



## MEMO

**DATE:** March 28, 2023  
**TO:** Jessi Conner, Portland Housing Bureau  
**FROM:** Tom Armstrong, Supervising Planner  
**SUBJECT:** Inclusionary Housing Calibration Study  
Zoning Code Bonuses (Updated)

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This memo documents the density and height bonuses that are/were available before and after the adoption of the Inclusionary Housing (IH) program.

The bonuses changed after the initial adoption of the IH program because at that time BPS was in the process of re-writing the Commercial Mixed-Use zoning code. Subsequently, BPS also re-wrote the Multi-Dwelling Residential zoning code in 2020 with a substantial increase in density.

### Commercial Mixed Use

The table below shows the pre-IH zoning, the initial IH zoning and the 2018 re-write that is effective today.

In the Commercial Mixed-Use zones, the City regulates the size of a building through a floor-to-area ratio (FAR) standard and a maximum building height. These two standards work in combination to determine the amount of building space or square footage is allowed on a site. The City does not regulate the maximum number of units – the developer determines the number of units, the size of units and the number of bedrooms in each unit. Prior to the IH requirements, the City sought to encourage mixed use development by exempting residential space from the FAR calculations. As part of



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the IH program adoption, the City changed this approach. Residential space was counted in the FAR standard and a density/FAR bonus was given to projects with IH units.

As part of the 2035 Comprehensive Plan update, the City re-wrote the Commercial Mixed Use zones. The re-write included consolidating different zones and creating a new CM3 zone that is a higher density zone that is applied outside of the Central City.

In general, the changes increased the allowed and bonus FAR and building height. The conversion from the CS zone to CM2 zone resulted in a 0.5 FAR reduction of the Base FAR but maintained the 4:1 maximum bonus FAR.

The 10-foot height bonus is available only on sites that are within a Historic District, Conservation District, or Design Overlay Zone and that have a Comprehensive Plan Map designation of Mixed Use–Urban Center or Mixed Use–Civic Corridor. The larger height bonuses are allowed through a Planned Development review.

## Central City Plan District

Prior to IH, the Central City Plan District had several bonus floor area options. The maximum allowed increase that any site could increase via transfer or bonus was 3:1 FAR. Some of the bonus options were area specific (i.e. only allowed in areas shown in a map):

Residential bonus	Large household dwelling unit bonus (this was number of bedrooms based)
Daycare bonus	Middle-income housing bonus (MFI based)
Retail use bonus	Small development site
Rooftop garden bonus	Affordable housing replacement fund
Theatres on Broadway	Below-grade parking bonus
Percent for Art	Open space bonus
Water features or public fountains bonus	Open space fund bonus
Locker room bonus	Efficient family-sized unit bonus (unit square footage and number of bedrooms plus outdoor area and indoor common rooms)
South Waterfront Willamette Greenway bonus	
Eco roof bonus	
Large dwelling unit bonus (this was square footage of unit based)	



With IH, the residential bonus and the affordable housing replacement fund bonus were replaced by the voluntary and mandatory IH bonus. The other bonuses remained until CC2035 completely revamped the bonus system in the Central City in August 2020,

The Central City 2035 Plan District has a different bonus structure. The maximum amount of FAR that can be earned on a site through use of bonus options is 3:1. There is no limit on the amount of FAR that can be transferred to a site. In general, the first 3:1 increase in FAR must be through use of one of the following priority options:

- The inclusionary housing bonus
- The Affordable Housing Fund bonus;
- The historic resources transfer provisions; or
- The riverfront open space bonus option.

The South Waterfront subdistrict has different rules and different bonuses for riverfront open space, Willamette Greenway, and open space in general. Unused floor area earned through a bonus that no longer exists can be utilized on the site before a priority option.

Neighborhood facilities do not count towards maximum FAR for the site. The specified neighborhood facilities are public schools, public community centers, daycare facilities for children, and public libraries.

## Multi-Dwelling Residential

The multi-dwelling residential zones are harder to compare because as part of the Better Housing By Design project, the City shifted from calculating density based on site area (i.e. 1 unit per 1,000 square feet of site area) to the FAR standard with no regulation on the maximum number of units. The table below shows the current base and bonus standards for the RM zones. In addition to the IH bonus, the RM zones offer bonuses for deeper affordability, three-bedroom units and visitable units. There is no height bonus for inclusionary housing.

Prior to the rewrite, the multi-dwelling zones had amenity (density) bonuses. A development in R3/R2 (now RM1) or R1 (now RM2) zone could use one or more of the bonuses to increase maximum density (units) by up to 50%. Each bonus had its own formula allowing 2-10% increase in density:



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Outdoor recreation facilities  
 Child's play area  
 Three bedroom units  
 Storage areas  
 Sound insulation

Crime prevention  
 Solar water heating  
 Larger required outdoor area  
 Tree preservation

	RM1	RM2	RM3	RM4*	RX
<b>Base FAR</b>	1 to 1	1.5 to 1	2 to 1	3 to 1 4 to 1	4 to 1
<b>Bonus FAR</b>	1.5 to 1	2.25 to 1	3 to 1	4.5 to 1 6 to 1	6 to 1
<b>Base height</b>	35 ft.	45 ft.	65 ft.	75/100 ft.	100 ft.
<b>Bonus height</b>	None	None	None	None	None

\*The lower FAR applies in the RM4 zone in Historic and Conservation districts.



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Zone		CN1	CN2	CO1	CO2	CM	CS		CG	CX
Pre IH before Feb. 2017	Base FAR	.75 to 1	.75 to 1	.75 to 1	2 to 1	1 to 1	3 to 1		3 to 1	4 to 1
	Bonus FAR	Residential FAR did not count toward max FAR								
	Base height	30 ft.	30 ft.	30 ft.	45 ft.	45 ft.	45 ft.		45 ft.	75 ft.
	Bonus height	None	None	None	None	None	None		None	None
IH Feb. 2017 - May 2018	Base FAR	1.5 to 1	1.5 to 1	1.5 to 1	2.5 to 1	2.5 to 1	3 to 1		3 to 1	4 to 1
	Bonus FAR	2.5 to 1	2.5 to 1	2.5 to 1	4 to 1	4 to 1	4 to 1		3.5 to 1	6 to 1
	Base height	30 ft.	30 ft.	30 ft.	45 ft.	45 ft.	45 ft.		45 ft.	75 ft.
	Bonus height	None	None	None	None	None	None		None	None
Zone		CM1			CM2		CM3	CE	CX	
Current	Base FAR	1.5 to 1			2.5 to 1		3 to 1	2.5 to 1	4 to 1	
	Bonus FAR	2.5 to 1			4 to 1		5 to 1	4 to 1	6 to 1	
	Base height	35 ft.			45 ft.		65 ft.	45 ft.	75 ft.	
	Bonus height	None			10 ft. / 30 ft.		10 ft./ 55 ft.	None	10 ft./45 ft.	



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