

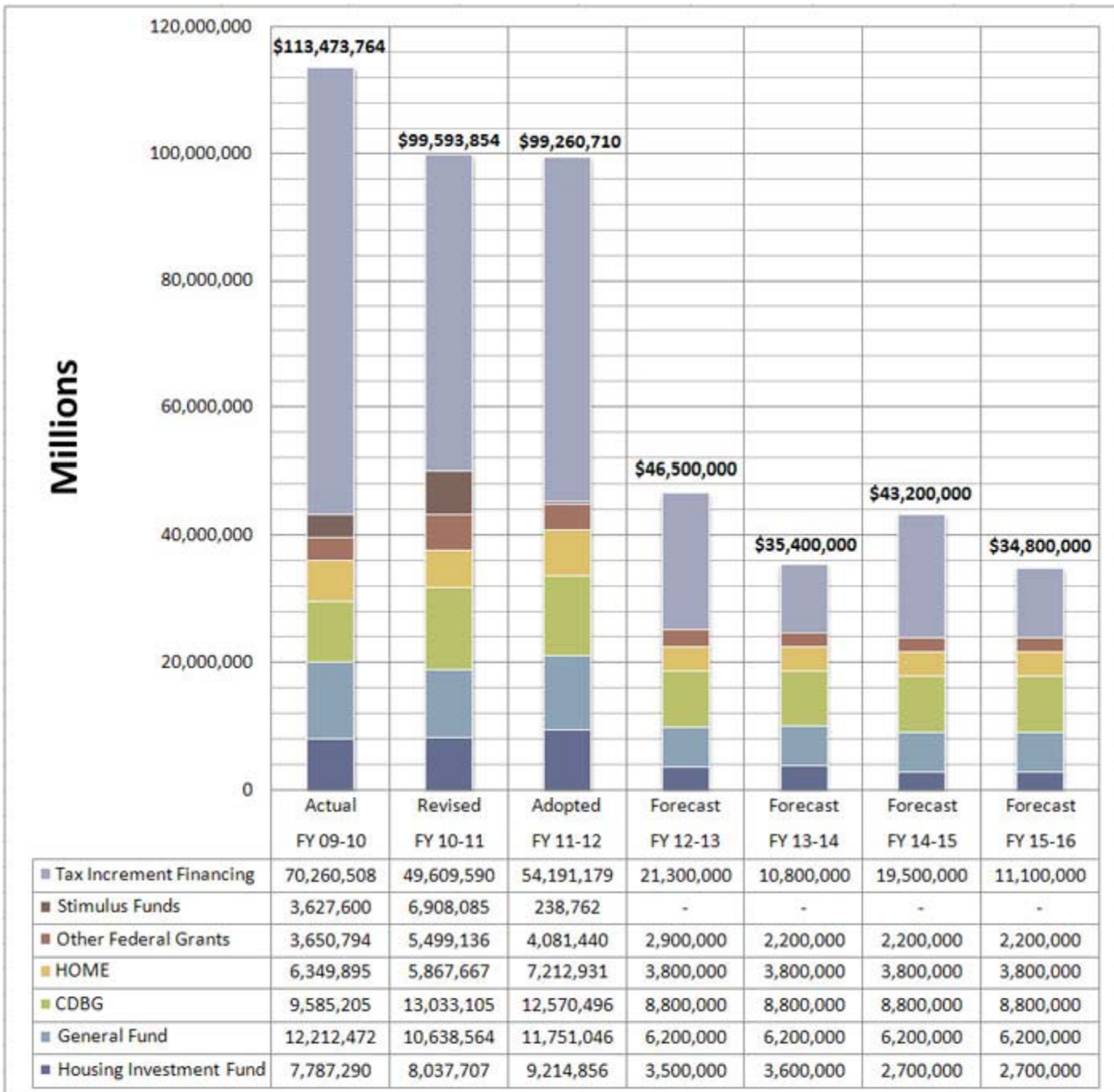


30% SET ASIDE REVIEW URAC BRIEFING



Portland Housing Bureau 2011-2013 Strategic Plan

<http://www.portlandonline.com/phb/strategy>





Set Aside Policy Purpose

The Affordable Housing TIF Set Aside Policy was created in 2006 as a permanent resource for the creation and preservation of affordable housing to meet the City's housing needs and achieve housing policy goals.



Policy Achievements – First 5 Years

- **Generated \$152 M in direct housing investment**
 - **\$31 M more than anticipated at policy adoption**
 - **\$49 M more than would have been available without the policy.**
- **Projected to meet minimum spending targets in 6 of 9 URAs**
- **Projected at 32% Set Aside spending over all 9 URAs**
- **Provided capital resources for multiple city priority projects**
 - **Bud Clark Commons**
 - **Section 8 Preservation**
 - **Homeownership and Home Repair**
 - **Block 49**

City of Portland, Oregon

Portland Housing Bureau

Urban Renewal Area	5 Year Cumulative Expenditures		TIF Set Aside Adopted Policy
	TIF Set Aside Eligible Expenditures	% of Total URA Expenditures	
Central Eastside	\$5,256,171	17%	15%*
Downtown Waterfront	\$17,401,892	21%	22%
Gateway Regional Center	\$2,397,360	20%	30%
Interstate Corridor	\$19,854,271	35%	30%
Lents Town Center	\$16,312,329	34%	30%
North Macadam	\$14,400,753	35%	39%**
Oregon Convention Center	\$3,944,977	16%	26%
River District	\$39,156,012	37%	30%
South Park Blocks	\$29,287,646	51%	30%

*Central Eastside: A minimum of \$5,100,000 (15%) of all tax increment resources of the first \$35 million of debt issued and a minimum of 30% of all tax increment resources for any additional debt beyond \$35 million.

**North Macadam URA requirements are to spend according to the Council and Commission adopted funding plan for the district for the first 5 years, which is 39% (\$22.7M). After that, 30% of expenditures must be for affordable housing.



Set Aside Review

Set Aside 5 Year Review & Update Required by Council upon adoption in 2006

Purpose: Recommend to Council updates to Set Aside policy to improve administration, transparency and reporting and to align with PHB Strategic Plan, Portland Plan, URA Plans, City Policies and current and future citywide housing needs.

Three-Stage Review Process:

- Technical Review** **May 2011 (Complete)**
- Programmatic Review** **May-July 2011**
By Subcommittee of Portland Housing Advisory Commission
- Public and Stakeholder Input** **July-September 2011**



Set Aside Review

City's housing needs and delivery system are different now than when policy adopted

NEEDS

- **Rental housing for most vulnerable, neighborhood homeownership retention/close minority homeownership gap**
- **Homelessness prevention/elimination; safety net**

DELIVERY SYSTEM

- **Portland Housing Bureau (PHB) created**
- **PHB Strategic Plan & Portland Plan guide all investments over next 3-5 years**
- **Portland Housing Advisory Commission (PHAC) citywide focus, policy & budget advising, representatives from neighborhoods & central city**



Set Aside Review Draft Recommendations: **Programmatic Recommendations**

- Retain income guidelines within Set Aside policy until City adopts PHB Strategic Implementation Plan where income guidelines for all sources are specified
- Maintain 30% across URAs as the minimum spending threshold over five years (FY 2011-12 to 2015-16)
 - Individual URAs may vary within a set +/- % range of revenue to Set Aside eligible projects/programs over five years to achieve specific goals. (% to be recommended by committee and adopted by Council)
- Report Progress on the Set Aside in the PHB Annual Report

Technical Recommendations

- Apply Set Aside to revenues not expenditures
- Calculations should include overhead and staffing costs
- Program income stays with agency that generated it



Set Aside Review Information & Feedback

The subcommittee charter, roster, meeting calendar, meeting materials, and meeting notes are available on the PHB website. Feedback is welcome and expected throughout the review process.

<http://www.portlandonline.com/phb/tif/>

Portland Housing Advisory Commission public hearing on Set Aside policy update recommendations:

August 2, 2011

5:00 – 6:30 p.m.

PHB (Commonwealth Bldg) – 421 SW 6th Ave, 5th Floor