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Sent: Thursday, March 31, 2016 4:28 PM

To: Planning and Sustainability Commission <psc@portlandoregon.gov>; Manning, Barry <Barry.Manning@portlandoregon.gov>

Cc: Bump, Tyler <Tyler.Bump@portlandoregon.gov>; Lum, Leslie <Leslie.Lum@portlandoregon.gov>

Subject: Mixed Use Zones Proposed Draft Testimony

Barry Manning

Attn: Mixed Use Zones testimony

Planning and Sustainability Commission

City of Portland Bureau of Planning and Sustainability

Barry:

I will be out of town at the time of the Commission public hearing, so I'll just make a couple of comments regarding the Performance Bonus Options.

1. From what I can tell from the proposed draft, not much has changed from the original concept report. It still appears that developers would have the possibility to opt out of the housing option by choosing two of the (now) four other public benefit features. Perhaps there is a rule that precludes choosing more than one feature, but I haven't seen evidence of that. If housing is the top priority, then it seems fair that other benefit features ought not add up to the maximum bonused FAR.
2. I see no reference to a regular update of the calculation of cash bonus value per sq. ft. of floor space achieved, as we once discussed. This would seem to be an important step, particularly in light of the new Inclusionary Zoning law that passed in the state legislature. An in lieu fee is also included as an option, and I would expect that the finance-based incentives will be structured along similar lines as the bonus option under the MUZ ordinance. Operating two BMR set-aside housing programs simultaneously, we surely wouldn't want to lose track of what the incentives given to developers are worth.

These comments are preliminary, as it appears that final rules are still to be added into the final. Nevertheless, please let me know if I have misconstrued the draft language. We at Common Ground-ORWA want to support the City's efforts to leverage affordable housing by sharing the benefits of rising real estate values.

TOM

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