



**TO: Members of the City Council, Danielle West, City Manager;**  
**FROM: Brendan T. O'Connell, Director of Finance**  
**DATE: 3/13/22**  
**RE: AMENDMENT FROM MAYOR KATE SNYDER TO THE FY23 CAPITAL IMPROVEMENT PLAN TO ADD \$75,000 TO FULLY FUND PORTLAND HARBOR COMMON PLANNING AND DESIGN**

**Portland Harbor Common Project Overview and Background on City Manager Recommendation:**

The Portland Harbor Common project seeks to activate existing city land along Portland's Eastern Waterfront as a new city park. This project will involve significant community fundraising, state and federal grants, and public-private partnerships. Seed funding of \$150,000 will allow project planners and design teams to move forward with community engagement, conceptual design, budgeting, and fundraising. The City Manager Recommended Capital Improvement Plan (and the Finance Committee Recommended Capital Improvement Plan) recommended including \$75,000 of the \$150,000 of funding in FY23. The City Manager intends on recommending the remaining \$75,000 in a future budget year after further consideration and discussion of the \$655,000 in operating budget revenue currently generated in the Ocean Gateway Lot, the limited islander parking currently available, and the existing Portland Landing project and associated funding shortfall.

**Proposed Amendment:** The amendment from Mayor Snyder proposes to fully fund the Portland Harbor Common project at \$150,000 in the current CIP, an increase of \$75,000 in funding for the project. This would allow the Portland Harbor Common planning and design documents to be completed in FY23 and put the project on track for bidding and partial construction in FY24. The Mayor has asked City staff to propose a reduction in another currently recommended FY23 CIP project to offset this amendment – no increase in total FY23 CIP size. If this amendment were to pass City staff would remove \$75,000 from the adjacent Portland Ocean Terminal project as it was always intended to be funded over multiple fiscal years. The fiscal impact of this amendment would be \$0 in FY23 and could be as high as \$327,500 in FY24 and FY25 (dependent on construction start date, assuming loss of half of the current parking from the point construction begins). See fiscal impact table below, estimate 2 cent increase to the mill rate in Year 2 (FY24) and Year 3 (FY25).

FISCAL IMPACT NOTE	Year 1		Year 2		Year 3	
	City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate
New Program Cost Data:						
Example:						
ADD: NEW ITEM ANNUAL EXPENDITURES		\$0		\$327,500		\$327,500
LESS: TOTAL NEW ITEM ANNUAL REVENUES		\$0		\$0		\$0
=NEW ITEM NET TAX RATE IMPACT PROJECTION	\$0	\$0	\$327,500	\$327,500	\$327,500	\$327,500
New Program Impact to the Tax Rate	\$0.0000	\$0.0000	\$0.0224	\$0.0224	\$0.0224	\$0.0224
New Program % Impact on Tax Rate	0.0000%	0.0000%	0.3599%	0.1723%	0.3599%	0.1723%
Tax Rate Including New Program	\$6.22	\$12.99	\$6.24	\$13.01	\$6.24	\$13.01