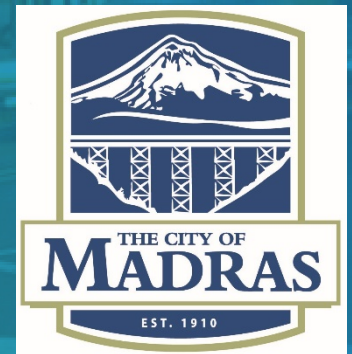


MADRAS HOUSING URBAN RENEWAL DISTRICT



BACKGROUND – MADRAS HOUSING ACTION PLAN

1. Thirty-two percent of households in Madras are cost burdened, paying more than 30% of their income on housing costs.
2. No new multifamily housing units have been developed in Madras since 2010.
3. Forty-nine new single-family units have been developed in Madras since 2010.
4. One hundred and five people in Madras are experiencing homelessness in 2018.
5. There is a deficit of 401 housing units to meet the needs of households earning less than \$25,000 per year.
6. There is a deficit of 435 housing units to meet the needs of households earning \$50,000 to \$100,000 per year.

WHAT IS THE CITY DOING ABOUT THE ISSUE?

1. Systems Development Charges reductions
2. Permit renewal streamlining
3. Housing Urban Renewal District Feasibility Study completed – Incentives for housing development
4. Input from the public is desired

SDC PROGRAM REVIEW

Incentives tiered by affordability

- ❖ \$10,900 per unit: total SDCs before discount
- ❖ \$8,200 (25% reduction) for single-family units sold above \$240K
- ❖ \$5,500 (50% reduction) for single-family units sold below \$240K
- ❖ \$2,700 (75% reduction) for multifamily units

STREAMLINED PROCESS FOR SUBDIVISION RENEWALS

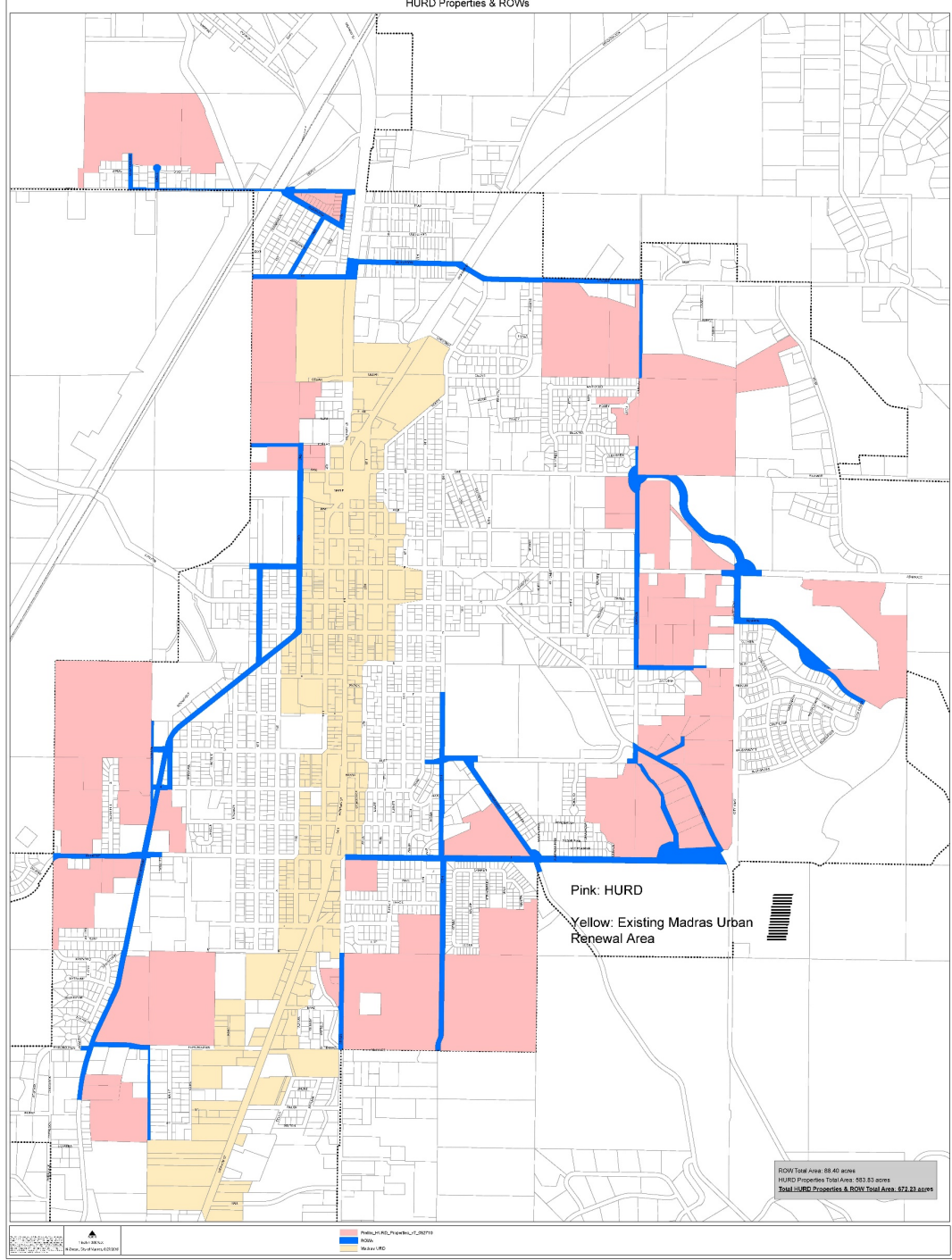
- ❖ Applies to subdivisions approved after 1999 but expired and not platted.
- ❖ Subdivisions can be reapproved by City staff without going to Planning Commission.
- ❖ Reduces estimated approval time from 90 to 45 days.

HOUSING INCENTIVES THROUGH USE OF URBAN RENEWAL

Types of incentives

- a direct contribution of funds
- a rebate of a portion of property taxes paid
- contributions to the developer for infrastructure development
- an agreement for the Agency to complete infrastructure improvements that are otherwise required as a condition of development approval
- a combination of the above

667 acres



Pink: HURD
 Yellow: Existing Madras Urban
 Renewal Area



ROW Total Area: 68.40 acres
 HURD Properties Total Area: 433.81 acres
 Total HURD Properties & ROW Total Area: 502.21 acres

HOW WILL THE INCENTIVES WORK

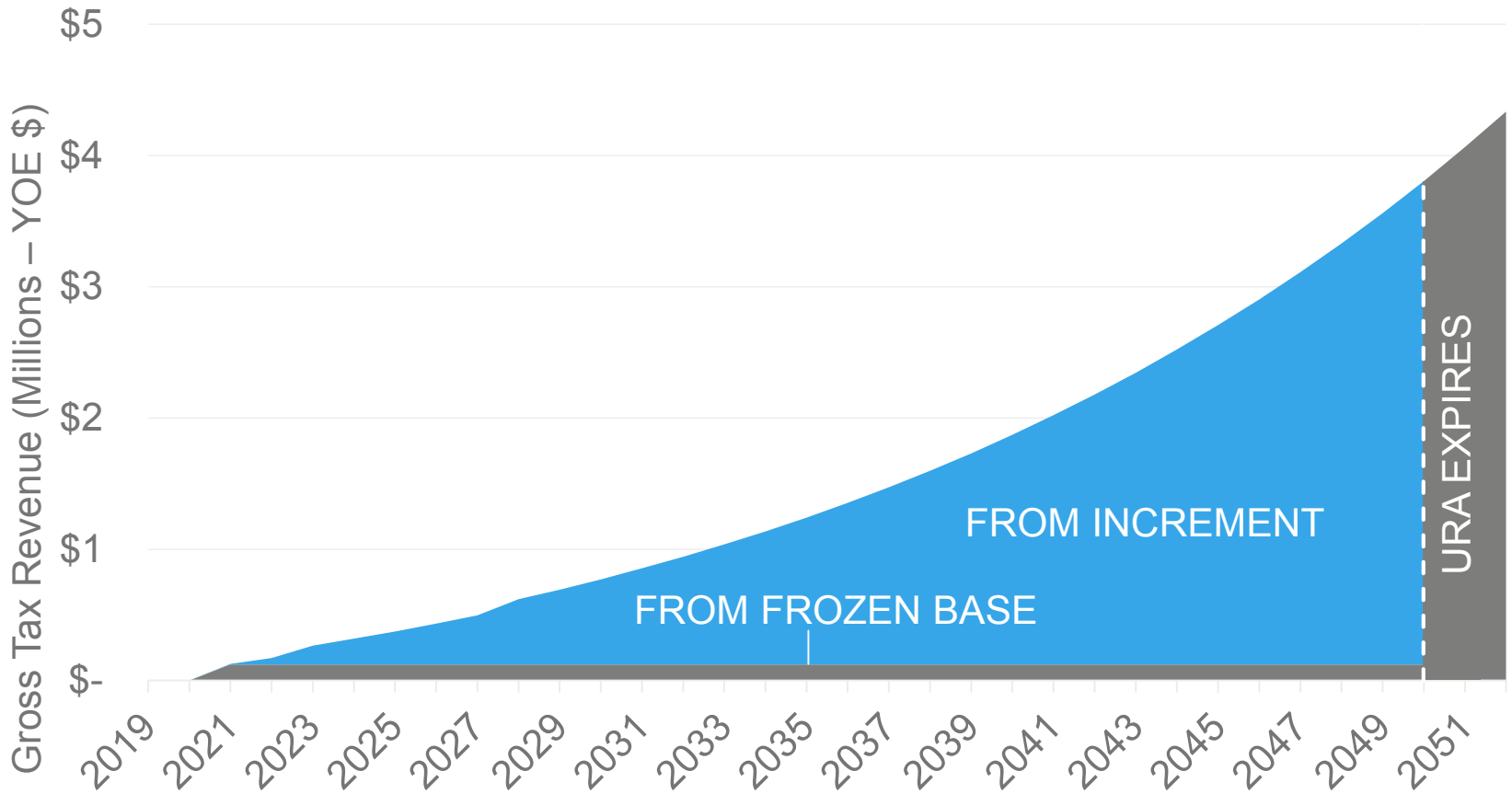
1. Pre-development meeting with City/MRC
2. Agree on incentive
3. Enter into development agreement with City/MRC
4. Incentives happen after development is completed

WHERE DOES THE URBAN RENEWAL MONEY COME FROM?

- ❖ Urban Renewal does not provide new money
 - Uses funds that would otherwise go to other property tax districts
- ❖ Taxing Districts continue receiving taxes on frozen base
- ❖ Temporarily forego taxes on any growth in Urban Renewal area
- ❖ Growth may not have occurred but not for urban renewal



HOW DOES URBAN RENEWAL FINANCING WORK?

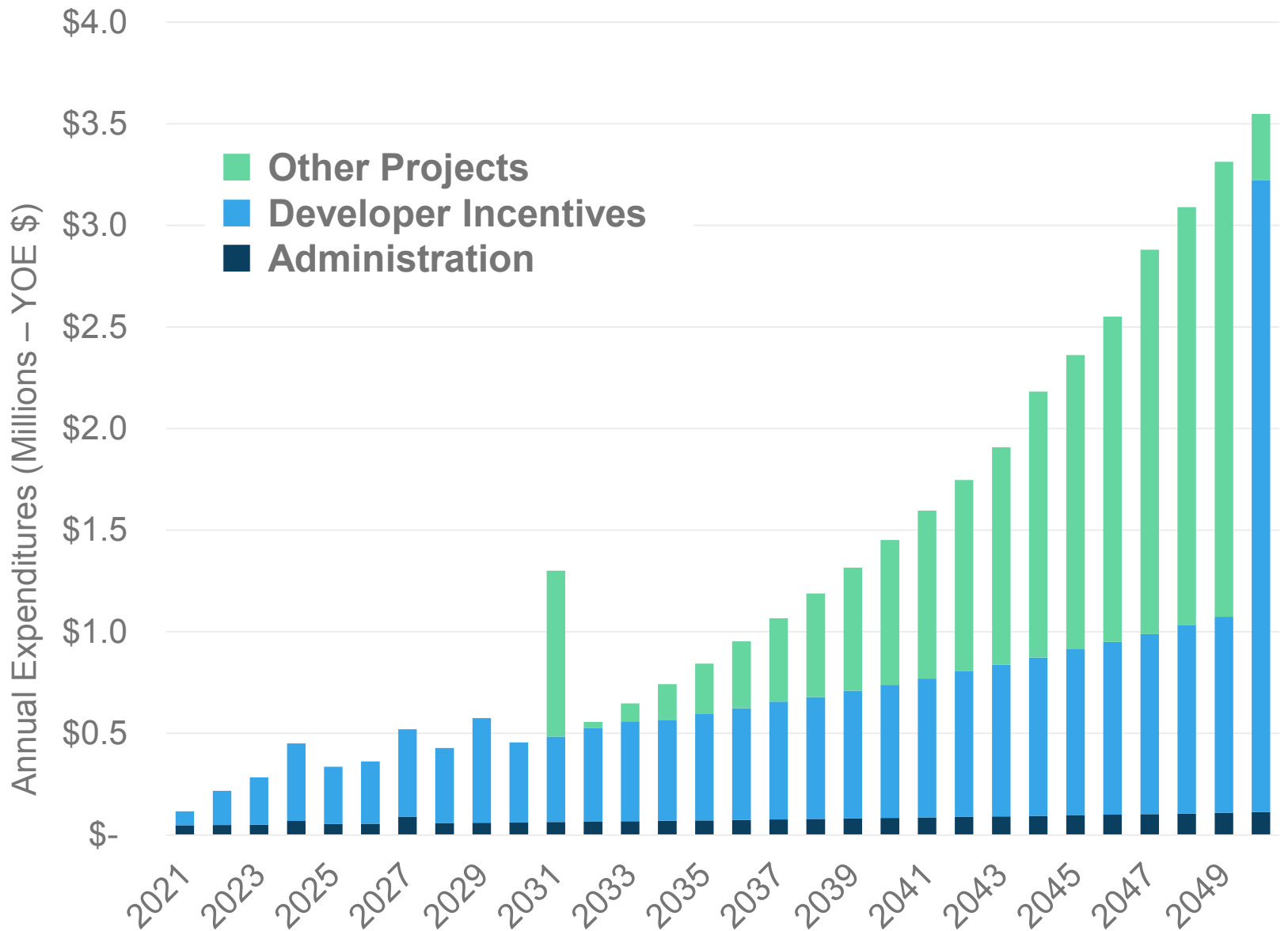


DEVELOPMENT ASSUMPTIONS

- Annual population growth of 1.4%
- 36 new homes per year, citywide (increasing over time)
- 70% inside HURD
 - Low-income households: 5
 - Middle-income households: 12
 - Higher-income households: 8
 - Total: 25 (increasing over time)

FINANCIAL CAPACITY

Gross TIF	\$	42,310,639
Net TIF	\$	40,745,546
Maximum Indebtedness	\$	39,000,000
Funding Capacity (2019\$)	\$	20,431,088
Years 1-5	\$	1,230,964
Years 6-10	\$	1,791,525
Years 11-15	\$	2,722,054
Years 16-20	\$	3,390,058
Years 21-25	\$	4,794,071
Years 26-30	\$	6,502,417



NEXT STEPS

1. MRC Meeting (Agency) September 11
2. Planning Commission October 16
3. City Council Hearing October 22
4. County Briefing October 23
5. City Council Vote November 12