

# Portland Housing Bureau

Solving the unmet housing needs of the people of Portland.

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## History of TIF Set-Aside Policy

On April 26, 2006, through Resolution No. 36404, the City Council expressed an interest in considering a policy “to dedicate a percentage of Tax Increment Financing (TIF) revenues from all Urban Renewal Districts citywide to an affordable housing set aside fund, or to create another mechanism to ensure predictable and adequate funding and prioritization of housing for individuals and families earning 80% Median Family Income (MFI) or less.”

Council also “request[ed] the Portland Development Commission work in partnership with the Bureau of Housing and Community Development, the Office of Management and Finance, the Housing and Community Development Commission, and Affordable Housing Now and other interested stakeholders to develop and present to Council by September 1, 2006 either an implementation plan to create such a set aside fund or other options.”

The PDC Commission directed staff to create and implement a broad and inclusive public participation effort, consistent with PDC’s Public Participation Policy, which reflects perspectives from individuals and groups, including Urban Renewal Advisory Committees, involved in all aspects of tax increment financing, and other stakeholders who would benefit or would be impacted by a specific set or automatic allocation of urban renewal resources for affordable housing.

### Tax Increment Expenditure Data Report

A Technical Advisory Committee was established to review PDC’s historic information on affordable housing expenditures in the existing URA’s as well as developing projections regarding future expenditures. The committee consisted of members representing the following: Mayor, Commissioner Sten, Bureau of Housing and Community Development, Office of Management and Finance, the Housing Development Center, Community Development Network and PDC.

The Technical Advisory Committee was charged with assisting with the Data Report on Historical and Forecasted Urban Renewal Expenditures. Their work was completed during the month of July 2006. Both the PDC Board and the City Council were briefed on their work in August.

### TIF Set Aside Implementation Plan

A Project Advisory Group was established to review the data report from the technical advisory committee and discuss implementation options. Membership will include: Mayor, Commissioner Sten, Bureau of Housing and Community Development, Office of Management and Finance, the Housing Development Center, Community Development Network, Affordable Housing Now, Housing and Community Development Commission, Housing Authority of Portland, Portland Business Alliance, League of Women Voters, PDC and urban renewal advisory committees.

The Project Advisory Group was charged with assisting with the development of TIF Set Aside Implementation Recommendations. The Group met three times in August and September and provide input to PDC staff in the development of the Implementation Plan. A public forum cosponsored by PDC and HCDC was held August 28th to allow for broad community input into the development of the Implementation Plan.

In October both the PDC Board of Commissioners and the City Council adopted the TIF Set-Aside Implementation Plan which established a 30% set aside in the new districts (Interstate Corridor Urban Renewal Area, Gateway Regional Center Urban Renewal Area, Lents Town Center Urban Renewal Area and North Macadam Urban Renewal Area) and South Park Blocks Urban Renewal Area, and includes separate percentages for Downtown Waterfront Urban Renewal Area, Oregon Convention Center Urban Renewal Area and the Central Eastside Urban Renewal Area.

### TIF Set-Aside Income Guidelines

The Implementation Plan included PDC’s intent to establish income guidelines that correspond to individual URA Housing Policies, current projects, per unit subsidies, and forecasted budget availability. PDC participated met with urban renewal advisory committees and stakeholder groups, as well as citywide stakeholder and advocacy group in January and February to get input on the in Preliminary Staff Recommendation for Income Guidelines.

PDC hosted a public forum on January 24, 2007, which was attended by over 60 community representatives ranging from URA representatives, neighborhood representatives, affordable housing developers and advocacy groups, homeownership advocates, community organizations and real estate professionals.

On February 28, 2007, the PDC Board of Commissioners formally adopted Income Guidelines for the TIF Set-Aside.

### 2011 Stakeholder Review

In early 2011, the PHB completed a thorough review of the policy. The review included a public hearing on the TIF Affordable Housing Set-Aside policy (held on August 2, and the hearing provided an opportunity for public testimony and comments on the policy and the recommendations currently under development. On November 16, 2011, the Portland City Council unanimously approved and adopted a set of recommendations that Housing Commissioner Nick Fish brought forward in order to improve the TIF 30% Set-Aside Policy. View the City Council ordinance

<http://efiles.portlandoregon.gov/webdrawer/rec/4592422/view/TIF%20Set%20Aside%20Ordinance%20Packet%202011%20Policy%20Review.PDF>.

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