

The Inclusionary Housing Zoning Code Project

Staff from the Bureau of Planning and Sustainability (BPS) have been working in close collaboration with the Portland Housing Bureau (PHB) and the Bureau of Development Services (BDS) to create a new chapter in Title 33 (33.245) to implement the Inclusionary Housing Program. This project also amends regulations and development standards in the Central City Plan District and bonus provisions within other Plan Districts as applicable. Additionally, changes to applicable base zone designations throughout the City of Portland have been proposed that will be subject to Inclusionary Housing Program Requirements. The following base zones will be subject to the Inclusionary Housing Program Requirements; RX, CX, EX, CS, CM, CN2, CN1, CG, EG, RH, R1, R2, R3.

Current Zoning Code amendments effective February 1, 2017

New regulations and development standards that are currently under consideration by Portland City Council and the Planning and Sustainability Commission will implement the Inclusionary Housing Program Requirements and subsequent density bonus allowances when the Portland 2035 Comprehensive Plan is accepted by the State of Oregon in 2018. These projects include the Central City 2035 Plan, the Mixed Use Zones Project, and the Multi-Dwelling Zones Project.

Central City 2035, MUZ, and Multi-Dwelling Zones effective January 1, 2018

How does the Inclusionary Housing Zoning Program relate to Title 30?

<p>Title 33 – Zoning Code</p> <ul style="list-style-type: none"> • 33.245 – New chapter that implements inclusionary housing program • Project size threshold that triggers the Inclusionary Housing Program (20 units) • Inclusion rate <ul style="list-style-type: none"> • Mandatory – 20% of units at 80% MFI • Voluntary – 10% of units at 60% MFI • FAR/Height Bonuses <ul style="list-style-type: none"> • Mixed Use Zones • Multi-Dwelling Zones • Plan Districts • Periodic calibration through in coordination with PHB on inclusion rate 	<p>Title 30 – Housing Code and Administrative Rule</p> <ul style="list-style-type: none"> • Incentive Packages for Mandatory and Voluntary Programs <ul style="list-style-type: none"> • Central City • Mixed Use Zones • In-lieu fee • Off-site option • Distribution, composition, quality of affordable units • Program administration and monitoring • Periodic calibration of program through structure of incentive packages
<p style="text-align: center;">2035 Comprehensive Plan Policies</p> <p>Policy 5.35 Inclusionary housing. Use inclusionary zoning and other regulatory tools to effectively link the production of affordable housing to the production of market-rate housing. Work to remove regulatory barriers that prevent the use of such tools.</p> <p>Policy 5.1 Housing supply. Maintain sufficient residential development capacity to accommodate Portland’s projected share of regional household growth.</p> <p>Policy 5.2 Housing growth. Strive to capture at least 25 percent of the seven-county region’s residential growth (Multnomah, Washington, Clackamas, Yamhill, Columbia, Clark, and Skamania counties).</p>	

Mixed Use Zones	
Mandatory Inclusionary Requirement:	20% of Units at 80% Area Median Income
Incentives:	<ul style="list-style-type: none"> • Density Bonus • 10 Year Property Tax Exemption on Affordable Units • CET Exemption on Affordable Units • Density Bonus Units Exempt from Parking Requirements
Deeper Affordability Option:	10% of Units at 60% Area Median Income
Incentives:	<ul style="list-style-type: none"> • Density Bonus • 10 Year Property Tax Exemption on Affordable Units • CET Exemption on Affordable Units • Density Bonus Units Exempt from Parking Requirements • SDC Waivers on Affordable Units
Zones with Base FAR below 5.0	
Mandatory Inclusionary Requirement:	20% of Units at 80% Area Median Income
Incentives:	<ul style="list-style-type: none"> • Density Bonus of 3.0 FAR • 10 Year Property Tax Exemption on Affordable Units • CET Exemption on Affordable Units
Deeper Affordability Option:	10% of Units at 60% Area Median Income
Incentives:	<ul style="list-style-type: none"> • Density Bonus of 3.0 FAR • 10 Year Property Tax Exemption on Affordable Units • CET Exemption on Affordable Units • SDC Waivers on Affordable Units
Zones with Base FAR between 5.0 and 6.0	
Mandatory Inclusionary Requirement:	20% of Units at 80% Area Median Income
Incentives:	<ul style="list-style-type: none"> • Density Bonus of 3.0 FAR • CET Exemption on Affordable Units • To be determined: <ul style="list-style-type: none"> • <i>10 year property tax exemption on all residential units, or</i> • <i>Direct subsidy per affordable unit</i>
Deeper Affordability Option:	10% of Units at 60% Area Median Income
Incentives:	<ul style="list-style-type: none"> • Density Bonus of 3.0 FAR • CET Exemption on Affordable Units • SDC Waivers on Affordable Units • To be determined: <ul style="list-style-type: none"> • <i>10 year property tax exemption on all residential units, or</i> • <i>Direct subsidy per affordable unit</i>
Zones with Base FAR above 6.0	
Mandatory Inclusionary Requirement:	20% of Units at 80% Area Median Income
Incentives:	<ul style="list-style-type: none"> • Density Bonus of 3.0 FAR • 10 Year Property Tax Exemption on All Residential Units • CET Exemption on Affordable Units
Deeper Affordability Option:	10% of Units at 60% Area Median Income
Incentives:	<ul style="list-style-type: none"> • Density Bonus of 3.0 FAR • 10 Year Property Tax Exemption on all Residential Units <ul style="list-style-type: none"> • CET Exemption on Affordable Units • SDC Waivers on Affordable Units
All Zones, Next Steps	
Fee-In-Lieu & Build Off Site Option:	To be determined, next steps