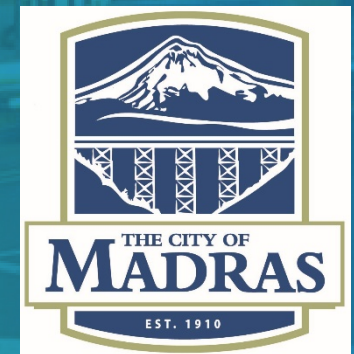


MADRAS HOUSING URBAN RENEWAL DISTRICT

REPORT TO:
Jefferson Co.
Fire District #1

September 9, 2019



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

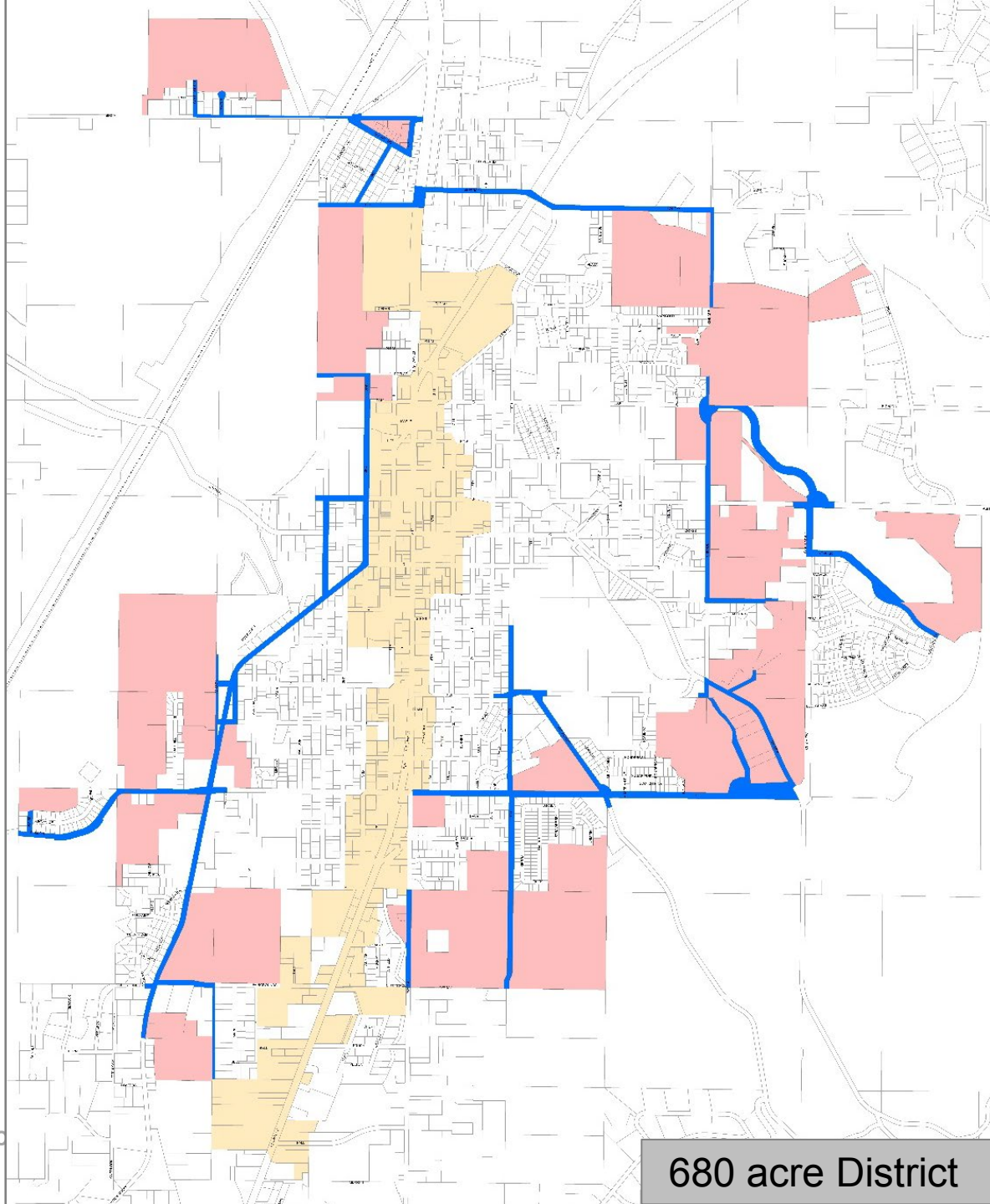
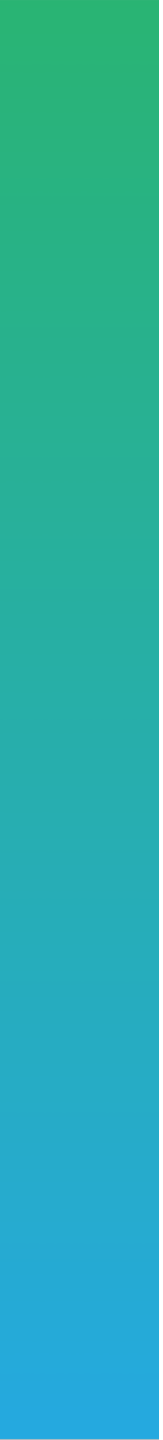
Incentives tiered by affordability

- ❖ \$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

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



Elaine Howard C

680 acre District

HOW WILL THE INCENTIVES WORK

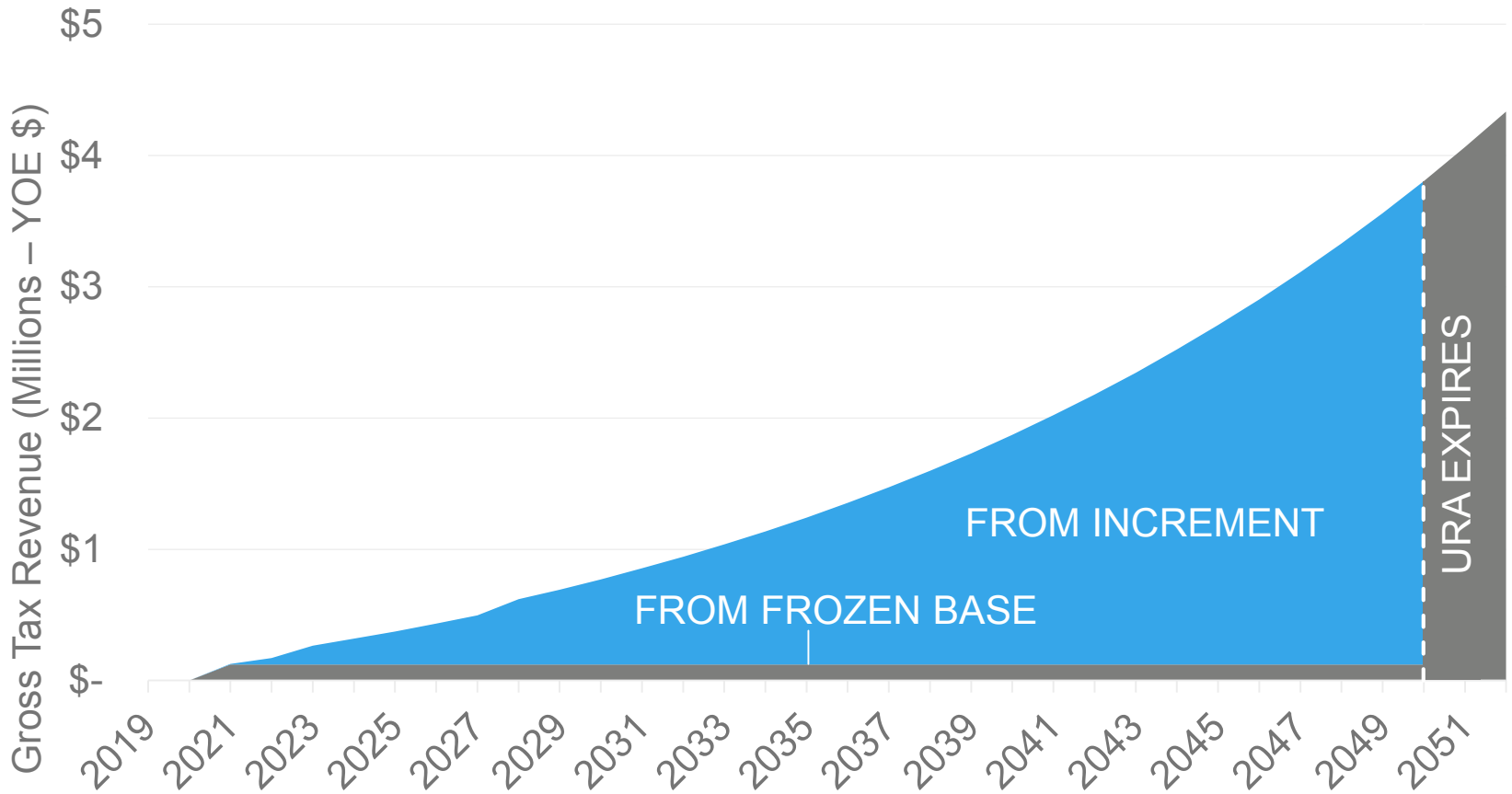
1. Pre-development meeting with City/MRC
2. Agree on incentive
3. Enter into development agreement with City/MRC
4. Incentives happen after development is completed

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)

TAXING DISTRICTS IMPACTS

1. Freezing tax base will impact Taxing Districts
2. City anticipates greatest impact to JCFD #1
3. Mitigation of Impact:
 1. City can fund “Public Projects”: Buildings, not Apparatus
 2. Questions:
 1. Fire Public Project: Station Expansion
 2. How much?
 3. When is funding needed?

NEXT STEPS

1. Confirm Mitigations to JCFD #1 Impacts
2. MRC Meeting (Agency) September 11
3. Planning Commission October 16
4. City Council Hearing October 22
5. County Briefing October 23
6. City Council Vote November 12