



CITY OF
PORTLAND, OREGON
PORTLAND HOUSING BUREAU

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City of Portland Single Family New Construction Limited Tax Exemption Program

**Notice of Proposed Changes
February 10, 2012**

The Portland Housing Bureau (PHB) administers five tax exemption programs within the city of Portland. City of Portland and Multnomah County leadership have been involved in a review of these programs since 2010. This process, referred to as the “Big Look” Policy Review, has evaluated past results of the programs and how they align with current and future housing goals of the affected taxing jurisdictions. The Big Look process concluded on February 3, 2012 and has resulted in recommendations to align the programs with policy and improve administrative accountability and efficiency.

The draft recommendations specific to the Single Family New Construction Limited Tax Exemption (SFNC) Program are summarized below:

- The Homebuyer Opportunity Area (HOA) map will remain as reviewed and approved by PHB in 2011. This is same area which has been in place since 2005.
- The sale price cap will be reduced from 120% of median sale price to 100% of median sale price. This price is roughly \$246,000
- Only properties with 3+ bedrooms will be eligible; 2 bedroom units will be eligible if located in high density locations.
- Approved builder applications will be capped annually at 100.
- The SFNC Program will be modified in order to further the PHB homeownership goal of increasing minority homeownership and the Portland Plan Economic Prosperity and Affordability goals. These goals include:
 - Increased participation of minority households including possible affirmative marketing plans and/or partnership with organization advancing minority homeownership
 - Earth Advantage building standards
 - Builder awareness of PHB MWESB contracting opportunity goals
 - PHB annual review of quality design standards such as sidewalks, lot size, etc.
- Administrative changes will be made to streamline implementation:
 - All approved builder applications will be activated annually
 - Application fees will be restructured
 - Homebuyers must qualify prior to closing

More specific details about how these changes will be implemented will be available early March 2012. At that time, PHB will solicit input and feedback on draft program descriptions prior to a public hearing on the proposed changes on April 3, 2012. It is anticipated that any changes made to the program will go into effect for applications received after July 1, 2012. If you have questions or comments, please contact PHB at indirect@portlandoregon.gov, go to our website at www.portlandonline.com/phb/ite or call (503) 823-3270.