



**Program #72033 - DART Commercial & Industrial Property Appraisal** FY 2024 Department Requested

**Department:** County Management **Program Contact:** John Botaitis  
**Program Offer Type:** Existing **Program Offer Stage:** Department Requested  
**Related Programs:**  
**Program Characteristics:** In Target

**Executive Summary**

The Industrial/Commercial/Multi-family (INCOM) Appraisal Program, within the Division of Assessment, Recording and Taxation (DART), is responsible for valuing all commercial, multi-family, local and state industrial manufacturing plants, warehouses, bulk petroleum storage facilities and Port of Portland properties. This section represents approximately 31% of the total taxable assessed value.

**Program Description**

This program is responsible for maintaining Real Market and Maximum Assessed Value for approximately 24,884 commercial, warehouse and multifamily accounts; 832 County and State appraised manufacturing accounts; and 445 billboards. Manufacturers are required to file industrial property returns annually. This requires the annual audit and review of approximately 61,010 (machinery, equipment and personal property assets as well as 444 bulk-petroleum storage tanks.

Maintaining accurate Real Market Values on all property directly affects taxing districts within the County. The program ensures that all Industrial, Commercial and Multi-family properties are valued in accordance with the law, which maximizes property tax revenues to fund programs for the County and other jurisdictions. Property taxes account for approximately 60% of the County's General Fund revenues.

Using the equity lens, we have adapted the way we provide access to our services for the benefit of the community members, colleagues and staff. We have applied lessons learned from the pandemic and continue to modify our operations by offering flexible solutions such as telephone consultations, digital surveys, virtual property inspections and digital photograph exchanges. We have also adapted our business practices to meet the needs of our staff members by providing accommodation and maximum flexibility to meet their individual work-life balance needs.

**Performance Measures**

Measure Type	Primary Measure	FY22 Actual	FY23 Budgeted	FY23 Estimate	FY24 Offer
Output	Number of Industrial Assets Valued	61,424	55,000	60,500	61,000
Outcome	New Exception Real Market Value in MILLIONS;	\$3,215	\$2,500	\$2,500	\$2,400
Efficiency	Percent of Accounts on Automated Recalculation	24%	23%	26%	28%
Outcome	Percent Market Groupings with Coefficient Of Dispersion Compliance	72%	90%	75%	75%

**Performance Measures Descriptions**

Performance is measured by the new value added to the roll, processing of real property returns, and annual audits of machinery, equipment and personal property assets. Additional performance efficiency is achieved by converting valuation methodologies to income models, and other automated calculation methods. These properties represent high-value accounts; loss on appeal can result in large tax refunds paid by taxing jurisdiction with interest.

## Legal / Contractual Obligation

Oregon Revised Statutes (ORS) Chapters 92, 205, 294, 305, 306, 307, 308, 308A, 309, 310 and 321 and Oregon Administrative Rules regulate the assessment and property tax calculation process. Through the "County Assessment Function Funding Assistance" (CAFFA) grant process described in ORS 294.175, the DOR determines an acceptable level of staffing. Current DART staffing is minimally adequate to perform statutory functions.

## Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Department Requested General Fund	Department Requested Other Funds
<b>Program Expenses</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
Personnel	\$3,479,609	\$0	\$3,716,815	\$0
Contractual Services	\$1,975	\$0	\$1,975	\$0
Materials & Supplies	\$131,524	\$0	\$146,126	\$0
Internal Services	\$383,109	\$0	\$310,702	\$0
<b>Total GF/non-GF</b>	<b>\$3,996,217</b>	<b>\$0</b>	<b>\$4,175,618</b>	<b>\$0</b>
<b>Program Total:</b>	<b>\$3,996,217</b>		<b>\$4,175,618</b>	
<b>Program FTE</b>	23.50	0.00	23.50	0.00

<b>Program Revenues</b>				
Intergovernmental	\$577,362	\$0	\$546,781	\$0
<b>Total Revenue</b>	<b>\$577,362</b>	<b>\$0</b>	<b>\$546,781</b>	<b>\$0</b>

## Explanation of Revenues

Participation in the Oregon Department of Revenue County Assessment Function Funding Assistance (CAFFA) Grant provides reimbursement of approximately 12.4% of Assessment & Taxation program expenditures; Grant amounts vary depending upon the overall statewide CAFFA pool and the allocated percentage to each participating county. Multnomah County's total annual share of CAFFA is estimated at \$2,716,250, with \$546,781 allocated to DART Commercial & Industrial Property Appraisal (72033). Remaining Program support is provided by General Fund revenues.

## Significant Program Changes

Last Year this program was: FY 2023: 72033 DART Commercial & Industrial Property Appraisal