

To: Chair Mark Rosenbaum
Commissioner Bertha Ferran
Commissioner Sal Kadri
Commissioner Charles A Wilhoite
Bruce Warner, Executive Director

October 10, 2006

Cc: Portland City Council

On October 11, PDC will take action on an implementation plan for the Portland City Council regarding a 30% set aside for affordable housing. We appreciate the attention that the Commission has given to this issue.

We hope you will carefully consider the input you have received from us and many other community organizations and individuals, and that it will guide your proposed implementation plan. Many of the affordable housing advocacy and delivery groups have been working together to outline recommendations for income guidelines. This has included evaluating the existing information on estimated costs to accomplish City objectives such as the Ten Year Plan to End Homelessness and closing the Minority Homeownership Gap. We have also evaluated the estimated number of units that could be produced toward these goals.

Based on this work, we urge you to include the following recommendations regarding income requirements for affordable housing set aside resources:

- At least 50% of the TIF Set Aside shall be spent on affordable housing for people with incomes below 30% MFI. This would result in a modest increase from the historic percentage that PDC has spent of 38%. At the same time it recognizes the City's clear policy direction to increase units for our lowest income seniors, families with children, people with disabilities, and people of color.
- 15-20% shall be spent on homeownership for people and families with incomes below 80% MFI. This would substantially increase the current TIF allocations for affordable homeownership by as much as 500-700%. These resources are critical to addressing homeownership for people of color whose homeownership rates lag too far behind the general population in Portland.
- Up to 5% shall be allowed for "community facilities."
- The balance of the funds (estimated 25-30%) shall be spent on rental housing serving households between 31-60% MFI.

We are encouraged at the possibility that the positive commitments of PDC and the Portland City Council will be institutionalized in the future. Thank you again for your work on this important issue.

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And
The Affordable Housing Now! Coalition