



# Portland Housing Bureau

Mayor Ted Wheeler • Director Shannon Callahan

# Multiple-Unit Housing Property Tax Exemption Sunset Extension

House Human Services  
and Housing Committee  
HB 2700

Dory Van Bockel, Program Manager  
February 25, 2018

# MULTE Authorizing Statute – ORS 307.600-637

- Ten-year property tax exemption on structural improvements to a property.
  - Eligible projects include proposed construction, additions to existing structures, or conversion of existing non-residential property to housing.
- Adopting jurisdictions determine the public benefits required for a property to receive the exemption.
  - *Ex: affordable housing and transit-oriented development.*
- Adoption of a local program is subject to the concurrence of at least 51% of taxing jurisdictions.
- Each qualifying application is approved through ordinance or resolution.
- The exemption applies to residential improvement and qualifying commercial improvements in mixed use structures.
- The value of the exemption cannot exceed 100% of the real market value.

# City of Portland Implementation – PCC 3.103

- Portland first adopted a multi-family tax exemption program in 1975.
- Past program goals have included transit-oriented development, urban development within the central city, and inclusion of affordable units.
- Most recently, the program has been used to incentivize affordable units in market-rate developments.
- As of February 2017, the program supports the creation of affordable units as part of the City's Inclusionary Housing program.

# Recent Tax Exemption Activity

Calendar Year	Total Affordable Units	Total Foregone Revenue	Average Annual Foregone Revenue per Affordable Unit
2018 (IH)	170	\$186,316	\$1,096
2017 (Combined)	253	\$2,401,859	\$9,494
<i>2017 (IH)</i>	<i>41</i>	<i>\$43,359</i>	<i>\$1,058</i>
<i>2017 (Pre-IH)</i>	<i>212</i>	<i>\$2,358,500</i>	<i>\$11,125</i>
2016	431	\$2,754,401	\$6,391
2015	79	\$864,631	\$10,945
2014	277	\$1,725,178	\$6,228
2013	15	\$86,000	\$5,766

# Questions?

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