



Portland Housing Bureau

Inclusionary Housing Calibration Study

Stakeholder Work Group

Meeting #6, April 28, 2023

2035 Comprehensive Plan 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.

Agenda

- **Summary of previous meeting**
- **Survey results**
- **Policy discussions**
 - *Reasonable equivalency*
 - *Reconfiguration*
 - *Off-site requirements*

March Meeting Summary

BDS Housing Regulations Survey

Top 10 - by count

- Bicycle parking requirements
- Timing of payment for System Development Charges
- Floor area ratio (FAR) limits
- Ground floor activation use requirement
- Reduced public infrastructure requirements
- Demolition delay requirements
- Non-conforming upgrade requirements
- Parking impact analysis
- Maximum height limit
- Bird safe glazing requirements

Residential Development Cost Study

Portland Construction Cost Analysis – prototypes

- Townhome
- Surface parked multi-family
- Tuck-under multi-family
- Podium multi-family
- High-rise multi-family

Portland Construction Cost Analysis – policy/regulations

- Long-term bicycle parking requirements
- Ground floor activation use
- Public infrastructure: right of way requirements
- Fees associated with securing a building permit
- Design review

Comparison City Cost Analysis

- Seattle, Denver, Sacramento

Survey Results

Survey Results

1. Potential extension of tax exemption – 6 votes
2. Portion of units required to be set aside – 5 votes
3. Design of affordable units in building (reasonable equivalency) – 4 votes
4. What size of projects (20 unit threshold) – 1 vote
5. Method to calculate fee-in-lieu – 1 vote
6. Extend term of tax exemption – no votes
7. Density bonus and other offsets – no votes
8. Duration of affordability – no votes

Survey Results

Potential other areas to study outside of the current scope

1. Apply property tax exemption to whole buildings for more geographies
2. Temporarily decrease inclusion rates/Portion of units required to be set-aside
3. Design of affordable units in building (reasonable equivalency)

Survey Results

Additional requests outside of the current scope

- Exempt IH for BIPOC and women-owned developers
- Provide PCEF funding to IH developers
- Funding request to staff permitting bureaus

Policy Discussions
Reasonable Equivalency
Reconfiguration
Off-site

Reasonable Equivalency

- Rental IH unit size proportion
- Proportion of rental units allowed per floor for on-site and off-site options

Reconfiguration

- Family sized units: market rate units per reconfigured units
- Reconfigured unit size by bedroom count and square feet
- Reconfigured unit size proportion to other family sized units

Off-site Program

- New construction and existing building location requirements

**Reference Policy Discussion Workbook for details*