low-interest, revolving loan fund	✓	✓	✓		Currently active through TIF districts; supports financing for projects that would otherwise go un-funded; helps reduce interest rates; requires large funding source; carries risk
10	Loan guarantees; rate buy-down	Use a City-controlled funding source as security for a private loan on a development project	✓	✓	✓		Currently active through TIF districts; supports financing for projects that would otherwise go un-funded; helps reduce interest rates; requires large funding source; carries risk
11	Direct public improvements	City-funded infrastructure directly related to the needs of a specific project that reduces project cost	✓	✓	✓		Reduces construction cost; requires large funding source; currently active in association with projects in TIF districts.
12	Indirect public improvements	City-funded infrastructure that increases the function and appeal within a district for multiple properties; increases potential rent/lease rates for projects in the area	✓	✓			Effectiveness varies with context and type of improvements; can significantly boost achievable pricing over time; feasibility varies with project; typically high-cost
13	Tax Increment Financing (TIF) Districts	Creates a flexible fund using tax revenue from a defined area that can be re-invested within that same area (locally known as "urban renewal" districts); currently, this is the City's main tool for funding investments requiring capital (items 4-12)				funding method	Funds accumulate using the increment of tax increases after the district is enabled; funds accumulate slowly and may take decades to reach a level of significance depending on development activity within the district
14	Local Improvement Districts	Method for assessing property owners to cover the cost of infrastructure improvements benefitting a specific district (item 12), for example street and sidewalk improvements or utility undergrounding				funding method	Requires strong community support and purpose; property owners bear the cost; uncertain feasibility in weak economic conditions
Facilitative Tools							
15	Staff support; design assistance	Provide cost-free staff support for facilitating discussions with neighborhoods as well as direct conceptual and design development assistance	✓	✓	✓	✓	Listed as high priority by local development community
16	Pre-approved design concepts	Increase predictability for staff-developed (with assistance and input from private professionals) and neighborhood-supported design layouts and building forms for specific property types, sizes and/or locations		✓		✓	Used by Portland for small-scale neighborhood infill; not effective for larger, complex projects
17	Expedited permits	Fast-track permit approval for projects of a certain type or location		✓	✓		Limited staff resources and legal requirements for permit time frames limit City's ability to expedite permits
18	Partnership development	Pro-actively connect developers with properties, markets, funding partners, and tenants through ongoing outreach		✓	✓		Current priority for downtown and riverfront in conjunction with TIF districts
19	Marketing assistance	Facilitate a district identity through marketing; supporting specific projects and/or businesses within that district; assistance with forming and supporting a private partnership within a district to carry out these activities)		✓			Proposals have been explored in partnership with the Southtown Business Association (SoBA) and Michelle Reeves, a district development marketing consultant; plans are on hold pending available funds
20	Program marketing	Increase awareness and use of community investment options within the development and design community through direct outreach such as online, print and other media		✓			Information about current programs is available in various forms and formats; this information does not necessarily refer or relate between programs
Regulatory Tools							
21	Parking requirement reduction	Reduce parking requirements in specific circumstances or areas, e.g. in proximity to frequent transit	✓	✓	✓	✓	Highly effective at reducing project costs; sensitivity to displaced parking impacts to neighborhoods reduces feasibility; only incurs capital costs if parking is provided through public facilities (see Indirect Public Improvements)
22	Density bonus	Allow increased residential density for projects providing certain benefits, e.g. affordability, open space, or design excellence		✓	✓	✓	Existing program allows density bonuses in some cases; rarely used since most projects have been built at minimum allowed density