



CITY OF
PORTLAND, OREGON

BUREAU OF PLANNING

357 77

Charlie Hales, Commissioner

David C Knowles, Director

1120 SW 5th, Room 1002

Portland, Oregon 97204-1966

Telephone (503) 823-7700

FAX (503) 823-7800

March 16, 1999

MEMORANDUM

TO Mayor Katz and Members of the Portland City Council

FROM Mike Saba, Senior Planner (x7838)

SUBJECT Resolution establishing \$145,425 as the maximum price for a newly constructed single family house eligible for limited property tax exemption in a distressed area

Chapter 3 102 of the City Code allows the City to grant a limited 10 year property tax exemption on the improvement value of newly constructed single family houses in designated distressed areas. This program is administered by the Portland Development Commission.

The Planning Bureau is required to submit a resolution each year establishing a maximum sales price limit (including land value) on eligible houses.

This price limit is not to exceed 120 percent of the median sales price of single family houses in the city during the preceding year. The sales data can be obtained from the County Assessors Office or other equivalent source of such sales information. In the past we have used both County data and data from private research firms as the base price.

The current price limit is set at \$141,350 which was adopted by resolution last year. **This proposed resolution sets a new price limit of \$145,425 based on 105 percent of the median sales price of \$138,500 for all homes sold in Multnomah County from January through December 1998.** This five percent increase is roughly equivalent to the increase in the regional market during the last year for single family housing sales.

This item is scheduled for your Consent Calendar but I will be at the Council hearing for this resolution. Please feel free to call me before then if you have any questions about this item.

RESOLUTION No. 35777

Establish \$145,425 as the maximum price for a newly constructed single family house eligible for limited property tax exemption in a distressed area (Resolution)

WHEREAS, the City Council passed Ordinance No 162854 on March 22, 1990 adopting new property tax exemption programs for owner-occupied residential rehabilitation and newly constructed single family housing in distressed areas

WHEREAS, Section 3 102 090(4) of the amended Chapter 3 102 of Title 3 requires the Bureau of Planning to establish the maximum price limit of single family housing eligible for the limited property tax exemption

WHEREAS, this price limit is to be based on median sales price of single family homes located within the city as determined by data collected by the County Assessor and/or other representative sales price as provided by real estate, construction, or other industry sources

WHEREAS, the Portland metropolitan area housing market has witnessed approximately a five percent increase in the median sales prices of single family housing sold during the period from January 1998 through December 1998

WHEREAS, the Planning Bureau staff has determined that the median sales price for both new and existing single family houses in Multnomah County from January through December of 1998 was approximately \$138,500 based on sales price data provided by the Multnomah County Tax Assessor

WHEREAS, the maximum price limit cannot exceed 120 percent of the accepted base sales price

THEREFORE, BE IT RESOLVED, that \$145,425 (or 105 percent of the accepted base price) is established as the maximum price of a newly constructed single family house (including the cost of the land) eligible for the limited property tax exemption as provided by Chapter 3 102 for the tax year 1999-2000

Adopted by the Council, **MAR 24 1999**

Commissioner Charlie Hales
Michael P Saba
February 23, 1999

GARY BLACKMER
Auditor of the City of Portland

By *Nancy Green*
Deputy

380

Agenda No

RESOLUTION NO. 35777

Title

Establish \$145,425 as the maximum price for a newly constructed single family house eligible for limited property tax exemption in a distressed area (Resolution)

INTRODUCED BY Commissioner Charlie Hales	Filed March 17, 1999 <div style="text-align: right; font-weight: bold; font-size: 1.2em;">MAR 19 1999</div>
NOTED BY COMMISSIONER	Gary Blackmer Auditor of the City of Portland
Affairs	By <u> <i>Cary Kurshner</i> </u> Deputy
Finance and Administration	For Meeting of March 24, 1999
Safety <i>C. Hales</i>	
Utilities	
Works	
BUREAU APPROVAL	
Bureau Planning	Action Taken
Prepared by Date Michael Saba March 16, 1999	_____ Amended
Budget Impact Review _____ Completed <input checked="" type="checkbox"/> Not Required	_____ Passed to 2nd Reading _____
Bureau Head David Knowles, <i>David Knowles</i> Planning Director	_____ Continued to _____

AGENDA		FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS	
			YEAS	NAYS
Consent <input checked="" type="checkbox"/>	Regular	Francesconi	←	←
NOTED BY		Hales	←	←
City Attorney	<i>KS Beaumont</i>	Saltzman	✓	
City Auditor		Sten	✓	
City Engineer		Katz	✓	