



**Portland  
Housing Bureau**

Mayor Ted Wheeler • Director Shannon Callahan

November 19, 2020

RE: Follow-Up to Briefing on Proposed Amendment to the Interstate Corridor Urban Renewal Plan

Dear Members of the Planning & Sustainability Commission,

This memo is intended to provide some follow-up information to questions and comments raised at the October 14, 2020, Planning and Sustainability Commission briefing on a proposed amendment to the Interstate Corridor Urban Renewal Plan (Interstate Plan).

**Housing Affordability Duration.** The duration of affordability for affordable rental housing units funded by the Portland Housing Bureau (PHB) using tax increment finance (TIF) is 99 years. It is currently unknown what the duration for affordable homeownership units funded by the Interstate Plan amendment will be, as the programs for the Carey Boulevard and Williams and Russell sites are yet to be determined.

**Subsidy per Unit Estimates.** Over the past five years of projects that PHB has funded in the Interstate Plan area, the total public subsidy (including TIF, LIFT, Energy Trust, Multnomah County, grants, weatherization), per unit was approximately \$94,000. With the potential resources from the Interstate Plan amendment, it is estimated that TIF will be the only public funding source and amount to approximately \$150,000 per unit, due to significant construction cost increases in lumber and concrete.

**Administrative Fees.** Since 2012, PHB and Prosper Portland have entered into an annual intergovernmental agreement (IGA) that identifies the amount of TIF revenue that Prosper Portland will transfer to PHB. The IGA includes a four percent allocation to Prosper Portland for administration of all TIF districts across the city of Portland, including a Comprehensive Annual Financial Report, budgeting, debt management, legal compliance, and other activities critical to ensuring TIF is administered in a legal, accountable, and transparent manner.

Thank you for the opportunity to follow up. If you have any questions in advance of the November 24, 2020, hearing, please reach out to Justin Douglas at [douglasj@prosperportland.us](mailto:douglasj@prosperportland.us).

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