

November, 2020

City of Bend  
Affordable Housing Committee Advisory Board

I would like to raise awareness of opportunities for improvement towards affordable housing development in Bend, Oregon.

- 1) % Growth cost savings for Affordable developers along arterials currently placed on the fiscally constrained SDC Project List. (PZ 20-0726)

**PROPOSAL #1:**

Many Affordable homeownership builders are quickly becoming developers as a result of the inability to purchase land at the current market rates and still build affordable homeownership opportunities. Smaller developments are required to Generate a Traffic Feasibility Report (TFR) while larger developments must generate a more extensive Traffic Impact Analysis (TIA). Developments with a TIA requirement are allowed two options.

- 1) Provide a Payment-in-lieu for their percentage of the cost, or
- 2) Complete the Qualified Public Improvements (QPI) with the potential total cost available for reimbursement through transportation SDC credits.

These options are unavailable for smaller developments and have a large effect on many affordable homeownership developments, which submit a TFR. They are required to improve the arterial on which their development fronts. In addition, ordinance NS-2161 on Page 11, subsection (2)(C), states that SDC credits may not be transferred to another property and must be used only for the subject development, unless you are the school district.

This creates a hardship for small affordable homeownership developers. The option to provide a payment-in-lieu for a street improvement of a major arterial would have the potential to expedite affordable homeownership opportunities in the developing region.

An alternative solution might include, a modification to NS-2161 allowing affordable developers to be reimbursed with cash for the Growth percentage of QPI projects would provide an incentive for larger developers to partner with smaller affordable homeownership developers and provide more affordable housing units within upcoming larger developments.

*Jacob Clark*

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## REFERENCE DOCUMENTS

### **Page 24 of Land Use Decision PZ 20-0726:**

“With regards SE 27th Street, a designated major arterial in the Bend Urban Area Transportation System Plan (TSP), the existing roadway improvements within this section of SE 27th Street are substandard. In order to improve SE 27th Street abutting the subject property to minimum improvement conditions, SE 27th Street would need to be widened to 42 feet of pavement width with curb installation along the property frontage per City of Bend standards and specifications. The applicant has proposed to dedicate 20 feet of right of way along the property’s frontage so as to bring the total street right-of-way width to 100 feet as required and to construct property tight sidewalks along the SE 27th Street frontage. But the applicant contends that to improve the remainder of their frontage of less than 240 feet along this roughly one mile segment of substandard roadway is neither efficient nor warranted by this proposed development. Should the City find that frontage improvements beyond the proposed right-of-way dedication and sidewalk construction are warranted, the applicant has requested permission to make a financial contribution or payment in lieu of construction for the SE 27th Street road pavement widening requirement. The applicant references the nearby Big Sky Village subdivision (PZ-17-0894) which approximately 300 feet to the south of the proposed 27th Street Subdivision and was platted in September 2019 in which the Big Sky Village subdivision made a payment in lieu of widening the pavement on 27th Street abutting their property. Per Engineering Division comments in response to this request to not widen 27th Street, the widening of the pavement along 27th Street abutting the subject property is the preferred option as opposed to a payment in lieu of the road widening costs. In regards to Big Sky Subdivision, that subdivision was a size that triggered a Traffic Impact Analysis (TIA) and not just a Traffic Analysis Memo (TFR). The possible option to provide a payment in lieu of minimum construction requirements is only an option for subdivisions that trigger a Traffic Impact Analysis (TIA). That is not an option permitted for smaller subdivisions subject to a Traffic Analysis Memo (TFR).”

### **NS 2161, page 11, (2.)(c.)**

Credits for the Cost of Qualified Public Improvements shall not be transferable from one property to another but may be used for future phases of development, redevelopment or change in use of the property. For property owned by the Bend LaPine School District, “property” includes all properties owned by the Bend LaPine School District within the same High School attendance boundary.

### **FISCALLY CONSTRAINED SDC PROJECTS LIST**





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*We build strength, stability, and self-reliance through affordable homeownership*

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