



**City Center  
Redevelopment  
Authority**

**M E M O R A N D U M**

**TO:** Eric Holmes, City Manager  
**CC:** Richard Keller, President, City Center Redevelopment Authority

**FROM:** Chad Eiken, Executive Director  
City Center Redevelopment Authority

**DATE:** December 7, 2020

**SUBJECT:** **CCRA Recommendation Regarding MFTE Program Change**

On December 3, 2020, The City Center Redevelopment Authority met at a special meeting to consider the proposed changes to the Area Median Income threshold used by the Multi-Family Tax Exemption Program. Following a presentation by staff and discussion by the board, CCRA approved the following motion:

*“The CCRA Board recommends that City Council delay any decision with regard to the MFTE Program until impacts on both the market and non-market (affordable) aspects of the program can be considered in totality; and, that further study is undertaken to evaluate whether or not the proposed changes in definition of what is affordable will result in a program that will still be attractive to developers.”*

Motion by D. Ewing  
Seconded by J. Onder

Additional comments during discussion of the motion which CCRA asked to be communicated to City Council are as follows:

- *The economy is still fragile; we are in uncertain economic times*
- *The City is attempting to jumpstart the development in the Waterfront Gateway area and CCRA is reluctant to see any changes that would make this more difficult;*
- *Housing in the downtown is subject to higher land costs versus other areas of the city and (relative to cost of construction), when you compare Portland to Vancouver, developers in Vancouver must pay sales tax on construction which adds significant cost; and*
- *The CCRA Board is very much in support of adjusting the program to incentivize the construction of more affordable housing, but further study is needed to ensure that any such adjustments do not significantly reduce the number of new units that are built.*

Motion was passed by a vote of 6-0.

Due to time constraints, full minutes of the meeting were not available in time for tonight's public hearing, but staff will be available for any questions.