

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

**RESOLUTION NO. 2018-110**

Modifying Multnomah County's Agreement to the City of Portland's Multiple Unit Limited Tax Exemption ("MULTE") Program.

**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. In addition to using the MULTE program for the City of Portland's mandatory inclusionary housing program, the PHB is now proposing to use the MULTE program to create a temporary incentive for the construction of affordable housing units by private developers that are not subject to the PHB's Inclusionary Housing requirements.
- 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 serve the population.

**The Multnomah County Board of Commissioners Resolves:**

1. The County hereby authorizes the City of Portland to allow the residential structural improvements on developments within Portland with 20 or more housing units that became vested through land use actions or by the submission of building permits prior to the effective date of the City of Portland's Inclusionary Housing Program and that have not since become subject to the Inclusionary Housing Program (each, a "Pre-IH Development") to receive a tax exemption under the MULTE program so long as the following criteria are met:

- a. During the term of the MULTE exemption, a minimum of 20 percent of the number of residential units in the Pre-IH Development are rented or offered for rent at a rate that is affordable to households earning 60 percent or less of the area median family income
  - b. The 20 percent threshold requirement can be met by a minimum amount of either residential units or bedrooms, or combinations thereof; this option allows for the reconfiguration of bedrooms into Affordable units of two bedrooms or more.
  - c. The affordable units or bedrooms must be distributed evenly among the other units in the Pre-IH Development;
  - d. PHB has accepted a completed MULTE application for the Pre-IH Development no later than sunset of the tax exemption specified in Oregon Revised Statute 307.600-307.637;
  - e. The Pre-IH Development has received a certificate of occupancy prior to the deadline specified in Oregon Revised Statute 307.600-307.637;
  - f. The estimated first year of foregone revenue for the Pre-IH Development does not exceed \$500,000; and
  - g. The estimated first year of foregone revenue for the Pre-IH Development, when combined with the estimated first year of foregone revenue for all Pre-IH Developments for which PHB has accepted a completed application, does not exceed \$3,000,000.
2. The estimated first year of foregone revenue for all Pre-IH Developments for which PHB has accepted a completed application shall be included in the determination of the \$15 million rolling cap for the City of Portland's mandatory inclusionary housing program.

**ADOPTED this 8th day of November, 2018.**



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

*Deborah Kafoury*

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Deborah Kafoury, Chair

REVIEWED:

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

By *Carlos A. Rasch*

Carlos A. Rasch, Assistant County Attorney

**Submitted by:** Deborah Kafoury, Chair.