

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**

RESOLUTION NO. 2024-011

Multnomah County's Agreement with the City of Portland to Amend Property Tax Exemption for Multiple-Unit Housing Development Code and Inclusionary Housing Code to make technical corrections and adjust the property tax exemption for multiple-unit housing developments, suspending the foregone revenue cap until 1/1/2030.

The Multnomah County Board of Commissioners Finds:

- a. 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.
- b. By Board Resolution 2012-113, the Board of County Commissioners authorized participation in the City of Portland's Multiple Unit Limited Tax Exemption ("MULTE") Program and capped total forgone revenue for new and renewing programs at \$1 million.
- c. By Board Resolution 2015-096, the Board of County Commissioners increased the cap of total foregone revenue from \$1 million to \$3 million annually for new and renewing programs.
- d. By Board Resolution 2017-032, the Board of County Commissioners amended the cap for total foregone revenue from a \$3 million annual cap to a \$15 million rolling 5-year cap for the City of Portland's mandatory inclusionary housing program that was adopted in December 2016.
- e. The existing MULTE program is designed to supplement the City's Inclusionary Housing ("IH") mandate, which was implemented on February 1, 2017. The proposed modification to the existing program seeks to suspend the limit on the foregone revenue cap currently capped on a rolling five (5) years basis. The modification seeks to suspend the five year foregone revenue cap until 1/1/2030. Further, upon reinstatement of the foregone revenue cap on 1/1/2030, the cap would then be raised from a \$15 million cap of over the rolling five year period, to a \$30 million cap over that same five year period.
- f. The County's mission is directly served by the provision of affordable housing throughout the County to assist clients of County services and the general public. It is in the best interest of the County to authorize participation in programs that directly serves the population.

The Multnomah County Board of Commissioners Resolves:

1. The County, in conjunction with the City of Portland and City Ordinance 191610, hereby authorizes that the MULTE Extension Program's rolling five year cap on foregone revenue will be suspended until 12/31/2029. The 5-year rolling cap will be reinstated beginning 1/1/2030.
2. With the reinstatement of the rolling cap on 1/1/2030, the City of Portland and Multnomah County agree to raise the foregone revenue cap for the new 5-year period beginning on 1/1/2030 from \$15 million (\$3 million/year) to \$30 million (\$6 million/year).
3. The City of Portland and Multnomah County would further agree to evaluate the status of the program, analyze, and provide a report to the City Council and Board of County Commissioners by 12/31/2027, to determine if any other modifications are necessary to the program at that time. Multnomah County also supports the County Chair in providing annual reports to Multnomah County taxing jurisdictions summarizing MULTE program usage. Recommended reporting to include the dollar amount of foregone tax revenue, and the number of affordable units broken down by the MULTE program rate of affordability.
4. All other past adoptions and modifications to the MULTE program that do not conflict with the current modification addressed in this resolution, remain in effect.

ADOPTED this 22nd day of February, 2024.




BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Jessica Vega Pederson, Chair

REVIEWED:

JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By 
Carlos Rasch, Assistant County Attorney

Submitted by: Jessica Vega Pederson, Chair.