

### **What are we doing with the construction excise tax (CET) now?**

- Created the Community Planning and Development Grant (CPDG) program to assist communities with addressing barriers to development. Have funded concept plans for new urban growth boundary areas across the region.
- Now in its fourth funding cycle, the program has evolved to address development issues such as brownfields, regulatory improvement for multifamily codes, planning for industrial redevelopment.
- Recent grants included collaboration between Portland and Gresham as part of the Powell-Division transit project to develop neighborhood stabilization and anti-gentrification toolkits. CET cannot be used to implement tools such as land acquisition for land bank, storefront improvements, or site-specific redevelopment activities.

### **What are we doing about equitable housing now?**

- Our recent Equitable Housing Summit, attended by more than 200 regional leaders, was a milestone after a year of work with a wide range of stakeholders to arrive at four categories of recommendations, to recognize the differing needs at differing income levels, and need for different solutions in different communities across the region.
- One key recommendation is to establish a regional equitable housing funders collaborative, as other regions have done. This could bring together various funding sources to get equitable housing built. Private, public, and philanthropic funders can leverage resources together to accomplish shared goals.
- For example, Metro's TOD program has modified its criteria in two ways to increase funding for affordable housing near transit (lowering overall cost of housing).
  - More credit for transit ridership to lower income households who use transit more
  - More credit for units with reduced rents that market would not provide near HCT
- Metro is about to announce a \$500,000 program to focus on Housing Planning and Development. This follows the same administrative rules as current CET/CPDG so will be used to help cities and counties look at site-specific predevelopment planning, regulatory and code improvements, and to evaluate feasibility of incentives to facilitate housing development.

### **What could we do for equitable housing with expanded use of the CET?**

- Leverage other funding sources as part of a funding collaborative. For example, CET dollars could help buy down inclusionary zoning incentives or other local incentives like SDC credits.
- Support investments in higher density affordable housing in central locations served by transit in conjunction with density transfers from the edge of the UGB as part of a shared strategy to improve the regional growth management process.
- Help implement identified tools to address displacement and gentrification. For example, we have invested CET in helping Portland and Gresham identify strategies; we would like the ability to use CET to implement these ideas, but the existing pre-emption prohibits us from doing so.