

Source	What is it?	What it could do/background	Who has it? (Samples only, not meant to be comprehensive)	
<b>Potential Funding Tools to Add to or Expand</b>	<b>RETF</b>	<p>A real estate transfer fee (RETF) is a fee on a real estate transaction charged to the seller-</p> <p>*A RETF of between .5-.75% has been discussed for the Portland Metro area, but requires the removal of a 1999 legislative pre-emption for local RETFs. Click here to <a href="#">Contact the Affordable Housing Now Campaign and Community Development Network for more information or call 503-335-9884 or email: info@cdnportland.org</a></p>	<p>Revenue from a RETF could stimulate housing development by providing flexible funding that could be used for bricks and mortar, supportive services, rental assistance and other development costs. The flexibility also allows for help to first time homebuyers. Home sales under a certain amount (80% of the median home sales price, for example) can be exempted from the fee.</p>	<p>35 other states in the USA including California, Washington, and Florida.</p> <p>In Oregon, Washington County has a RETF of .1% that generates general fund revenue. Clark County Washington has a RETF of 1.28% to 1.78%</p>
	<b>Bond</b>	<p>General Obligation Bonds are public bonds or loans that are guaranteed by a one-time voter-approved ballot initiative to raise property taxes for a limited time period. Bonds are paid off over 10-20-year period. Bonds can be used only to pay for construction costs of government owned projects.</p>	<p>For example: General obligation bonds/levies would generate an estimated \$50 million per year that could be dedicated to affordable housing in the Portland area.</p>	<p>San Francisco, State of California, State of Maine and others</p>
	<b>Levy</b>	<p>Local option levies are special purpose property tax levies subject to voter approval. Levies raise a fixed amount per year in funds dedicated to a particular purpose. Levies can be approved for five years for operating funds and ten years for capital costs.</p>	<p>Levies could generate a fixed amount per year dedicated to housing programs. Revenue from an operating levy could stimulate housing development by providing flexible funding that could be used for bricks and mortar, supportive services, rental assistance and other development costs. The flexibility also allows for help to first time homebuyers.</p>	<p>Seattle</p>
	<b>Value Capture</b>	<p>Value capture mechanism would "capture" some of the added value land receives solely as a result of the decision to bring it in the urban growth boundary.</p>	<p>Portland area's regional government has identified an interest in examining value capture mechanisms as a means to develop resources for infrastructure, greenspaces, transportation, affordable housing and other public needs. How the mechanism would work and whether it would generate funding for affordable housing has yet to be determined.</p>	<p>No one that we know yet, but Portland Metro region is studying options.</p>
	<b>Improvements to Tax increment financing</b>	<p>A designated percentage of funds generated through Urban Renewal Districts (referred to as Tax Increment Financing, or TIF) allocated to affordable housing.</p>	<p>California has legislative spending requirements of 20% of TIF revenues to housing affordable to people below 50% MFI in any new Urban Renewal Area. If City of Portland had a similar 20% spending requirement for housing affordable to people below 50% MFI, \$63 million would have been allocated to affordable over the last five years, nearly six times more than the \$11 million invested.</p>	<p>State of California</p>

	<b>Land Trusts</b>	Land that is held in trust by a democratically controlled institution that would hold land for the common good and make it available to individuals through long-term land leases.	Community land trusts typically acquire and hold land and sell off any residential or commercial buildings that are on the land. In this way, the cost of land in the housing equation is minimized or eliminated, thus making the housing more affordable. The land leases, in addition to begin long-term (typically ninety-nine years) and renewable, are also assignable to the heirs of the leaseholder. Most, if not all, CLTs have in place “limited equity” policies and formulas that restrict the resale private of the housing in order to maintain its long-term affordability. These features of the community land trust model provide homeownership opportunities to people who might otherwise be left out of the market. Higher rates of homeownership help stabilize and strengthen communities.	Portland, Clackamas County Ashland Redmond Milwaukee St. Helens The Dalles Eugene
	<b>Housing Trust Fund</b>	Housing trust funds (HTFs) are funds established by cities, counties, and states that dedicate sources of revenue to support affordable housing. HTFs are usually created by legislation or ordinance.	HTFs are designed locally and can be tailored to address the range of housing problems specific to a jurisdiction. HTFs dedicate on going sources of funding and do not depend solely on interest or earnings from a fixed fund, or on contributions from corporations, financial institutions or foundations.	State of Oregon, City of Portland has a HTF in place; however it is currently depleted.

**Affordable Housing Funding Table. 1000 Friends of Oregon:** The “who has it” column is not comprehensive, but gives some examples of cities or counties that have the funding tool. If your community has one of these funding tools and it is not listed here, please send us the information and we can add it to this list (email:Karen@friends.org). June 16, 2003