



CITY OF

PORTLAND, OREGON

COMMISSIONER ERIK STEN

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Ted Wheeler
Chair Multnomah County Board of Commissioners
501 SE Hawthorne Blvd. 6th Floor
Portland Oregon 97214

September 6, 2007

Dear Chair Wheeler:

Thanks for your time on Tuesday. I really appreciated the opportunity to have a candid and productive conversation about the various tax abatement programs administered by the City. It is reassuring, although not surprising, to know that we are in general agreement regarding the overall policy goals of these programs, and specifically that you support these programs which help low income people, including hard working families, secure safe, stable affordable housing.

As we discussed, some of these programs have been modified over the years to respond to changes in the housing market, neighborhoods, development opportunities and practices, and demographics in the City and County. There also have been some changes in the state statutes over the years that may impact the implementation of a couple of these programs. These are important issues that should be addressed and resolved as soon as possible and it is the City's responsibility to take the lead in doing so. My suggestions for next steps are:

1. I will attend the Multnomah County Board hearing on September 20th to provide policy overview/background, answer questions, and hear concerns. I understand that the County Board plans to take action in support of the tax abatement programs except for the 2 rehabilitation programs on the 29th.
2. City staff (PDC, Planning, City Attorney) will continue to work collaboratively with the County Assessor and County Attorney on potential legislation that may be needed to clarify ambiguities in state statutes regarding the New Construction Single Family program.
3. City staff will review the concerns raised regarding the administration of the Rental Rehabilitation and Owner Occupied Rehabilitation programs and report their findings and recommendations to me by November 1, 2007. I will share that report with you and we will discuss next steps regarding those programs at that time.
4. City staff will monitor program implementation to ensure properties continue to qualify for abatements. They will also report annually on outcomes relative to the policy goals and objectives. These reports will be signed by the PDC executive director, except for the non profit program which is administered by the Planning Bureau and therefore will be signed by the Planning Director. Thanks again and I look forward to seeing you on the 20th. Please feel free to call me or Margaret Bax anytime.

Sincerely,

Erik Sten