

**SUBSTITUTE**

**35747**

**RESOLUTION No.**

Establish a standardized affordable housing exemption policy for City System Development Charges to provide equal access to exemptions for all developers of affordable housing.

WHEREAS, the City of Portland is the nation's second least affordable housing market;

WHEREAS, the City of Portland continues to support the development of affordable housing as an important policy goal;

WHEREAS, each year approximately 20 percent of the City's direct financial assistance to multi-family affordable housing goes to pay city System Development Charges (SDCs);

WHEREAS, basic shelter is required before citizens can enjoy the benefits of the city's water, sewer, parks and transportation systems;

WHEREAS, a task force comprised of representatives from City bureaus that employ SDCs, the City Attorney's Office and the Office of Finance and Administration have recently studied the legal and fiscal issues involved in exempting affordable housing from city SDCs;

WHEREAS, current SDC for the Office of Transportation (Transportation) provides affordable housing exemptions for non-profit developers, but not for-profit developers;

WHEREAS, the current SDC for the Bureau of Parks and Recreation (Parks) provides affordable housing exemptions for non-profit developers and a credit pool for for-profit developers;

WHEREAS, the Housing Preservation Ordinance requires that affordable housing projects funded by the City of Portland remain affordable for at least 60 years; and

WHEREAS, the City Council considers changes to SDC charges each year as part of the city's budget process.

NOW THEREFORE, BE IT RESOLVED Council declares its intention to establish a standardized exemption for all city System Development Charges (SDCs) that would provide equal access to affordable housing exemptions for all developers; and

BE IT FURTHER RESOLVED, the current criteria for exempting non-profit housing from the Parks and Transportation SDCs, which is 60 percent of the area Median Family Income (MFI) for rental housing and 100 percent of MFI for homeownership, shall be the criteria for exemption from all SDCs for all developers of affordable housing; and

BE IT FURTHER RESOLVED, all projects receiving affordable housing exemptions shall be subject to the 60-year affordability requirement of the Affordable Housing Preservation Ordinance; and

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BE IT FURTHER RESOLVED, the Council directs Transportation, the Bureau of Water Works and the Bureau of Environmental Services to submit amendments to their SDC ordinances in compliance with the policy directions of this resolution as part of their budget proposals for Fiscal Year 99-00.

BE IT FURTHER RESOLVED, the Council directs the Parks Bureau to submit amendments to their SDC ordinance in compliance with the policy direction of this resolution upon implementation of the commercial portion of the Parks SDC.

BE IT FURTHER RESOLVED, the Council directs staff from the Office of Finance and Administration and the City Attorney's Office to work with the affected bureaus to resolve outstanding legal and fiscal issues related to SDC exemptions as SDC ordinances are being prepared for submission.

Commissioner Sten  
Prepared by: MWR  
Date Prepared: December 8, 1998

BARBARA CLARK  
Auditor of the City of Portland  
By

*Britta Olson*

Deputy

**ADOPTED** by the Council: DEC 09 1998

# S-1795

# SUBSTITUTE

Agenda No.  
RESOLUTION NO.  
Title

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Establish a standardized affordable housing exemption policy for City System Development Charges to provide equal access to exemptions for all developers of affordable housing.

INTRODUCED BY	Date Filed: <b>DEC 08 1998</b>
Commissioner Erik Sten	Barbara Clark Auditor of the City of Portland By: <u>Cary Kerchner</u> Deputy For Meeting of: Action Taken:
NOTED BY COMMISSIONER	
Affairs	
Finance and Administration	
Safety	
Utilities	
Works <u>EK Sten</u>	
BUREAU APPROVAL	
Bureau: <u>Comm. Sten</u>	
Prepared by <u>MARSHALL RUNKEL</u> Date	
Budget Impact Review:	
Completed <input type="checkbox"/> Not Required <input type="checkbox"/>	
Bureau Head:	

AGENDA		FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
			YEAS	NAYS
Consent	Regular <input checked="" type="checkbox"/>	Francesconi	<input checked="" type="checkbox"/>	
NOTED BY		Hales	<input checked="" type="checkbox"/>	
City Attorney		Kafoury	<input checked="" type="checkbox"/>	
City Auditor		Sten	<input checked="" type="checkbox"/>	
City Engineer		Katz	<input checked="" type="checkbox"/>	