



Limited Tax Exemption BIG LOOK Policy Review Committee

Monday, August 1, 2011, 3:30-5:00pm
Multnomah County Bldg, Room 635

AGENDA

1. Welcome & Introductions (5 min)
2. Recap 5/6 meeting – questions, comments? (5 min)
3. Review Process to Date – Brief Recap of Meetings 1-4 (5 min)
4. Summary of Draft Recommendations – (60 min)
Please Review Attached prior to meeting
5. Legislative Recap, Interim Actions (10 min)
6. Next Steps, Process Conclusion (5 min)

Goals of this group:

1. Review current abatement programs including preliminary recommendations by ECO NW and other changes raised by the Committee. Recommend potential changes to taxing jurisdictions. Local legislation needs to be approved by City Council, Multnomah County and other taxing jurisdictions by ~~Summer~~ Fall 2011.
2. If any statutory changes are recommended, work on potential draft legislation for 2012 or 2013 legislative session. Legislative proposals need to be drafted by Fall 2011.

Limited Tax Exemption BIG LOOK

Policy Review Committee

Summary of Draft Recommendations

GOAL OF PROGRAM CHANGES:

- Better align exemption programs with current and future housing needs shared by the partners.
- Strategically invest exemptions *and foregone revenue* to advance the City's equity, housing access and neighborhood development goals that the market will not otherwise meet.
- Improve efficiency, transparency and accountability of all programs

SUMMARY OF RECOMMENDED CHANGES – FOR DISCUSSION:

HOMEOWNERSHP TOOLS

Single Family New Construction (SFNC)

City code change to existing program – SHORT TERM 3-6 mos.

1. PHB to establish a capped amount of capacity (by \$ or # of applications) available on an annual or bi-annual basis, and establish a regular competitive process for available capacity (RFP or other method)

Multi-jurisdictional staff work for 2012 or 2013 legislative session – LONG TERM 12-18 mos.

2. PHB staff to work with County, School Districts, Bureau of Planning and Sustainability, Developers and other stakeholders to establish *new* criteria for establishing home buyer opportunity areas (HOA) that advance goals of increasing homeownership in high asset areas, especially to advance its primary goal of Closing the Minority Homeownership Gap.

Acquisition of Existing Homes

Multi-jurisdictional staff work for 2012 or 2013 legislation – LONG TERM 12-18 mos.

1. PHB to complete research on models
2. PHB staff to establish a working group to review and advise on models, *especially potential effectiveness for anti-displacement*; develop program guidelines that advance goals of increasing homeownership in high asset areas, especially to advance its primary goal of Closing the Minority Homeownership Gap.

MULTI-FAMILY HOUSING TOOLS

New Multiple Unit Housing (NMUH)/Transit Oriented Development (TOD)

City code change to consolidate programs; transit proximity aligned with Bureau of Planning and Sustainability Healthy Connected Neighborhoods definition - SHORT TERM 3-6 mos.

1. Committee recommendation on required level of affordability:
 - Homeownership 100% MFI family of four (no change) + sales price cap
 - At or below 60% MFI for 20% of units or at or below 30% for 10% of units (TOD)
 - At or below 80% MFI for 15% of units (NMUH) *Current moratorium on all but 100% of units @ 60% MFI*
2. Committee recommendation on Public Benefits: (see list attached)
 - Affordability + 3 public benefits (TOD)
 - Commercial (if exempt) must:
 - meet definition of neighborhood serving good or service as defined in Healthy Connected Neighborhood – provide market survey and defined community process to support
 - demonstrate that commercial use will not compete with existing successful use within XX blocks (PDC NED Strategy support)
3. PHB Finance staff to review and recommend replacement Rate of Return test for use at initial application and on annual financial review. Annual return exceeding established maximum subject to “claw back”.
4. PHB to establish a capped amount of capacity (by \$ or # of applications) available on an annual or bi-annual basis, and establish a regular competitive process for available capacity (RFP or other method).

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PUBLIC BENEFITS LIST

FROM TOD

1. 20 percent of units dedicated to persons with special needs.
2. 10 percent of rental units include 3 or more bedrooms.
3. Provide childcare on-site or support child care facility.
4. Provide residential unit-per-acre density equivalent to at least 80 percent of maximum density
5. Permitted ground floor service or commercial use.
6. Office space or meeting room for community.
7. Permanent dedications for public
8. Family oriented recreational facilities.
9. A dedicated car-share space(s).
10. Structured parking.
11. LEED Silver certification from the US GBC
12. Twice the percentage of affordable units, or percentage of residential building square footage for affordable units, than is required by the affordability requirement.
13. Other benefits as proposed by the developer and approved by the Planning Commission.
14. Transportation improvements above those required
15. An agreement to sell off-street parking spaces separate from condominium units.

FROM NMUH

1. Open spaces available to the general public;
2. Day care facilities;
3. Permanent dedications for public use
4. LEED Silver certification from the US Green Building Council;
5. 20 Percent of the rental units have 3 or more bedrooms;
6. A total of 25 percent of the rental units are affordable to households at 80 percent MFI; or
7. Other public benefits approved by the Planning Commission and the City Council.