

# Bureau of Development Services Lunch and Learn Presentation

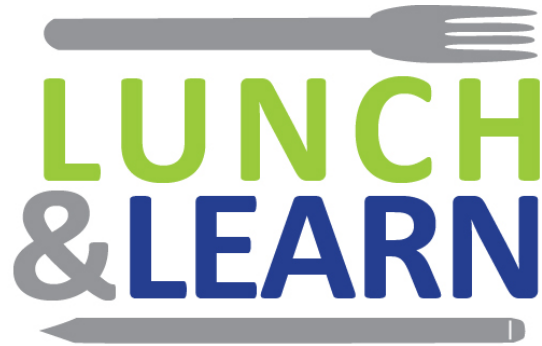
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## Inclusionary Housing and Multi-Family Residential Development

January 20, 2017 noon – 1:00 PM



**Bureau of  
Development  
Services** FROM CONCEPT  
TO CONSTRUCTION



# Inclusionary Housing Program

Program  
applies to  
all buildings  
with 20 or  
more new  
units

- Effective February 1, 2017
- Several options for developers to choose from in order to provide affordability

# Inclusionary Housing Options

## Affordable Housing Requirement

- Include affordable units in new building
- Designate affordable units off-site
- Pay fee-in-lieu

# Inclusionary Housing Options

## Include affordable units in new building

Within Central City Plan District, choose between providing 20% of units at 80% of AMI or 10% of units at 60% AMI.

Outside Central City Plan District, choose between providing 15% of units at 80% of AMI or 8% of units at 60% AMI.

- 10-year tax exemption on all residential units for properties with base FAR 5:1+, or on affordable units only for properties with below 5:1 FAR
- Construction excise tax exemption on the affordable units
- SDC exemption for units affordable at 60% AMI
- Buildings exempt from parking requirements
- Density/FAR bonus – varies by zoning and plan district

# Inclusionary Housing Options

## Reconfiguration of affordable units

Alternative mix of affordable units based on the total number of bedrooms by redistributing bedrooms into larger units – result is fewer affordable units, but with 2 or more bedrooms

Total affordable units: 20

Unit mix:

- 10 studios
- 5 one-bedrooms
- 5 two-bedrooms

Unit mix totals 25 bedrooms



Reconfigured affordable units: 13

Unit mix:

- 12 two-bedrooms
- 1 studio or one-bedroom

Same total of bedrooms: 25

# Inclusionary Housing Options

## Designate affordable units offsite

New construction – 20% of units at 60% of AMI or 10% of units at 30% AMI

Existing building – 25% of units at 60% of AMI or 15% of units at 30% AMI

- Units must be reasonably equivalent – size, quality, bedroom distribution
- Project must be within ½ mile or have same or better Opportunity Map score
- MWESB construction goals for new construction option
- Sending site maintains any FAR bonus and parking exemption
- Receiving site's affordable units receive SDC & CET exemptions

# Inclusionary Housing Options

## Affordable Housing Requirements

- At least 5 percent of the affordable units must be built to be Type A
- Recorded covenant on title to property – 99-year affordability
- Annual reporting of tenant income and rents

# Inclusionary Housing Options

## Pay fee-in-lieu

Choose to pay fee instead of providing affordable units

- Fee calculated by multiplying the gross square feet of the development by the Fee-in-Lieu Factor
- No additional requirements

**Example:** 150,000 GSF, outside Central City Plan District with factor of \$19.50 = \$2,925,000 fee-in-lieu



# Inclusionary Housing Options

## Fee-in-lieu factor

### Within Central City Plan District

Zone/FAR		Fee per GSF
3.0/4.0	<i>Base FAR</i>	\$27.39
3.0/4.0	<i>Base with Bonus FAR</i>	\$28.57
5.0/6.0	<i>Base FAR</i>	\$28.57
5.0/6.0	<i>Base with Bonus FAR</i>	\$28.99
8.0	<i>Base FAR</i>	\$28.99
8.0	<i>Base with Bonus FAR</i>	\$29.81
9.0	<i>Base FAR</i>	\$29.81
9.0	<i>Base with Bonus FAR</i>	\$29.42
12.0	<i>Base FAR</i>	\$29.42
12.0	<i>Base with Bonus FAR</i>	\$29.85
15.0	<i>Base FAR</i>	\$27.39
15.0	<i>Base with Bonus FAR</i>	\$28.57

# Inclusionary Housing Options

## Fee-in-lieu factor - continued

### Outside Central City Plan District *(before December 31, 2018)*

Zone/FAR	Fee per GSF
CN1, CO1, CO2, CM, CS, CG, CX plus EG1, EG2, EX and R3, R2, R1, RH and RX zones	\$19.50

### Outside Central City Plan District *(after December 31, 2018)*

Zone/FAR	Fee per GSF
CM1 <i>Base FAR</i>	\$23.83
CM1 <i>Base with Bonus FAR</i>	\$25.79
CM2 <i>Base FAR</i>	\$25.79
CM2 <i>Base with Bonus FAR</i>	\$26.50
CM3 <i>Base FAR</i>	\$26.03
CM3 <i>Base with Bonus FAR</i>	\$28.58

# Inclusionary Housing Information

Housing staff available at BDS

Website: [www.portlandoregon.gov/phb/inclusionary-housing](http://www.portlandoregon.gov/phb/inclusionary-housing)

Email: [inclusionary-housing@portlandoregon.gov](mailto:inclusionary-housing@portlandoregon.gov)

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