



PROPERTY TAX EXEMPTION PROGRAMS

Bend Park and Recreation District
March 1, 2022



Multiple Unit
Property Tax
Exemption
(MUPTE)

Nonprofit
Corporation Low
Income Housing
Exemption (NPTE)

Middle Income
Housing Exemption

- Outreach and Development Process
- Tax Exemptions Overview
 - Non-Profit
 - Middle Income
 - MUPTE
- Input on Public Benefit Requirements
- Questions
- Next Steps

BEND AMI AND HOUSING AFFORDABILITY



MEDIAN HOME PRICE
\$650,000

IF YOUR HOUSEHOLD EARN'S THIS:

...YOU CAN AFFORD THIS*:

150% AMI
\$120,600

RENT
\$3,015

HOME PRICE
\$566,980

Pilot Butte Apts
2 bed, 2 bath
(1097sf)
\$2,830

120% AMI
\$96,480

Manager
\$98,002

RENT
\$2,412

HOME PRICE
\$452,000

The Hixon
2 bed, 2 bath
(975sf)
\$2,355

100% AMI
\$80,400

Civil Engineer
\$86,575

RENT
\$2,010

HOME PRICE
\$376,000

Pilot Butte Apts
1 bed, 1 bath
(691 sf)
\$2,000

80% AMI
\$64,300

System Admin
\$78,362

System Operator
\$70,482

Teacher
\$70,529

Sales Rep
\$77,224

RENT
\$1,608

HOME PRICE
\$299,000

60% AMI
\$48,240

Social Worker
\$52,802

Web Developer
\$58,883

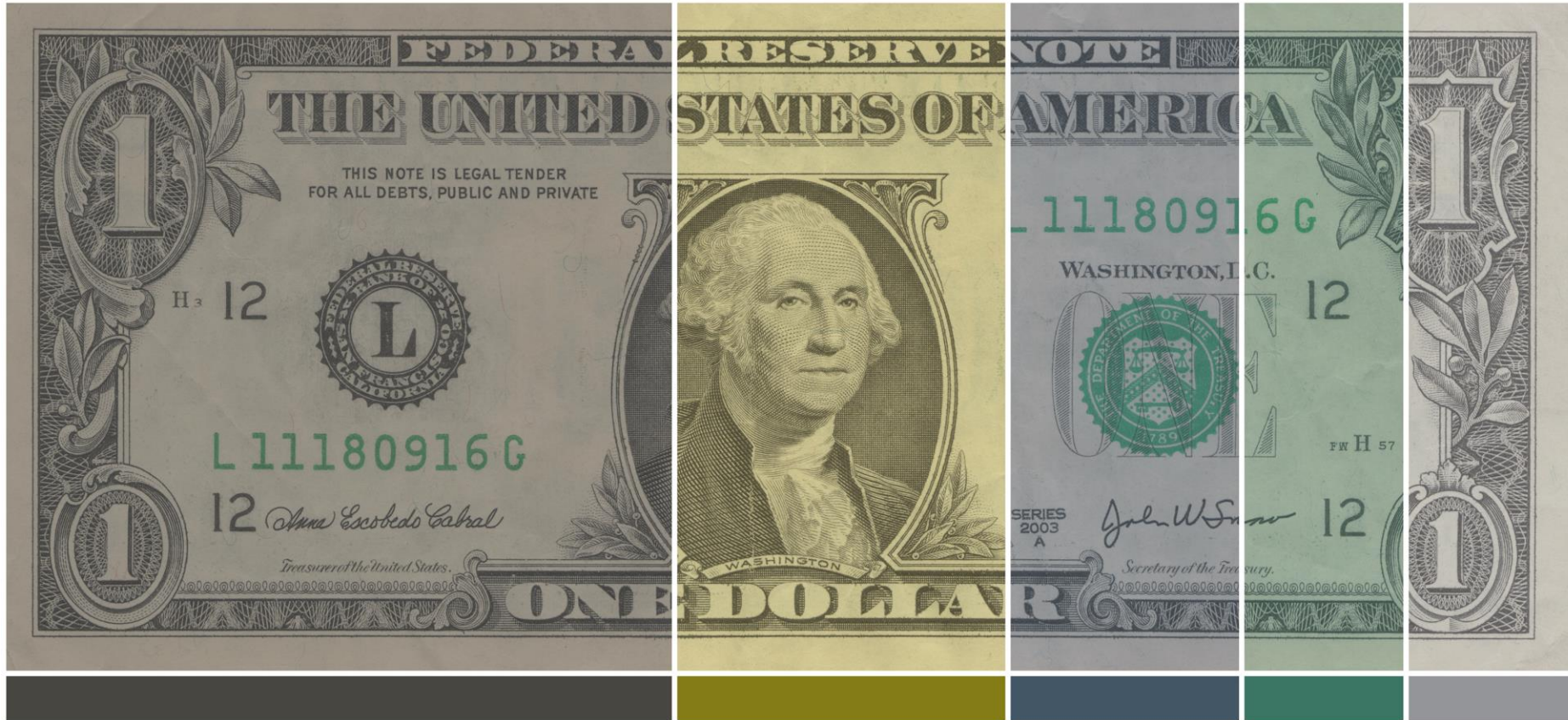
Photographer
\$39,263

Salesperson
\$34,122

Nursing Assistant
\$33,506

Recreation Worker
\$32,205

*Numbers based on 10% down payment, 3.943% interest over 30 years, mortgage insurance, no HOA 630-689 credit score, and no debt.



42.6%
Bend-La Pine
Schools

21.2%
City of
Bend

14.8%
Deschutes
County

10.3% **11.1%**
Park
& Rec Other*

*COCC 4.7%, Library 3.5%,
911 2.3%, High Desert ESD 0.6%



NON-PROFIT TAX EXEMPTION FOR AFFORDABLE HOUSING DEVELOPMENT

NON PROFIT TAX EXEMPTION



Program Requirements

Adopted by Ordinance

Annual application required for review and approval by local government

Exemption length is determined by City and can be for the length of affordability

Must be leased or owned by a 501(c) (3) or (4) charitable corporation, including tax credit partnerships

Allowed anywhere in City, can be partial, and there is no unit minimum

Limited to persons at 60% AMI or less: local governments may choose to allow eligible income to rise to 80% after first year of occupancy

100% exemption if approved by jurisdictions representing at least 51%





CENTRAL OR VETERAN & COMM OUTREACH INC
 61510 S HIGHWAY 97 100
 BEND OR 97702

NON-PROFIT TAX EXEMPTION



Examples:

- Central Oregon Veterans Outreach
- Kor Community Land Trust
- Habitat for Humanity

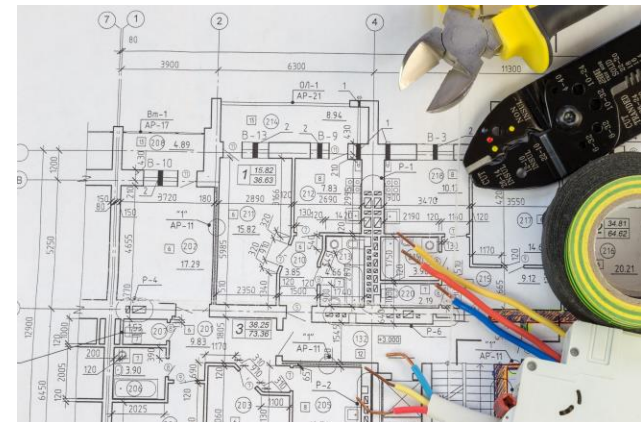
PROPERTY DESCRIPTION

CODE: 1001 MAP: 171233-CC-00601 CLASS: 101

SITUS ADDRESS: 476 NE DEKALB AVE 1 BEND

LEGAL: KEYSTONE TERRACE 3 9

VALUES:	LAST YEAR	THIS YEAR
REAL MARKET (RMV)		
LAND	164,020	213,100
STRUCTURES	0	262,080
TOTAL RMV	164,020	475,180
MAXIMUM ASSESSED VALUE	95,260	229,880
TOTAL ASSESSED VALUE	95,260	229,880
VETERAN'S EXEMPTION	0	0
NET TAXABLE:	95,260	229,880
TOTAL PROPERTY TAX:	1,475.11	3,643.03





**MIDDLE INCOME TAX EXEMPTION
(NEWLY REHABILITATED OR CONSTRUCTED
MULTIUNIT RENTAL HOUSING)**

MIDDLE INCOME TAX EXEMPTION



Program Requirements

Local option, 100% of taxes exempted if 51% of taxing districts agree

Income ranges of future tenants can be defined by local agency, likely up to 120% AMI (currently \$96,480 for 4 person household)

Available for newly constructed or rehabilitated **rental** housing only

Length of exemption is tied to a formula created by the local government

Compiled as notes following ORS 307.867, exemption for newly rehabilitated or constructed multiunit rental housing

MULTIPLE UNIT PROPERTY TAX EXEMPTION



MUPTTE

MULTI-UNIT PROPERTY TAX EXEMPTION (MUPTTE)



Program Requirements

- Program adopted by Ordinance
 - Each project approved by Resolution
 - Core Areas, Transit Oriented Areas
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- Improvements exempt (not land) for up to 10 years
 - Affordable/Low Income exemption can be extended beyond 10 years
 - Exemptions can include associated parking and/or ground floor commercial space if required as part of development
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- Taxing District participation not required
 - If 51% of combined levy Taxing Districts agree by Board resolution to participate, all districts are included.
-

POTENTIAL PUBLIC BENEFIT REQUIREMENTS



Priority Public Benefits

- At least 10% of units Affordable Housing
 - <60% AMI for rent
 - <80% AMI for sale)
- At least 30% of units are Middle Income
 - <120% AMI
- Childcare facilities (commercial & in-home)
- Energy efficiency and/or Green Building Features
 - Net zero, or
 - 10% more efficient than code, or
 - REACH code, or
 - LEED or Earth Advantage certified
 - Solar energy production

Additional Public Benefits

- Transit supportive amenities
- Native, pollinator-friendly, waterwise landscaping
- Pedestrian-oriented design
- Extra costs associated with infill development
- Provide parking within a wrapped-structure
- Common meeting rooms open to the public
- Open space dedication (more than development minimum standards)
- Recreation supportive facilities
- Art supportive facilities
- Stormwater- site developed to treat more than a 25-year storm event
- Electric car charging stations
- Displacement plan for existing businesses and residents impacted by project

PRELIMINARY TAXING DISTRICT OUTREACH



- Exemptions increase service needs while reducing revenue to provide services
- Exemptions impact taxing district operating budgets in addition to existing and new tax increment finance (TIF) area impacts
- How will success of program be defined and monitored?
- Clarity on anticipated financial impacts (ie. monetary caps, sunset dates)
- Is there a demonstrated need for these programs to incentivize development?
- Can priority for middle-income residents be prioritized for district employees?
- Request public benefit requirements that minimize impacts to special districts (affordable housing, additional open space, childcare facilities, recreation facilities, dedication of land for public use, etc)

SCHEDULE

