

**Exhibit A****30.01.150 FAR Transfer from Existing Affordable Housing Program.**

- A. Purpose Statement.** The City intends to implement the FAR Transfer from Existing Affordable Housing Program (the “Affordable Housing Transfer Program”) to promote the preservation of existing affordable housing within the City.
- B. Administration.**
1. PHB will certify whether the applicant’s existing Affordable Housing project meets the standards and requirements set forth in PCC Subsection 33.120.210 D.1. and this Section.
  2. PHB may adopt, amend, and repeal Administrative Rules and prepare forms for the implementation, administration and compliance monitoring consistent with the provisions of this Section 30.01.150. The Director of PHB, or a designee, shall have the authority to modify the Administrative Rules as necessary to meet current City housing program requirements. PHB Administrative Rules will set forth clear and objective criteria to establish minimum standards for affordable units subject to the Affordable Housing Transfer Program.
- C. Standards.** Affordable Housing projects approved for the Affordable Housing Transfer Program must satisfy the following criteria:
1. All of the Affordable Housing dwelling units located on a site wanting to transfer available FAR must have an existing affordability restriction related to funding provided by PHB for at least an additional 30 years from the date of application to PHB for the FAR transfer; and
  2. The Affordable Housing dwelling units must be restricted to households earning 60 percent or less of area MFI.

**EXHIBIT B****30.01.160 Three-Bedroom Unit FAR Density Bonus Option Program.**

- A. Purpose Statement.** The City intends to implement the Three-Bedroom Unit FAR Density Bonus Option Program (the “Three-Bedroom Bonus Program”) to increase the number of family-sized dwelling units available for sale or for rent to moderate-income households.
- B. Administration.**
1. PHB will certify whether the applicant’s proposed development meets the standards and requirements set forth in PCC Subsection 33.120.211 C.3. and this Section.
  2. PHB may adopt, amend, and repeal Administrative Rules and prepare forms for the implementation, administration and compliance monitoring consistent with the provisions of this Section 30.01.160. The Director of PHB, or a designee, shall have the authority to modify the Administrative Rules as necessary to meet current City housing program requirements. PHB Administrative Rules will set forth clear and objective criteria to establish minimum standards for Affordable Housing units restricted under the Three-Bedroom Bonus Program.
- C. Standards.** Developments approved for the Three-Bedroom Bonus Program must satisfy the following criteria:
1. Dwelling units shall remain affordable for a period of at least 10 years and be available to households earning 100 percent or less of area median income;
  2. Owners are required to sign a covenant that will encumber the property receiving a density bonus under the Three-Bedroom Bonus Program, and will be recorded in the official records of Multnomah County, Oregon;
  3. For rental dwelling units, the owner or a representative shall submit annual documentation of tenant income and rents to PHB;
  4. The City may inspect the affordable dwelling units for fire, life, and safety hazards and for compliance with the Three-Bedroom Bonus Program requirements and may inspect files documenting tenant income and rents of the affordable rental dwelling units; and
  5. Failure to meet the requirements of the Three-Bedroom Bonus Program will result in a penalty and may result in legal action.

## D. Penalties.

1. In the event of a failure to meet the requirements of the Three-Bedroom Bonus Program and the additional requirements established in the covenant, PHB may choose to negotiate with the building owner to bring the building into compliance.
2. Should PHB and the owner not agree upon an acceptable remedy to bring the project into compliance, the owner will owe financial penalties payable to PHB as follows:

- a. **For-Rent Dwelling Unit Penalty.** For a building with rental dwelling units, a penalty equal to multiplying the gross square feet of the residential and residential-related portions of the building by \$23; and

**Interest.** Interest on the entire unpaid For-Rent Dwelling Unit Penalty amount, assessed at the rate of .833 percent simple interest per month or fraction thereof (10 percent per annum), computed from the date of default;

**Financial Incentives.** Repayment of any financial incentives and exemptions received according to code and Administrative Rules including, but not limited to, system development charges, property taxes, and construction excise taxes; and

**Additional Penalties.** PHB may pursue any remedy available at law, or in equity, including but not limited to injunctive relief, and other remedies such as foreclosure, or receivership if the financial penalties established in this Subsection 2. are not timely paid in accordance with the timeframe prescribed by PHB or a court of competent jurisdiction.

Upon the owner's payment in full of the applicable For-Rent Dwelling Unit Penalty, Interest, Financial Incentives repayment amounts due, and payment of any Additional Penalties, the impacted building with rental dwelling units will cease to be bound to the restrictions of the Three-Bedroom Bonus Program and PHB will release the covenant.

- b. **For-Sale Dwelling Unit Penalty.** For a building with dwelling units for sale, repayment of the difference between the restricted sale price and the assessed value for each dwelling unit as stated in the Three-Bedroom Bonus Program Administrative Rules; and

**Interest.** Interest on the entire unpaid penalty amount, assessed at the rate of .833 percent simple interest per month or fraction

thereof (10 percent per annum), computed from the date of default;

**Financial Incentive.** Repayment of any financial incentives and exemptions received according to code and Administrative Rules including, but not limited to, system development charges, property taxes, and construction excise taxes; and

**Additional Penalties.** PHB may pursue any remedy available at law, or in equity, including but not limited to injunctive relief, and other remedies such as foreclosure, or receivership if the financial penalties established in this Section 2 are not timely paid in accordance with the timeframe prescribed by PHB or a court of competent jurisdiction.

Upon the owner's payment in full of the applicable For-Sale Dwelling Unit Penalty, Interest, Financial Incentives repayment amounts due and payment of any Additional Penalties, the impacted for-sale dwelling units will cease to be bound to the restrictions of the Three-Bedroom Bonus Program and PHB will release the covenant.