



Date: February 12, 2013
To: President Tom Hughes
Members of Metro Council
From: Tim Collier, Interim Director
Finance and Regulatory Services
Re: Second Quarter Construction Excise Tax Report
CET Collections for FY 2012-13
Status of Community Planning and Development grants funded with CET

Second quarter sparked by City of Portland

Construction excise tax collections for the second quarter, representing permit activity for October, November and December, appear to signal a return to steady progress in the aggregate. Receipts totaled \$ 554,300, the best second quarter since the beginning. The second quarter also exceeded this year's solid first quarter (\$521,000).

2nd Quarter history (rounded)		Annual Collections (rounded)	
FY2013	\$554,300	FY 2013 (to date)	\$ 1,075,000
FY2012	430,600	FY2012	1,765,000
FY 2011	351,600	FY2011	1,441,000
FY2010	352,000	FY2010	1,428,000
FY2009	330,600	FY2009	1,720,000
FY2008	509,000	FY2008	2,461,000
FY2007 (start-up)	378,000	FY2007 (start-up)	1,807,000

City of Portland continues to lead collections increase

Portland posted a 20 percent increase over the first quarter and a 48 percent increase over the second quarter last year. Washington County (105 percent) and Hillsboro (30 percent) continue to move in a positive direction, while Clackamas County jurisdictions remain comparatively flat on a year over year basis. This would suggest that improvement within the City of Portland is continuing to trend upward, while other areas in the region are a little more hit or miss on their trending direction.

Cumulative collections

Cumulative collections since July 2006 are now \$11.7million. As part of the legislation extending the tax, Metro began retaining 2.5 percent of the collected receipts above \$6.3 million to recover a portion of its costs in administering the program. To date Metro has collected \$134,000, \$62,000 of which has been used to offset a portion of costs for outside legal services.

Collections by jurisdiction

Cumulatively, the order of highest collections: Portland (43 percent), Hillsboro (11 percent), Washington County (7 percent), Wilsonville (6.6 percent), Oregon City (4.4 percent) and Beaverton (3.9 percent).

Status of Community Development and Planning Grants funded by the Construction Excise Tax

Under the initial CET legislation Metro awarded \$6.3 million dollars to 14 jurisdictions for 24 discrete projects. These projects had been selected prior to the time the legislation was enacted and influenced the sizing of the initial tax. As of December 31, 2012, \$5.1 million has been expended and 17 projects have been completed; \$1.2 million remains obligated for seven ongoing projects. Funds are distributed when specific performance benchmarks are reached.

With the continuation of the CET in June 2009, Metro awarded \$3.7 million for 17 projects in June 2010. The legal challenge to the extension of the CET has delayed full implementation. Following the favorable lower court ruling, Metro proceeded with time sensitive projects where the jurisdiction was willing to share the risks associated with moving forward in the absence of a final court decision. Ten of 17 projects are underway, representing \$2.5 million in projects. As of December 31, 2012, \$1.5 million has been expended.

Charts provide additional detail

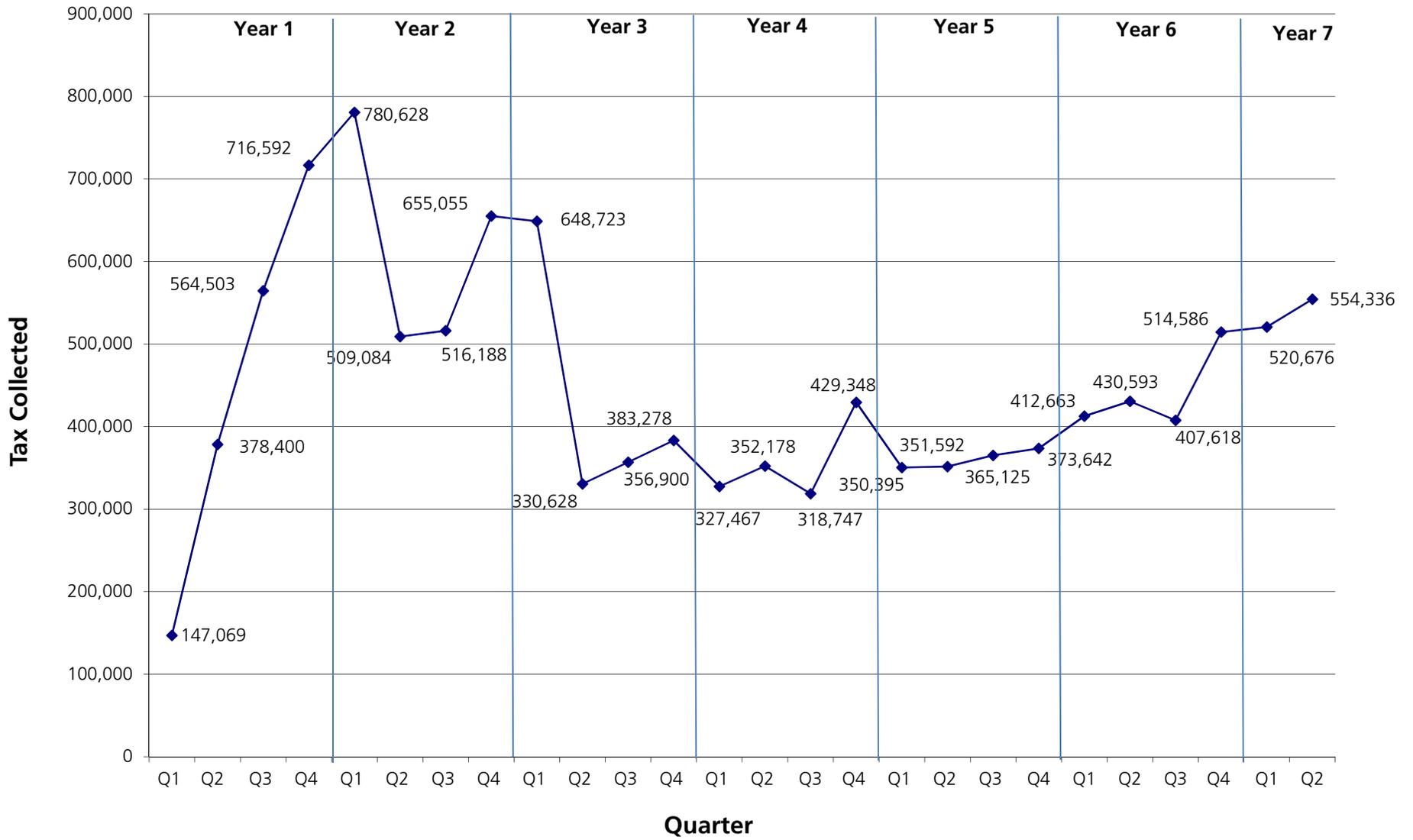
Following this report are charts detailing information about both collections and expenditures of Metro's Construction Excise tax. The expenditure information is included with the assistance of Gerry Uba, Project Manager for Round II Community Development and Planning Grants funded by the CET; and Ray Valone, Project Manager for Round I grants.

Report available on Metro Website

Metro posts its Construction Excise tax reports on Metro's website www.oregonmetro.gov for participating jurisdictions and interested citizens.

Copy: Martha Bennett, Chief Operating Officer
Scott Robinson, Deputy Chief Operating Officer
Other Interested parties

Construction Excise Tax by Quarter July 1, 2006 - December 31, 2012



Metro Construction Excise Tax (CET)

Cumulative Total

Collections through Dec. 31, 2012

Recorded as of February 2013

Finance and Regulatory Services

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2013			Cumulative
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	1st Quarter	2nd Quarter	YTD Total FY12	Total and Percent
	Total FY07	Total FY08	Total FY09	Total FY10	Total FY11	Total FY12					by jurisdiction
Beaverton	\$61,219.00	\$115,220.00	\$102,927.00	\$100,198.00	\$86,537.00	\$88,108.00	22,245.00	\$19,628.00	\$41,873.00	\$596,082.00	5.1%
Clackamas County	168,233.17	224,759.90	89,754.68	74,991.54	97,563.70	73,595.05	0.00	16866.65	16,866.65	745,764.69	6.4%
Cornelius	9,978.00	9,251.00	954.00	14,382.00	852.00	1,534.00	389.00	0	389.00	37,340.00	0.3%
Durham	0	379.00	798.00	967.00	416.00	416.00	359.00	18660	19,019.00	21,995.00	0.2%
Fairview	20,555.53	4,472.17	5,210.90	2,824.21	3,664.51	3,331.66	429.78	0	429.78	40,488.76	0.3%
Forest Grove	41,432.00	45,424.00	15,270.00	29,137.00	25,144.00	59,946.00	5,041.00	9671	14,712.00	231,065.00	2.0%
Gresham	99,370.61	151,841.17	79,002.39	42,574.43	59,650.53	81,459.03	11,622.69	13028.159	24,650.85	538,549.01	4.6%
Happy Valley	71,282.00	63,786.00	47,950.00	27,935.00	39,398.00	81,828.00	20,512.00	18828	39,340.00	371,519.00	3.2%
Hillsboro	191,271.01	277,149.12	186,838.97	176,094.70	196,101.39	188,752.18	45,343.75	73059.02	118,402.77	1,334,610.14	11.4%
King City	16,841.00	3,315.63	9,731.04	4,289.36	1,521.00	27,172.00	6,638.00	5016	11,654.00	74,524.03	0.6%
Lake Oswego	49,731.54	57,914.80	38,662.53	32,190.17	55,926.76	47,895.07	15,999.52	9868.14	25,867.66	308,188.53	2.6%
Milwaukie	10,107.24	6,412.37	8,627.75	3,574.72	11,117.88	4,213.21	827.94	2528.12	3,356.06	47,409.23	0.4%
Oregon City	94,519.10	50,392.80	43,468.55	45,105.48	43,188.87	60,467.44	29,803.38	17336.84	47,140.22	384,282.46	3.3%
Portland	508,950.00	918,491.00	743,200.00	564,526.00	508,835.00	662,917.00	209,998.00	251228	461,226.00	4,368,145.00	37.3%
Sherwood	25,008.00	36,924.02	42,083.00	10,019.00	11,099.00	7,849.00	0.00	6816	6,816.00	139,798.02	1.2%
Tigard	86,650.00	67,737.00	20,629.51	57,115.09	50,441.43	51,232.86	14,736.69	13927.47	28,664.16	362,470.05	3.1%
Troutdale	19,689.91	12,032.62	34,587.58	10,869.12	3,524.28	8,625.26	1,145.87	285	1,430.87	90,759.64	0.8%
Tualatin	74,738.00	79,258.00	31,913.00	23,139.75	33,923.42	35,810.93	32,001.92	15729.03	47,730.95	326,514.05	2.8%
Washington County	155,795.34	222,808.32	152,753.10	143,689.83	119,824.93	140,354.55	32,605.79	47327.31	79,933.10	1,015,159.17	8.7%
West Linn	36,305.39	37,401.81	31,040.94	32,129.63	39,719.29	39,642.45	6,874.20	6738.78	13,612.98	229,852.49	2.0%
Wilsonville	59,258.44	72,334.54	29,931.59	30,988.59	51,630.21	98,954.87	64,102.29	7402.02	71,504.31	414,602.55	3.5%
Wood Village	5,628.44	3,649.19	4,195.00	999.12	675.28	1,356.27	0.00	392.95	392.95	16,896.25	0.1%
TOTAL	\$1,806,563.72	\$2,460,954.46	\$1,719,529.53	\$1,427,739.74	\$1,440,754.48	\$1,765,460.83	\$520,675.82	\$554,336.49	\$1,075,012.31	\$11,696,015.07	100.0%

Construction Excise Tax Round One*

*Green means no IGA

Jurisdiction	Project	Total Contract	Balance	Comment (Ray Valone, Project Manager)
Beaverton	Scholls Ferry/Loon Drive (portion of Area 64)	\$ 3,750	\$ -	
Cornelius	East Baseline Project	\$ 7,500	\$ -	
Cornelius	North Holladay Project	\$ 18,000	\$ -	
Forest Grove	Forest Grove Swap Project	\$ 8,422	\$ -	
Gresham	Springwater Project	\$ 977,129	\$ -	
Gresham	Kelly Creek Headwaters (Area13)	\$ 90,000	\$ -	
Happy Valley	Damascus/Boring Concept Plan	\$ 168,631	\$ -	
Hillsboro	South Hillsboro Community Plan Project (Areas 69 and 71)	\$ 157,500	\$ 78,750	IGA deliverables completed. Waiting for City's final invoice for last 2 deliverables totalling \$78,750.
Hillsboro	Helvetia & Evergreen Project	\$ 345,000	\$ -	
Hillsboro				
Hillsboro	Shute Road Concept Plan	\$ 30,000	\$ -	
Oregon City	Beavercreek	\$ 117,000	\$ -	
Oregon City	Park Place	\$ 292,500	\$ -	
Oregon City	South End	\$ 292,500	\$ 292,500	Planning underway. IGA signed and waiting for City invoice of first milestone.
Sherwood				
Sherwood	Brookman Road Project	\$ 168,524	\$ -	
Sherwood	Area 48 (Tonquin Employment Area) Concept Plan	\$ 208,440	\$ -	
Tualatin	NW/SW Concept Plans	\$ 52,194	\$ -	
Tualatin	Tualatin Southwest Concept Plan Implementation Project	\$ 30,908	\$ -	
Tualatin				
Tualatin	Basalt Creek (South Tualatin/North Wilsonville)	\$ 365,277	\$ 335,000	IGA executed November 2010. Project delayed pending key roadway study recently completed. City staff estimates work to begin in spring of 2013.
Wilsonville				
Clackamas Cty	Damascus-Boring Concept Plan	\$ 202,701	\$ -	
Washington Cty	N. Bethany Project	\$ 1,170,000	\$ -	
Washington Cty	West Bull Mountain Concept Plan/River Terrace Community Plan	\$ 670,500	\$ 134,100	Planning responsibility transferred to Tigard for last 2 milestones. City planning effort on renamed River Terrace plan now underway, with IGA completion date of 12/31/14.
Washington Cty	Area 67 (Cooper Mtn)	\$ 191,700	\$ 191,700	Planning responsibility transferred to Beaverton. IGA negotiation process underway with expected completion fall 2014.
Multnomah Cty	Bonny Slope West Concept Plan	\$ 202,500	\$ 82,500	County has extension until 6/2/2021 to complete planning.
Damascus	City of Damascus	\$ 524,724	\$ 131,181	City has extension until 7/31/2014 to complete last deliverable.
		\$ 6,295,400	\$ 1,245,731	

Funds Collected	\$ 6,300,000
Set up Fees	\$ 2,500
Expenditures	\$ 5,049,669
Balance CET 1	\$ 1,247,831

Construction Excise Tax Round 2*

*Green means no IGA

FY 2011

Jurisdiction	Project	Total Contract	Balance	Comment (Gerry Uba, Project Manager)
Cornelius	Holladay Industrial Park Planning	\$ 79,000	\$ 78,000	IGA signed 11/21/12 (no match)
Forest Grove	Redevelopment Planning	\$ 85,000	\$ 51,500	Completed 2 of 6 Milestones. Deadline adjusted again to provide information and analysis to City Council for informed decision on establishment of urban renewal district. (local match: \$20,000)
Gresham	TriMet Site Redevelopment Plan	\$ 70,000	\$ 70,000	IGA signed 12/20/12 (local match: \$18,211)
Happy Valley	Industrial Pre-Certification Study	\$ 32,600	\$ 26,080	IGA signed 10/23/12 (local match: \$21,400)
Hillsboro	Tanasbourne/AmberGlen Regional Center Implementation	\$ 275,000	\$ 135,000	Completed 2 of 5 Milestones. (local match: \$341,000)
Hillsboro	Old Town Hillsboro Refinement Plan	\$ 90,000	\$ 15,000	Completed 2 of 4 Milestones. (local match: \$68,000)
Lake Oswego	Foothills District Framework Plan	\$ 295,000	\$ 93,650	Completed all 6 Milestones in January 2013. (local match: \$1,327,800)
Lake Oswego	Funding Strategy to Implement the LGVC Plan	\$ 50,000	\$ -	Project completed (local match: \$20,000)
Milwaukie	Town Center Urban Renewal Plan	\$ 224,000	\$ 224,000	Currently negotiating an IGA
Portland	Portland-Milwaukie LRT Project: E-TOD Plan	\$ 485,000	\$ 485,000	
Portland	Foster Lents Integration Partnership	\$ 250,000	\$ 187,500	Completed 3 of 4 Milestones. (local match: \$135,792)
Portland	Portland Brownfield Redevelopment Assessment	\$ 150,000	\$ 120,000	Completed 5 of 6 Milestones. (local match: \$49,998)
Portland	South Waterfront: South Portal Partnership Plan	\$ 250,000	\$ 250,000	Currently negotiating an IGA
Portland	Barbur Corridor Concept Plan	\$ 700,000	\$ 300,000	Completed 5 of 6 Milestones. Deadline adjusted due to delay in the SW Corridor Planning process and change in leadership on Portland City Council (local match: \$330,516)
Tualatin	Southwest Urban Renewal Plan	\$ 70,000	\$ 70,000	
Tualatin	Highway 99W Corridor Plan	\$ 181,000	\$ 99,550	Completed 5 of 8 Milestones. Deadline adjusted due to delay in the SW Corridor Planning process and need to vet land use alternatives in the linking Tualatin Plan with business and property owners. (local match: \$33,200)
Washington County	Aloha-Reedville Study	\$ 442,000	\$ -	Project completed. [Note: Metro funded portion of the Aloha-Reedville Livable Community Plan] (local match: \$663,600)
		\$ 3,728,600	\$ 2,205,280	(local match for projects underway: \$2,989,906)

Funds Collected by Dec 31, 2012	\$ 5,708,967
2.5% Collection Fee	\$ 142,724
Expenditures through Dec 31, 2012	\$ 1,523,320
Balance CET	\$ 4,042,923