Portland Housing Bureau

Affordable Housing Programs For New Developments

The Portland Housing Bureau (PHB) administers the programs below to promote affordable rental housing in new developments. Separate homeownership guidelines are available online.

Multiple-Unit Limited Tax Exemption (MULTE) Program	System Development Charge (SDC) Exemption Program
www.portlandoregon.gov/phb/MULTE	www.portlandoregon.gov/phb/SDC
Ten-year property tax exemption on residential structures, including common areas and associated parking, as well as commercial portions providing an approved public benefit	***Exempts SDCs otherwise due to four City bureaus (Water, Transportation, Parks, and Environmental Services) for residential portions of new affordable rental housing projects***
Eligibility	**Eligibility**
• 10+ unit projects within designated high-transit areas – map available online, or check eligibility of a property on www.PortlandMaps.com under "Development."	• Available within the city of Portland on any size project.
• At least 20% of units must be affordable to households earning 60% MFI or below (up to 80% MFI where market rents exceed 120% MFI levels) – affordable units should reflect total mix of unit sizes in the project overall.	• Exemptions apply only to SDCs due for units affordable to households earning 60% MFI or below – SDCs still due for market-rate units.
Requirements	**Requirements**
• Use of technical assistance for MWESB contracting, including outreach and reporting support • Coordination with PHB on lease-up of the affordable units • Annual reporting on tenant incomes and rental rates	• 60-year affordability agreement • Annual reporting of tenant income and rental rates
• Penalties equaling 20% of the amount of the value of the exemption for the most recent tax year, multiplied by the remaining years of the exemption period, may result from exiting the program early.	• Exempted SDCs must be repaid (including interest and fees) in order to be released from program requirements.
Application Process	**Application Process**
• Program has an annual cap of $3 million on the amount of newly approved foregone revenue based on the estimated value of the first year of the exemption.	• There is no cap on the number of approved exemptions per year.
• Application needs to be approved prior to building permit issuance – program does not apply to projects already under construction.	• Application should be submitted once the application for a building permit is submitted, but prior to permit issuance.
• Application processing fee is $1,000; additional fee due upon application is approved – currently $16,000.	• Application fee is currently $2,200 per project.
• Applications approved within 2-3 months, including City Council approval.	• Applications are reviewed within 2 weeks, and approved once the exemption amount is determined and the Regulatory Agreement is signed.

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