

ORDINANCE No. 177921

Amend Property Tax Exemption for New Transit Supportive Residential and Mixed Use Development (Ordinance; amend Code Chapter 3.103)

The City of Portland ordains:

Section 1. The Council finds:

1. Chapter 3. 103 provides for property tax exemption for new transit-supportive residential and mixed-use developments. The purpose of this property tax exemption is to encourage the development of high-density housing and mixed-use projects affordable to a broad range of the general public on vacant or underutilized sites within walking distance of light rail or fixed route transit service, and to enhance the effectiveness of the light rail or fixed route transit system.
2. Chapter 3.103.020 F provides for City review of the areas eligible for the property tax exemption in connection with community planning initiatives that indicate the need to encourage desired development in transit-oriented areas.
3. The *Northwest District Plan* was developed by the Bureau of Planning with participation from interested neighborhood and business associations, property owners, business persons and citizens and with cooperation from other bureaus and agencies.
4. The *Northwest District Plan* includes the following policies and objectives that support the designation of portions of the Northwest Plan District as eligible for the tax exemptions provided by Chapter 3.103.
 - a. Policy 1, Land Use encourages growth in the Northwest District while protecting its quality of life and calls for an active mix of housing and businesses.
 - b. Land Use Objective A supports land use strategies and developments that increase the amount of housing in the district.
 - c. Land Use Objective C encourages a mix of higher density residential and commercial development along main streets and the streetcar line.
 - d. Policy 5, Housing calls for new housing opportunities that support a population diverse in income, age and household size.
 - e. Housing Objective A calls for increasing the number of housing units in the district, including rental and ownership opportunities.
 - f. Housing Objective B calls for increasing the supply of housing that is affordable, accessible to a full range of incomes and provides for special needs.

- g. Housing Objective E encourages development of mixed-use projects that include housing.
 - h. Housing Objective H encourages increasing ownership opportunities through new development rather than conversion of existing housing stock.
 - i. Policy 6, Business and Economic Development fosters a healthy business environment that serves the district and supports a diverse mix of businesses and jobs.
 - j. Policy 3, Transportation, and its associated objectives, support the continued provision and enhancement of public transit services in the district.
 - k. Policy 13, Transition Subarea calls for encouraging a mix of land uses including housing and commercial.
 - l. Transition Subarea Objective B promotes the subarea as a prime location for increasing the supply of affordable housing.
4. As part of the *Northwest District Plan* process, Bureau of Planning staff identified a decline in the affordability of both rental and owner-occupied housing in Northwest Portland since 1980. This trend has been generally greater in Northwest Portland than in the city as a whole.
5. State law authorizes tax exemptions for transit-oriented development in light rail station areas and transit-oriented areas as defined in state law and chapter 3.103. The *Northwest District Plan* identifies excellent bus and rail service in the district, including five TriMet bus lines and the Portland Streetcar. It is appropriate, therefore, to extend the eligible area to include the portion of the Northwest Plan District indicated on the map 3.103-7, attached as Exhibit A, which is hereby made a part of this Ordinance by this reference. All areas on map 3.103-7 are within one-quarter mile of a fixed route transit service, and thus meet the definition of "Transit Oriented Area" as stated in 3.103.010 E. The portions of the Northwest Plan District not included in the area eligible for the tax abatement on Map 3.103-7, generally north of US Highway 30, have been determined to be inappropriate for higher density residential development due to poorer transit service and proximity to industrial sanctuary lands.

NOW, THEREFORE, The Council directs:

- a. City Code Subsection 3.103.020 C is amended by adding a new paragraph as follows:
3.103.020 C 5 Transit oriented areas within a portion of the Northwest Plan District as shown at the end of this Chapter on Map 3.103-7.
- b. Chapter 3.103 is further amended by adding new map 3.103-7, attached to this Ordinance as Exhibit A.
- c. This Ordinance shall be in full force and effect 45 days after Council adoption.

Passed by the Council, **SEP 24 2003**

Mayor Vera Katz
Debbie Bischoff
May 21, 2003

GARY BLACKMER
Auditor of the City of Portland

By

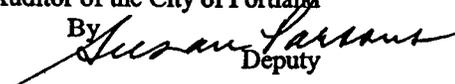
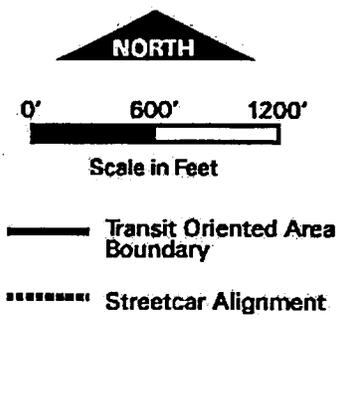
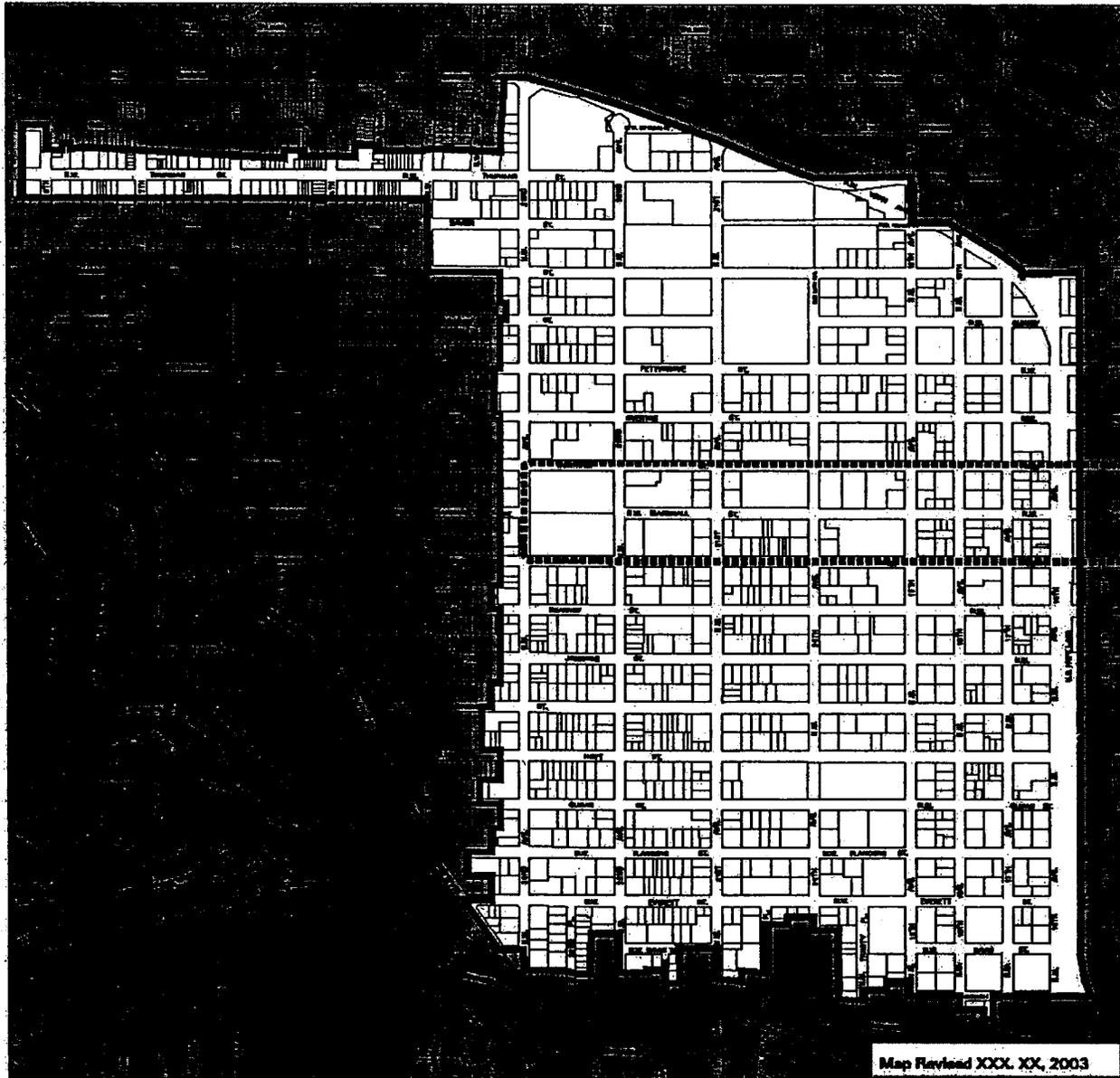

Deputy

EXHIBIT A: Map 3.103-7



Map 3.103-7
Property Tax Exemption for
New Transit Supportive Residential
or Mixed Use Development
Northwest Plan District