

DRAFT for Discussion - Inclusionary Housing Title 33 Code Concept (7/11/16)

Purpose: A new chapter (33.245, Inclusionary Housing) will be a development standard that requires new development with more than 20 dwelling units on one site to provide X% of the dwelling units to be affordable at 80% MFI, or pay a fee-in-lieu and comply with the Portland Housing Bureau Inclusionary Housing Program.

Implementation requires two different codes:

Interim (2017) – Amends current code for Central City Plan District, Commercial Base Zones, and Multi-Dwelling Base Zones.

Final (2018+) – Added to new Central City 2035 Zoning Code and Mixed Use Zones Zoning Code, eventually to Multi-Dwelling zones

Two main geographies – Central City and outside Central City. Inclusion rate and bonuses can vary by geography.

	Central City	Mixed Use and Multi-Dwelling Zones
Interim (2017)	Inclusion Rate: X% Bonus: 1) 3:1 FAR for on-site units 2) 3:1 FAR for fee in-lieu to Affordable Housing Fund	Inclusion Rate: X% Bonus: See Table 2 below
Final (2018+)	Inclusion Rate: X% Bonus: 1) 3:1 FAR for on-site units 2) 3:1 FAR for fee in-lieu to Affordable Housing Fund	Inclusion Rate: X% Bonus: 1) Mixed Use Zones see Table 3 2) TBD for Multi-Dwelling Zone Project

Policy Choices:

Interim Program

Central City – Add 3:1 FAR bonus for compliance with IH Program and fee in-lieu option to satisfy legislation requirements.

Option 1 - Add two bonuses (3:1 FAR, fee in-lieu option). Keep existing bonuses for interim zoning implementation of IH Program.

Option 2 (preferred) - Add two bonuses (3:1 FAR, fee in-lieu option). Remove existing bonuses with the exception of South Waterfront Sub-District.

Mixed Use and Multi-Dwelling Zones – Adding bonus to existing commercial zones is difficult because residential floor area is not currently counted in total FAR.

Option 1 - No bonus with higher inclusion rate (higher cost).

Option 2 - No bonus with lower inclusion rate (moderate cost).

Option 3 (preferred) - Count residential floor area, adjust base FARs, add bonuses as defined in Table 2.

Table 2. DRAFT Potential FAR changes and bonuses approximate to MUZ proposal

Base Zone	Current Max FAR	Bonus	Max FAR with Bonus
CN and CO1	0.75:1	1.75	2.5:1
CM	2:1	2:1	4:1
CS and CG	3:1	1:1	4:1
CX	4:1	1:1	5:1
EX	3:1	2:1	5:1
RH	2:1 or 4:1	1:1	3:1 or 5:1
RX	4:1	1:1	5:1
R3, R2, R1		+20% density	
IR		No bonus	
EG		No bonus	
SFR (PD)		No bonus	

Table 3 – Mixed Use Zones Proposed Draft Bonus Structure

	CM1	CM2	CM3	CE
Height Max. Base	35'	45'	65'	45'
Height Max. Bonus	35'	55'	75'	45'
FAR Max Base	1.5:1	2.5:1	3:1	2.5:1
FAR Max Bonus	2.5:1	4:1	5:1	3:1

For further information regarding this Draft Inclusionary Housing Title 33 Code Concept please contact Tyler Bump, Senior Economic Planner - City of Portland Bureau of Planning and Sustainability by emailing tyler.bump@portlandoregon.gov