

EXHIBIT E

30.01.140 Multi-Dwelling Zones Deeper Housing Affordability FAR Density Program

- A. Purpose Statement.** The City intends to implement the Multi-Dwelling Zones Deeper Housing Affordability FAR Density Bonus Program (the “DHA Program”) to increase the numbers of Dwelling Units available for sale or for rent to households earning incomes that fall within particular City established parameters.
- B. Administration.**
1. PHB will certify whether the applicant’s proposed development meets the standards and requirements set forth in PCC 33.120.211.C.2 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 Chapter 30.01.140. 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 development standards for affordable units subject to the DHA Program.
- C. Standards.** Developments approved for the DHA Program must satisfy the following criteria:
1. Dwelling units for sale shall remain affordable for a period of at least 10 years and be available to households earning 80 percent or less of area median income, and dwelling units for rent shall remain affordable for a period of 99 years and be available to households earning 60 percent or less of area median income;
 2. Owners are required to sign a Regulatory Agreement that will encumber the property receiving a density bonus under the DHA 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 rental Dwelling Units for fire, life, and safety hazards and for compliance with DHA 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 DHA 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 DHA Program and the additional requirements established in the Regulatory Agreement, PHB may choose, to negotiate with the building owner to bring the building into project 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 penalty amount, assessed at the rate of .833% simple interest per month or fraction thereof (10% per annum), computed from the date of default; and

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 Owner's payment in full of the applicable Dwelling Unit Penalty, Interest, Financial Incentive repayment amounts due and payment of any Additional Penalties, the impacted for Sale Dwelling Unit will cease to be bound to the restrictions of the DHA Program and PHB will release the Covenant.

b. For Sale Dwelling Unit Penalty. For for Sale Dwelling Units, repayment of the difference between the Restricted Sale Price and the assessed value as stated in the DHA Program Covenant; and

Interest. Interest on the entire unpaid Penalty amount, assessed at the rate of .833% simple interest per month or fraction thereof (10% per annum), computed from the date of default; and

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 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 are not timely paid in accordance with the timeframe prescribed by PHB or a court of competent jurisdiction.

Upon Owner's payment in full of the applicable Dwelling Unit Penalty, Interest, Financial Incentive Repayment amounts due and payment of any Additional Penalties, the impacted for Sale Dwelling Unit will cease to be bound to the restrictions of the DHA Program and PHB will release the Covenant.