

Ordinance No. NS-2012

AN ORDINANCE ESTABLISHING A FEE TO PROVIDE FUNDING FOR AFFORDABLE HOUSING AND DEDICATING THAT FEE TO THE DEVELOPMENT OF AFFORDABLE HOUSING UNITS WITHIN THE CITY OF BEND

WHEREAS the Bend City Council finds that affordable housing for its citizens is in increasingly short supply; and

WHEREAS the City of Bend recognizes that under Goal 10 of Oregon's Statewide Planning Goals & Guidelines (OAR 660-015-0000(10)) that:

Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density; and

WHEREAS the City of Bend Affordable Housing Task Force recommended that supply of affordable housing and funding mechanisms for affordable development is a top priority for the City of Bend; and

WHEREAS the lack of workforce housing has negatively affected local businesses' ability to recruit and retain employees; and

WHEREAS the future economic viability of Bend is directly linked to the availability of workforce housing; and

WHEREAS the median house price in the City of Bend has increased 36% in the last year; and

WHEREAS a National Low Income Housing Coalition annual study indicates that almost 40 percent of Central Oregon renters are paying more rent than they can afford; and

WHEREAS the City of Bend understands that for a healthy community the provision of a range of affordable housing opportunities is a priority;

WHEREAS. City Council finds that the promotion of affordable housing is a legitimate governmental function and/or purpose and that the affordable housing fee furthers this legitimate governmental purpose;

NOW THEREFORE, THE CITY COUNCIL ORDAINS AS FOLLOWS;

THAT THE FOLLOWING FEES, TO BE UTILIZED TO AID IN THE DEVELOPMENT OF WORKFORCE AND AFFORDABLE HOUSING SHALL BE ESTABLISHED:

SECTION 1: A fee of 1/3 of 1% of permit valuation, for all building permits, shall be assessed at time of Building Permit Application.

SECTION 2: Funding received from this source shall be deposited in special revenue fund and only be spent for affordable housing programs and projects evaluated pursuant to the priorities established through the City of Bend Consolidated Plan and administration of the affordable housing programs and projects. Any loan proceeds from this source shall be returned to the fund. Using the existing cost allocation methodology, the administrative costs charged to this fund will not exceed 5 percent. Administration of this funding shall not exceed 10% of total annual fund proceeds. Applications for and awarding of this funding shall be done on an annual basis by the City Council and will utilize the City of Bend's Affordable Housing Advisory Committee's recommendations.

SECTION 3: All funding from this source must be targeted for housing opportunities for residents at or below 80% of median income.

SECTION 4: This ordinance will expire five years from date of implementation unless re-authorized by Council.

Read for the first time the 7th day of June, 2006.

Read for the second time the 21st day of June, 2006.

Placed upon its passage the 21st day of June, 2006.

YES: 7 NO: 0 ABSTAIN: 0

Authenticated by the Mayor the 21st day of June, 2006.

Bill Friedman, Mayor

Attest:

Patricia Stell, City Recorder