



**HOUSING ACCESS FEE**  
**BEDAB – AUGUST 19, 2019**



- Adopted by Council in 2006
- Collected on all Building Permits
- Assessed at 0.33%
- 2019-2021 Budget
  - \$391,000,000 Total Building Valuation
  - \$1,290,300 Affordable Housing Fee funding annually projected

# 2016 STATE RULES FOR CONSTRUCTION EXCISE TAXES



- *City of Bend Affordable Housing Fee exempted from 2016 rules*
- Any new residential Fee must:
  - Assessment rate may NOT exceed 1 percent
  - May NOT be charged on affordable housing buildings
  - **50% allocated for Affordable Housing Programs**
  - **15% returned to the State**
  - **35% may be allocated for program staffing**
  - Be adopted by ordinance or resolution by the local jurisdiction
- Any new commercial/industrial Fee must:
  - Be adopted by ordinance or resolution by the local jurisdiction
  - Uses of fee at Council's discretion

## PURPOSE OF TODAY'S DISCUSSION



- Current Fee doesn't encompass all of Council goals' target residents
- Need for additional resources to incentivize private development
- Success of existing program— time to build upon the success
- Workforce need dwarfs current revenue capacity
- Community demand
  
- Uses of Funds (Potential— at Council's discretion)
  - Infrastructure
  - Middle income housing
  - Leverage for market development
  - Likely to be allocated through a separate RFP



## Comm./Ind. Option A

New Commercial /  
Industrial Fee

0.17%

\$344K Total Annual  
Revenue

**Total New Revenue: \$344K**

## Comm./Ind. Option B

New Commercial /  
Industrial Fee

0.33%

\$669K Total Annual  
Revenue

**Total New Revenue: \$669K**

## Comm./Ind. Option C

New Commercial /  
Industrial Fee

0.67%

\$1.3M Total Annual  
Revenue

**Total New Revenue: \$1.3M**

# EXAMPLES OF IMPACT OF COMM./IND. FEE



Location	Valuation	0.33% Permit	0.5% Permit	0.66% Permit	1% Permit
NE	\$633,000	\$2,089	\$3,165	\$4,177	\$6,330
SE 1	\$2.5M	\$8,250	\$12,500	\$16,500	\$25,000
SE 2	\$750,000	\$2,475	\$3,750	\$4,950	\$7,500





**QUESTIONS?**