

The Portland Tribune

Construction boom bolstering Portland city, schools property taxes

By Steve Law

October 20, 2015

The real estate boom is bringing a gravy train of increased property taxes to the city of Portland and Portland Public Schools.

Total Portland property taxes will rise 8 percent for 2015-16, excluding those collected for police and fire retirements, according to the Multnomah County Division of Assessment, Recording and Taxation. Portland Public Schools tax collections are slated to rise 7.9 percent.

Due to past voter-approved property tax limitation measures, most peoples' property taxes can't rise more than 3 percent a year, plus whatever bond measures voters approved. The fact that total taxes are rising so much beyond 3 percent in Portland is a sign of how many new apartments, offices and other new property has been built and placed on the property tax rolls.

By comparison, Gresham's total property taxes will rise 3.1 percent, a sign that new construction has been minimal.

Multnomah County's assessment division began sending out some 345,000 property tax statements in the mail on Thursday, Oct. 15, and must finish the job by Sunday, Oct. 25.

Countywide, total property tax collections will top \$1.5 billion in 2015-16, about 4.8 percent more than the prior year, according to Multnomah County Assessor Randy Walruff.

Metro, which collects taxes in the urban part of the tricity area, will see its total property taxes collected in Multnomah County fall by 10.7 percent for the new year.

Multnomah County and its library district will see a 5.7 percent growth in property tax collections.

The Portland police and fire retirement system, which always takes a huge bite from local property owners, will collect \$126.2 million, a drop of 0.3 percent from the prior year.

Walruff said the amount local governments lose to "compression" is expected to fall from roughly \$120 million to around \$80 million. Compression reduces the amount of property taxes that local governments may collect, due to the effects of past property tax limitation measures.

Measures 5, 47 and 50 mean governments aren't levying property taxes on the full value of peoples' properties. Countywide, the average residential assessed value — the amount property taxes are levied against — is now \$202,883. But the average real market value, what those properties could fetch if sold, is now \$341,626. The difference is a gauge of the benefits of past property tax limitation measures.

The median assessed value countywide is \$169,710; half the properties are assessed for tax purposes at a higher amount and half are lower. The median real market value is \$291,570.

Property assessments and real market values are set at where they were in January 2015, so actual market values are likely higher now in most cases.

Taxpayers who pay their property tax bills in full by Nov. 16 get a 3 percent discount.

Taxes also may be paid in three installments due Nov. 16, 2015, Feb. 16, 2016, and May 16, 2016.

Taxes may be paid in the mail, by phone at 1-877-542-5990 or online at www.multcotax.org.

People with questions may call 503-988-3326 during business hours.

City to use eminent domain for East Portland improvements

By Steve Law

October 20, 2015

Portland City Council is set to authorize the use of city eminent domain powers to gain the use of or acquire up to 130 properties in East Portland.

The properties need to be in city control or ownership to provide pedestrian crossing improvements on busy streets including Southeast Division and 122nd Avenue, add sidewalk in spots where there are missing segments on Division and bikeway improvements for the “130s” bike route.

Collectively, it’s part of the city’s East Portland Active Transportation to Transit project.

The City Council will conduct a final vote Wednesday, Oct. 21, to authorize the Portland Bureau of Transportation to acquire rights to the properties.

Construction is set to begin next February.

The Portland Mercury

Hall Monitor

The Wrecking Ball Wars

By Dirk VanderHart

October 21, 2015

WHAT A WEEK for the persistent teakettle shriek Portland's taken up because of house demolitions.

First, on Wednesday, October 14, Mayor Charlie Hales had the temerity to bring forward an idea he said could sharply reduce the razing of old houses in Portland—181 were brought down in 2014, according to the Oregonian—and raise a good chunk of cash for affordable housing from the ones it couldn't save.

The mayor's tinkering with the idea of slapping a \$25,000 tax on developers who eliminate one modest old home for a new one. He is not being rewarded for that tinkering.

Hales took fire from all sides at a lengthy hearing last week, earning reprimands from homeowners who thought he was making their "dream home" impossible to build, reproach by developers who hinted at legal action, and dissatisfaction from anti-demolition types, who predicted \$25,000 was too small a penalty in Portland's ultra-lucrative housing market, and could just be pushed onto would-be homeowners anyway.

"It's an idea," a defensive Hales said amid the stream of negativity. "Maybe it's a good deed that should be punished, or maybe it isn't, but it's a proposal!"

(Whether that proposal will now be quietly scrapped as too flawed is a matter of some interest within Portland City Hall. The mayor indicated he wanted to answer questions about what he says is an "innovation" before bringing it back before council.)

The day after the hearing, all that disaffection got Portland-style "real" out on SE Hawthorne, where a man used climbing gear to ascend a monkey puzzle tree and perch atop a century-old home hoping to stop a demolition worker's backhoe. A black, horned goat looked on from atop a minivan.

The gambit didn't work, of course. The contractor even tore off the porch with the demonstrator still on the roof. Eventually, the climber came down, and the property owner magnanimously declined to have him arrested.

And late last week, another piece of news: Commissioner Dan Saltzman's office told me it's going to respond to the furor with a new "demolitions coordinator" position within the Portland Bureau of Development Services, which Saltzman controls. The job, as explained by Saltzman Chief of Staff Brendan Finn, will be to provide a listening ear in a building code bureau that can seem as officious as they come.

That's not just for the developers ripping old homes to shreds, either. The job Saltzman envisions will track all of the city's demolition applications, and reach out to neighbors to explain city process.

"At the end of the day it's gonna make the demo procedure something that's a bit more transparent and understandable," Finn says. He expects the position will be filled by the end of the year.

Will it quell the fractious public hearings, or stop the city's goats from gazing enviously up at house-perchers? Not likely. This stuff isn't going away.

But maybe Saltzman's new employee offers an opportunity to stop shrieking—just for a minute—and better understand how this city operates. Then find ways to make it operate better.