

# ORDINANCE No. 186700

\* Change the Homebuyer Opportunity Limited Tax Exemption Program to remove homebuyer opportunity areas and clarify compliance process (Ordinance; amend Code Chapter 3.102)

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland Housing Bureau (PHB) administers Limited Tax Exemption (LTE) programs that encourage the construction of affordable housing by leveraging private housing development to advance the City's housing, economic prosperity, and equity goals.
2. A review of the LTE programs was completed in February 2012 by a Policy Review Committee that included public and private sector members knowledgeable about the programs. The Committee recommended program changes that were reviewed extensively by stakeholders citywide, and at public hearings of the Planning and Sustainability Commission and the Portland Housing Advisory Commission. Program changes were finalized through Ordinance No. 185477, passed by the Council on June 27, 2012.
3. Per the statutory authority described in ORS 307.651-687, PHB administers the Homebuyer Opportunity Limited Tax Exemption (HOLTE) program to promote affordable home ownership opportunities through City Code Chapter 3.102. Based on a change to statute and in order to align the HOLTE program with other PHB home ownership programs, PHB is amending Code to remove homebuyer opportunity areas and clarify the compliance process.

NOW THEREFORE, The Council directs:

- a. Subsection 3.102.020 C. is hereby repealed, and D. is relettered to C.
- b. Subsection 3.102.040 A. 1. is amended as follows:
  1. Single-unit housing must be located within a homebuyer opportunity area the City of Portland.
- c. Subsection 3.102.040 A. 5. is amended as follows:
  5. Each qualified dwelling unit must have at least three bedrooms unless built within an approved transit-oriented area as determined by the Portland Bureau of Planning and Sustainability and included on the map defining homebuyer opportunity eligibility areas where, in which case two bedroom homes are allowed; and
- d. Subsection 3.102.060 A. is amended as follows:
  - A. Upon approval, applicants must execute a document Portland Housing Bureau will record a notice to be recorded on title of the single-unit housing requiring Portland

Housing Bureau verification of homebuyer affordability and owner-occupancy qualification prior to the sale of each dwelling unit to an initial homebuyer.

e. Subsection 3.102.060 C. is amended as follows:

C. Single-unit housing not meeting the exemption requirements by selling over the established sale price at initial sale will have the tax exemption terminated according to Section 3.102.080 and require the ~~owner~~ applicant to repay any exempted taxes consistent with ORS 307.687.

f. Subsection 3.102.070 is hereby repealed.

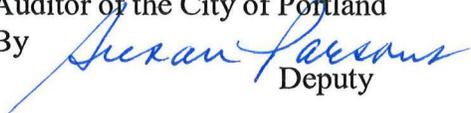
Section 2. The Council declares that an emergency exists because delay would impede the ability of the PHB to administer the HOLTE program. Therefore, this ordinance shall be in full force and effect on July 1, 2014.

Passed by the Council: JUL 02 2014

Commissioner: Dan Saltzman  
Prepared by: Dory Van Bockel  
Date prepared: June 25, 2014

**LaVonne Griffin-Valade**  
Auditor of the City of Portland

By

  
Deputy

723

Agenda No. 186700

**ORDINANCE NO. 186700**

Title

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<p style="text-align: center;"><b>INTRODUCED BY</b> Commissioner/Auditor: <b>Dan Saltzman</b></p>	<p>CLERK USE: DATE FILED <u>JUN 27 2014</u></p>
<p style="text-align: center;"><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman <i>[Signature]</i></p> <p>Position 4/Safety - Novick</p>	<p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p>
<p style="text-align: center;"><b>BUREAU APPROVAL</b></p> <p>Bureau: Portland Housing Bureau Bureau Head: Traci Manning <i>[Signature]</i></p> <p>Prepared by: Dory Van Bockel Date Prepared: June 25, 2014</p> <p>Financial Impact &amp; Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p><b>City Auditor Office Approval:</b> <i>[Signature]</i></p> <p><b>City Attorney Approval:</b> <i>[Signature]</i></p> <p>Council Meeting Date <b>July 2, 2014</b></p>	<p><b>ACTION TAKEN:</b></p>

<b>AGENDA</b>
<p><b>TIME CERTAIN</b> <input type="checkbox"/> Start time: _____</p> <p><b>Total amount of time needed:</b> _____ (for presentation, testimony and discussion)</p>
<p><b>CONSENT</b> <input checked="" type="checkbox"/> <i>Consent</i></p>
<p><b>REGULAR</b> <input checked="" type="checkbox"/></p> <p><b>Total amount of time needed:</b> <i>5 min</i> (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Novick	4. Novick	✓	
Hales	Hales	✓	