

ORDINANCE No. 18 6744 As Amended

Accept the Old Town/Chinatown Five-Year Action Plan and authorize modifications to the System Development Charge Exemption Program (Ordinance; amend Code Section 30.01.095)

The City of Portland ordains:

Section 1. The Council finds:

1. The Old Town/Chinatown neighborhood has been the subject of several development plans and revitalization efforts, and while there have been many successful accomplishments, economic momentum and revitalization have not been sustained across the district.
2. The Portland Development Commission (PDC) reviewed prior plans and undertook extensive outreach to community stakeholders and City partners to formulate a set of recommended action items and resources necessary to change the status quo in Old Town/Chinatown and create a vibrant and economically healthy neighborhood.
3. Addressing public safety and livability; balancing residential incomes through the introduction of new middle-income units and preservation of existing affordable housing units; investing in rehabilitation of historic buildings; embracing and enhancing the area's unique culture, history, and identity; and promoting economic vitality were articulated as top priorities for community stakeholders.
4. The Old Town/Chinatown Five-Year Action Plan ("Action Plan") is a community development plan which recommends certain actions, tools and resources necessary to address recognized neighborhood challenges, and is responsive to the identified community priorities.
5. Collaboration between multiple public and private sector partners is required for furthering the objectives of the Action Plan, which include neighborhood investment, business vitality, and district livability.
6. PDC has allocated over \$19 million in Tax Increment Finance (TIF) resources for Old Town/Chinatown in the FY 2014-2015 Proposed Budget and is forecasting an investment of more than \$55 million over five years to support the objectives of the Action Plan, to be funded by the River District and Downtown Waterfront Urban Renewal Areas.
7. The recommended investment of TIF includes \$5.5 million to be used in collaboration with City partners to establish and implement a program to address the challenge of seismic retrofits in Old Town/Chinatown.
8. The Action Plan recommends a limited expansion in Old Town/Chinatown of the existing SDC Exemption Program to incentivize the construction of new housing units meeting certain identified criteria and serving households earning between 60-100% Median Family Income.

NOW, THEREFORE, the Council directs:

- a. The City of Portland accepts the Old Town/Chinatown Five-Year Action Plan in a form substantially in accordance with the document attached as Exhibit A.
- b. Subsection 30.01.095 F.2, Partial and Full Exemptions of System Development Charges for Affordable Housing Developments, is amended as follows:

2. Rental Units:

a. The units receiving an exemption shall be affordable to households earning 60 percent or less of area median family income at time of occupancy and shall be leased, rented or made available on a continuous basis to persons or households whose incomes are 60 percent or less of area median family income, as adjusted by household size and as determined by the U.S. Department of Housing and Urban Development for the Portland Metropolitan Area, except as provided for below. Such units shall remain affordable for a period of 60 years.

b. Effective July 1, 2014, developments of new buildings in Old Town/Chinatown shall be eligible for exemption subject to the following conditions:

- (1) Units must be located in the Old Town/Chinatown Action Plan Focus Area;
- (2) Financial need must be verified through project pro forma underwriting conducted by the Portland Development Commission;
- (3) All units shall remain affordable for a period of not less than 10 years, to persons or households whose incomes are 100 percent or less of median family income, as adjusted by household size and as determined by the U.S. Department of Housing and Urban Development for the Portland Metropolitan Area, and for not less than 5 years thereafter shall continue to remain affordable to persons or households whose incomes are 120 percent or less of median family income, as so described; and
- (4) The exemption granted by this subsection shall not be available to developments for which a building permit application is filed on or after July 1, 2019, or after permit applications have been filed for development of 500 qualifying units, in the aggregate, whichever occurs first.

- c. This ordinance is binding city policy.

Passed by the Council:

AUG 06 2014

Mayor Hales

Prepared by: Sarah Harpole

Date Prepared: June 30, 2014

LaVonne Griffin-Valade

Auditor of the City of Portland

By

Gayla Jennings

Deputy

Agenda No. **18 6744** *As Amended*
ORDINANCE NO.
 Title

Accept the Old Town/Chinatown Five-Year Action Plan and authorize modifications to the System Development Charge Exemption Program. (Ordinance; amend Code Section 30.01.095)

<p>INTRODUCED BY Commissioner/Auditor: Mayor Hales</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales <i>PH</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: Office of Mayor Hales Bureau Head: Mayor Hales <i>PORTLAND DEVELOPMENT COM</i></p> <p>Prepared by: Sarah Harpole Date Prepared: June 26, 2014</p> <p>Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p><i>✓</i> City Auditor Office Approval: required for Code Ordinances <i>Toni</i></p> <p><i>✓</i> City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <i>[Signature]</i></p> <p>Council Meeting Date July 16, 2014</p>	<p>CLERK USE: DATE FILED <u>JUL 11 2014</u></p> <p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p> <p>ACTION TAKEN:</p> <p>JUL 16 2014 PASSED TO SECOND READING JUL 23 2014 9:30 A.M.</p> <p>JUL 23 2014 PASSED TO SECOND READING As Amended AUG 06 2014 9:30 A.M.</p>
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AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: 2:00</p> <p>Total amount of time needed: 45 minutes (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz		<input checked="" type="checkbox"/>
2. Fish		<input checked="" type="checkbox"/>
3. Saltzman	<input checked="" type="checkbox"/>	
4. Novick	<input checked="" type="checkbox"/>	
Hales	<input checked="" type="checkbox"/>	