

LTIC Low-Income and Affordable Housing Exemptions



The City of Portland offers three separate programs that provide exemptions for Local Transportation Infrastructure Charge (LTIC) payments for qualifying applicants. These programs are all related to housing affordability. As such, they sound similar, but have different eligibility requirements, described below:

Exemption Type	Affordable Housing – Rental	Affordable Housing – Sale	Low-Income Owner-Occupied
Occupancy Requirements	Applicant must commit to <u>rent</u> the property to qualifying low-income households for 60 years.	Applicant must <u>sell</u> the property to a qualifying low-income household that intends to occupy the property as their primary residence at time of purchase.	Applicant must qualify as a low-income household and <u>own</u> the property and intend to <u>live</u> on the property after construction is complete as their primary residence.
Income Requirements	Renter’s household income must be at or below <u>60%</u> of the Median Family Income (MFI) for a period of 60 years.	Buyers (both occupying and on title) must have gross income at or below <u>100%</u> of MFI for a family of four, adjusted upward for households of 5 or more people.	Owner’s gross household income must be <u>80%</u> of MFI or less, adjusted for household size.
Other Eligibility Requirements	The maximum rent burden must be no more than 30% of 60% of MFI for 60 years. Annual reporting will be required one time per year to ensure compliance during the affordability term.	Sale price of property must not exceed the annually adjusted price cap set for the Homebuyer Opportunity Limited Tax Exemption (HOLTE) program. Sale of property must be an arm’s length transaction	Not applicable.
Required Forms	LTIC Affordable Housing Exemption Application (with required exhibits) If approved, applicants or their appointed Property Managers must work with Portland Housing Bureau’s (PHB’s) Asset Management department to document compliance with the affordability restrictions during the 60- year period of the exemption	LTIC Affordable Housing Exemption Application (with required exhibits) If approved, must have homebuyers submit a Homeowner Compliance Verification Form to PHB for review and approval prior to closing.	LTIC Exemption Form for Low-Income Owner Occupants (includes income information required)

The City of Portland complies with all non-discrimination, Civil Rights laws including Civil Rights Title VI and ADA Title II. To help ensure equal access to City programs, services and activities, the City of Portland will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities. Call 503-823-5185, TTY 503-823-6868 or Oregon Relay Service: 711 with such requests, or visit <http://bit.ly/13E-WaCg>

FREQUENTLY ASKED QUESTIONS

HOW DO I KNOW WHICH OF THE TWO PROGRAMS IS RIGHT FOR ME?

Although the two programs sound alike, the Affordable Housing and Low-Income Owner-Occupied Housing exemptions for the Local Transportation Infrastructure Charge (LTIC) serve two distinct populations.

The Affordable Housing exemption applies to properties where the low-income occupants will be someone other than the current property owner. This includes two options: (1) for-sale properties where the applicant must sell the property to a qualifying low-income household, and (2) rental properties, where the applicant must commit to rent the property to qualifying low-income households for 60 years. In either case, qualification for the affordable housing exemption depends upon the income level of future occupants, who are different from the current property owner.

On the other hand, the Low-Income Owner-Occupied Housing exemption, applies only to properties where the current property owner intends to continue to own and live on the property after construction as their primary residence. For this program, the property owner's household income must qualify for the exemption.

WHEN CAN I BE APPROVED FOR AN EXEMPTION?

Applications for either the Affordable Housing or Low-Income Owner-Occupied Housing exemptions must be submitted concurrent with a building permit application. Property owners are not allowed to submit an early application or to be pre-approved for an exemption prior to submittal of a building permit. This handout, as well as application forms, and relevant administrative rules are all available online at <https://www.portlandoregon.gov/transportation/73951> for potential applicants to better understand whether or not they should qualify for either exemption.

HOW DO I APPEAL A DECISION REGARDING AN LTIC EXEMPTION?

If the City denies an application for either the Affordable Housing or Low-Income Owner-Occupied Housing exemption, the applicant may appeal the decision to the Public Works Alternative Review Committee (ARC). To do so, an applicant must submit a written request for review to the PBOT Development Services Division Manager. Additionally, the applicant must submit:

1. Public Works Alternative Review request form.
2. Supporting materials (as necessary on a case-by-case basis)
3. \$250 fee

OTHER COMMENTS OR QUESTIONS:

If you have any other comments or questions regarding the Affordable Housing or Low-Income Owner-Occupied Housing exemptions for the LTIC, please email Portland Bureau of Transportation (PBOT) staff at: PBOTDevRevLTIC@portlandoregon.gov