

**City of Bend**  
**City Manager Administrative Policy**



CITY OF BEND

## Multiple Unit Property Tax Exemption Guidelines

### Policy No. ADM 2022-8

Bend Code Chapter 1.30.005 provides for ‘City Manager Authority to Adopt Administrative Regulations, Policies and Guidelines.’ All regulations, policies and guidelines adopted by the City Manager shall be consistent with the City of Bend Charter, the Bend Code, and council ordinances.

The following policy conforms to the above stated standards.

Authorized by City Manager:

Reviewed by Legal Counsel:

DocuSigned by:  
*Eric King*  
409FF33EB4E64D3...

DocuSigned by:  
*Mary Winters*  
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Eric King, City Manager

Mary Winters, City Attorney

Dated: 12/20/2022

Dated: 12/20/2022

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**City of Bend**  
**City Manager Administrative Policy**

## Table of Contents

Overview .....	1
General Application Process .....	1
Eligible Projects .....	5
Public Benefit Requirements .....	8
Post Approval Compliance Requirements .....	17
Overall Program Review.....	18
Online Application Instructions .....	18
Accommodation Information for People with Disabilities .....	25
Attachment A.....	26
Attachment B.....	34

City of Bend  
City Manager Administrative Policy

## Overview

The City of Bend's Multiple Unit Property Tax Exemption (MUPTTE) program, adopted at Bend Municipal Code chapter 12.35, and authorized by ORS 307.600 to 307.637, is a tool designed to incentivize multi-unit housing options in certain core and transit-oriented areas. Multi-unit residential projects of three (3) or more units can receive a ten (10) year property tax exemption on the structural improvements if the program requirements are met. Each project must be approved by City Council and taxing district boards representing up to 51% of the combined levy.

The exemption is limited to residential improvements. However, the exemption may also apply to parking and commercial uses, so long as the parking and the commercial use are a requirement of the development code standards.

This program will expire in 2030. As such, no applications will be accepted after February 1, 2030. Exemptions granted and applications received prior to February 1, 2030, will not be affected by the expiration of the program.

These guidelines are intended to supplement program requirements established in Bend Municipal Code Chapter 12.35. **Applicants should review both the code requirements (BMC Chapter 12.35) and this program guide before applying for the MUPTTE program.**

More information on the program can be found by visiting:

<https://www.bendoregon.gov/government/departments/economic-development/multiple-unit-property-tax-exemption>

## General Application Process

### Application Fee

An application fee of **\$5,200** (FY22/23) is required to be paid to the City of Bend (per Resolution No. 3303). This is comprised of the \$1,400 base fee, \$200 for the County Assessor's office, and \$3,800 for the independent financial consultant. Other fees may be required for other elements of an application, (such as a Stormwater Agreement). Required costs and fees must be paid before review of an application will begin.

Policy No. ADM 2022-8

Adopted: 12/19/2022

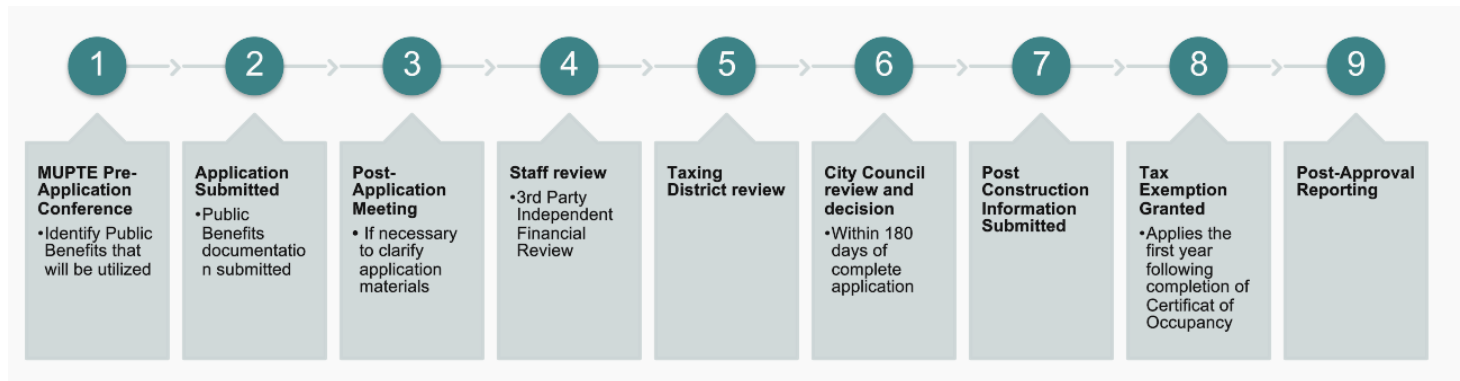
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Revision No:

## City of Bend City Manager Administrative Policy

### Timing

MUPTE applications are accepted on a rolling basis. Staff strongly encourage applicants to complete the MUPTE application and decision process prior to building permit issuance. An application must be submitted before February 1 of the first year in which the applicant is seeking the tax exemption. Applicants are encouraged to apply much earlier, ideally during site plan review, to allow time for staff and City Council to consider the application.



This table shows the steps to approval of a MUPTE application.

### Independent Financial Reviews

To qualify for the exemption, applicants must demonstrate that the project (including any public benefits associated with the project) would not be feasible without the ten-year tax exemption.

**Applications must include two project proformas - one proforma with the MUPTE applied and one proforma without it.** Applicants are also required to provide substantiation for each of the following assumptions informing results in both proformas:

- Individual operating revenues by type, including rents, non-residential lease rates and parking fees, if applicable
- Individual operating expenses by type, including vacancy loss, maintenance, and repair/replacement reserve
- Detailed site costs including acquisition or lease cost and site development costs, including any preliminary bids
- Detailed horizontal development costs, including any preliminary bids
- Lending assumptions, including debt to equity split, principal and lending terms

Policy No. ADM 2022-8

Adopted: 12/19/2022

Revised:

Revision No:

**City of Bend**  
**City Manager Administrative Policy**

Both sets of proformas should also specifically highlight any costs associated with meeting public benefit requirements.

The City contracts with third-party consultants to conduct independent financial reviews. The City will verify there are no financial conflicts of interest between the City's consultant and the applicant. After a complete application is received, the City will send the project proformas for the financial review. This review will take up to **60 days** following verification of a complete application.

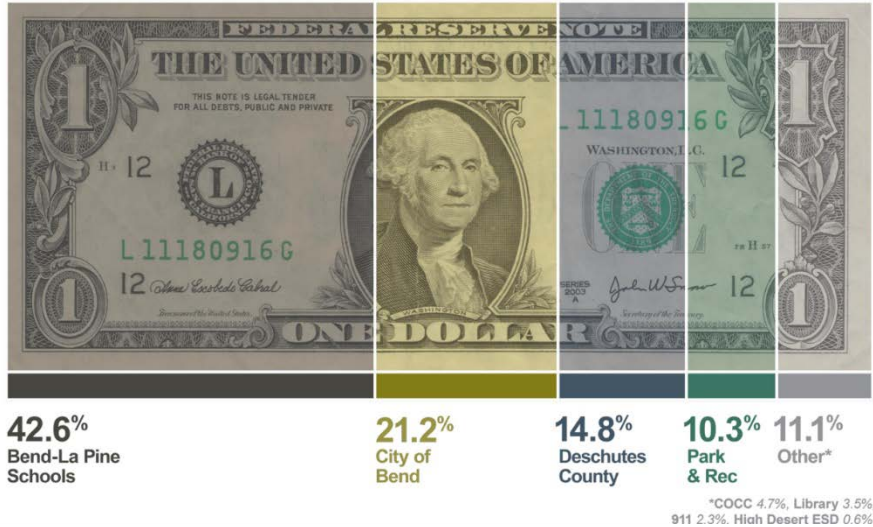
## **City Council and Taxing District Approvals**

Projects seeking a tax exemption from all taxing districts under the MUPTTE program must receive approvals of taxing district boards that comprise at least 51% of the combined levy of the taxing districts. Approval by the City and the Bend LaPine School District Board provides this 51%, but applicants may seek approval from any combination of taxing district boards. Approval by districts constituting less than 51% of the combined levy will result in an exemption only of those taxes from the districts that approved the exemption.

Upon receipt of a complete application, the City will notify taxing district staff that an application has been received. Taxing district staff or boards can submit comments on the application and evaluation criteria for up to 60 days following receipt of a complete application. Taxing district boards may request a presentation from the applicant prior to consideration by other taxing district boards. City staff will provide the other district boards a staff report for the application, including recommendation for approval, approval subject to conditions, or denial. Applicants and taxing district staff will need to coordinate with city staff on scheduling these meetings and these reviews. Presentations to the district board that would reach 51% would occur last. All reviews must be completed within **120 days** of the City's determination that an application is complete.

**City of Bend  
City Manager Administrative Policy**

Within **180 days** of receipt of a **complete** application, the City Council will consider whether to approve the application. Staff intend to schedule the application review on a City Council meeting agenda within 160 days of a complete application and will provide a recommendation that the application be approved, approved subject to conditions, or denied. Any written public comments on the application will be forwarded to the City Council with the staff recommendation.



**If Approved**

The City will certify with the County Tax Assessor the exemption status of approved MUPTE exemptions.

Following Certificate of Occupancy, City Staff will notify the County Assessor to apply the MUPTE exemption on the next applicable tax bill.

As an additional tax benefit, applicants may apply for an application for Cancellation of Assessment of Commercial Facilities under Construction (COMFA), as provided by ORS 307.330 and OAR 150-307-0430. Applicants are responsible for filling out this form and verifying applicability for their project. This is a separate program from MUPTE and this information is provided for the convenience of applicants only.

Policy No. ADM 2022-8  
 Adopted: 12/19/2022  
 Revised:  
 Revision No:



**City of Bend**  
**City Manager Administrative Policy**

# Eligible Projects

## Eligible Areas & Project Types

To be eligible for the MUPTE Program, projects must be located in the following zones, as depicted in Figure 1:

- Core Area Tax Increment Finance Area, except MR zoning
- Central Business District zone, CB (Downtown)
- High Density Residential (RH) limited to the RH zone adjacent to Core Area TIF along 4<sup>th</sup> Street, Studio Street, and Irving Avenue

Projects developed as Urban Dwelling Sites, under **Bend Development Code 3.8.800**, are also eligible for the MUPTE program. This code section, adopted pursuant to House Bill 3450, allows for up to 40 acres cumulatively of commercially zoned land to be developed as standalone residential (townhomes, duplexes, triplexes, quadplexes, multi-unit, micro-units, and accessory dwelling units). Properties eligible for the Urban Dwelling Site development are depicted in Figure 2.

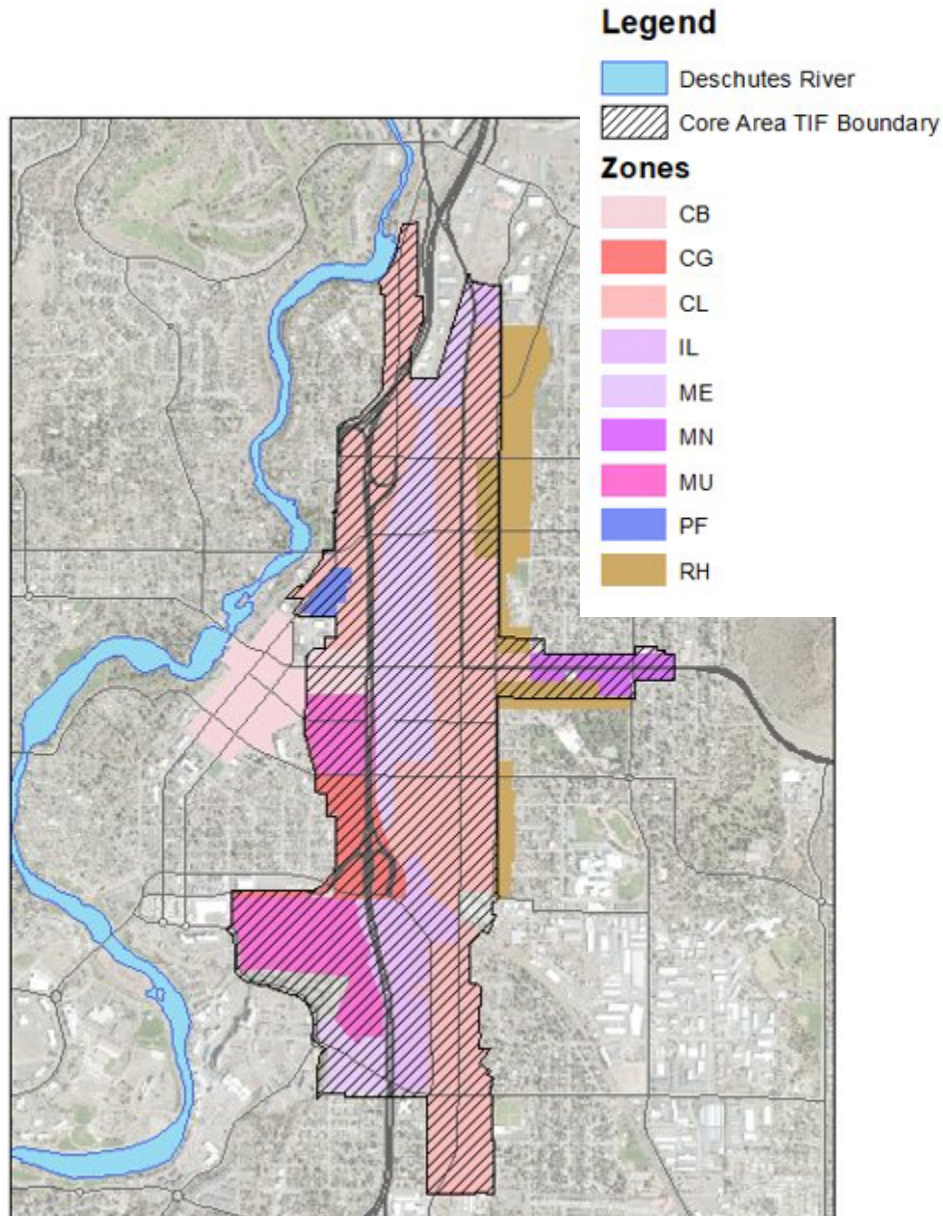


FIGURE 1. MUPTE ELIGIBLE AREAS/ZONES

**City of Bend**  
**City Manager Administrative Policy**

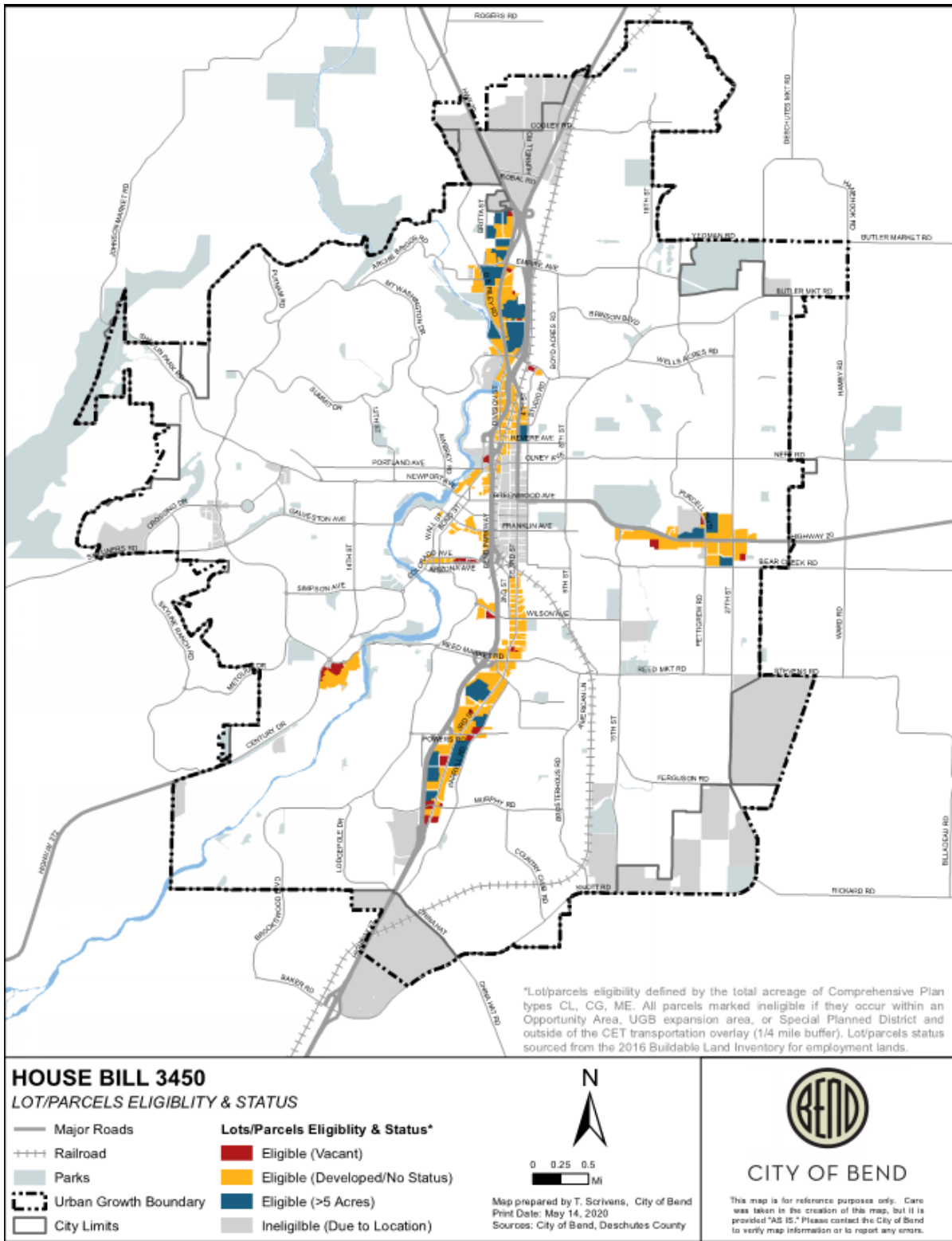
## **Eligibility Requirements**

Projects must meet the following requirements to be eligible for the MUPTE program:

- New residential development project
- 3 or more dwelling units on each lot or parcel for which the tax exemption is sought
- Multi-Story Requirement
  - Projects on lots greater than 10,000 s.f. in size must be a minimum of 3 stories
  - Projects on lots 10,000 s.f. or less must be a minimum of 2 stories
- Hotels, motels, and short-term vacation rentals are not eligible
  - Proof of a deed restriction that prohibits these uses for the ten-year period of the exemption is required
- Justification for the elimination of any existing housing or businesses on the site and what measures the project is taking to mitigate the impacts of displacement for those residents or businesses such as:
  - Advanced notice/communication
  - Relocation assistance (funding or services)
  - Reduced lease rates/rents
  - Right to return
- Meet the public benefit requirements (see next section)
- Demonstrate that the project, including the inclusion of the required public benefits, would not be feasible without the MUPTE exemption to be verified by an independent third-party financial review



# City of Bend City Manager Administrative Policy



**FIGURE 2. URBAN DWELLING SITES (HB 3450) ELIGIBLE PROPERTIES**

Policy No. ADM 2022-8  
 Adopted: 12/19/2022  
 Revised:  
 Revision No:

City of Bend  
City Manager Administrative Policy

# Public Benefit Requirements

To be eligible for the MUPTE program, a project must incorporate **a minimum of three public benefits** as provided in BMC 12.35.025. **At least one of the benefits must be a priority public benefit**, selected from BDC 12.35.030(A) through (E). See Attachment A for a summary of public benefit requirements.

## Priority Public Benefits (must include at least one)

- A. Affordable Housing.** Ten percent (10%) of the units in the project deed restricted as Affordable Housing for the duration of the exemption. For purposes of calculating unit requirements, fractional units are rounded up to the next whole unit (ie. if providing less than 10 units, at least 1 unit must be Affordable to meet this public benefit).

*In the case of dwelling units for sale, affordable means housing for households at or below 80 percent AMI for which the mortgage, amortized interest, taxes, insurance, and condominium or association fees, if any, constitute **no more than 30 percent of gross annual household income.***

*In the case of dwelling units for rent, affordable means housing for households at or below 60 percent AMI for which the rent and utilities constitute **no more than 30 percent of gross annual household income.***

- B. Middle-Income Housing.** Thirty percent (30%) of the units in the project must be deed restricted as middle-income housing for the duration of the exemption. For purposes of calculating unit requirements, fractional units are rounded up to the next whole unit (ie. if providing 3 units, at least 1 unit must be Middle-Income to meet this public benefit).

**City of Bend  
City Manager Administrative Policy**

*In the case of dwelling units for sale and for rent, middle-income means housing for households at or below 120 percent AMI for which the mortgage, amortized interest, taxes, insurance, and condominium or association fees, if any, constitute no more than 30 percent of gross annual household income.*

**Project proforma submitted with an application must demonstrate rental levels that are consistent with the AMI levels indicated above. Annual updates to the Bend Area Median Income and qualified rental levels will be posted to the MUPTE webpage at**

**<https://www.bendoregon.gov/government/departments/economic-development/multiple-unit-property-tax-exemption>. In order to qualify for this public benefit, applicants must submit a letter from the City of Bend Housing Department indicating the project meets the requirements.**

- C. Childcare Facilities.** Provide childcare facilities within the proposed project and demonstrate how those facilities will be provided beyond the duration of the exemption.

**Childcare facilities are defined as an Oregon State licensed childcare facility including in-home childcare facilities. Projects providing this public benefit must submit proof of an active childcare license on the address of the property on an annual basis for the length of the exemption, 10 years.**

- D. Open Space and Publicly Accessible Park or Plaza Space.** Dedicate more than 10 percent of the site area as publicly accessible open space, park or plaza with usable amenities. To meet this criterion, the applicant must submit a letter from the Bend Park and Recreation District (BPRD) stating that the applicant has coordinated with BPRD on the proposed open space or publicly accessible park and demonstrate how the applicant considered BPRD's comments. Open space used to meet this criterion does not need to be dedicated to or managed by BPRD.

**Having all open space, park, or plaza space in one continuous area is preferred; non-contiguous areas may be approved if providing sufficient public benefit, as determined by City Council. For projects that have previously met open space**

**City of Bend**  
**City Manager Administrative Policy**

**standards in which open space land has been set aside in a tract or easement, the following calculation methodology will be utilized:**

- **Publicly Accessible Open Space, Park, or Plaza Space:** Calculate total area of contiguous Publicly Accessible Open Space, Park or Plaza space located on site for which the tax exemption is being sought. Open space in a tract or easement that shares a boundary with the parcel seeking the exemption, is contiguous, and is constructed as part of the same project seeking exemption may be used in the total open space calculation.
- **Total area:** Add the total acreage of the parcel, not including right of way, and the Publicly Accessible Open Space, Park, or Plaza Space total (calculated above). If using an open space tract or easement, the total land in the easement/tract that is contiguous and shares a boundary with the parcel must be included in the Total Area.
- **Divide “Publicly Accessible Open Space, Park, or Plaza Space” by “Total Area” to calculate % of Open Space. Total must be more than 10%.**

**Publicly accessible is defined as land available for public use for the purpose of providing places for recreation, conservation, or other open space uses and must be dedicated either to Bend Park and Recreation District, or as a public access easement. The entity receiving the dedication must approve and accept the dedication. Maintenance agreements may be required.**

**BPRD has identified site elements that foster a usable open space for passive and active recreational uses, listed below. These spaces are not intended for private dining, private recreation, display, or non-publicly accessible use.**

- Seating and benches – including a minimum of 20-percent movable site furniture.
- Trees and landscaping – Area to be landscaped and developed for active or passive recreation and leisure use, typically of at least 20%, in the form of planting beds, groundcover, raised beds, boxed trees or accessible lawns. Mature trees should be preserved to the maximum extent practicable.
- Publicly available restrooms

**City of Bend**  
**City Manager Administrative Policy**

- Open area for pop-up events, maker’s markets, festivals, farmer’s markets, etc.
- Public art
- Splash pads
- Greenways/trails
- Community garden
- Bike racks in compliance with or exceeding City of Bend bike parking
- Water fountains
- Trash cans

**Attachment A includes information from Bend Park and Recreation District including design and maintenance guidelines for open space. This information is intended to help prepare applicants for their meeting with BPRD.**

**Site Plan and any other supplemental documentation included with application must demonstrate open space calculation.**

**E. High Standard of Energy Efficiency/Green Building Features. Applicants must demonstrate compliance with one of the following requirements in their application AND projects must demonstrate compliance following construction of the project, before the City certifies the exemption to the County Tax Assessor:**

1. Energy Trust New Buildings Path to Net Zero; or
2. LEED Platinum; or
3. Earth Advantage Platinum or higher.

## **Additional Public Benefits**

**F. Additional Energy Efficiency/Green Building Features.** Applicants must demonstrate compliance with one of the following requirements in their application AND must demonstrate compliance or certification before the City certifies the exemption to the County Tax Assessor:

1. Energy Trust of Oregon New Building Whole Building; or
2. Energy Trust Multifamily Market Solutions Best; or
3. Earth Advantage Silver or higher; or
4. LEED Silver; or

Policy No. ADM 2022-8

Adopted: 12/19/2022

Revised:

Revision No:

**City of Bend  
City Manager Administrative Policy**

5. Solar installation that will supply some of the building's energy using solar.

**G. Transit Supportive Amenities.** Provide transit supportive amenities such as covered shelters, fare purchase kiosks, and improved lighting. Applicant must submit a letter from Cascade East Transit (CET) stating that the applicant has coordinated with CET on the proposed transit and mobility supportive amenities, and demonstrate how the applicant considered the comments of CET.

**CET requests that projects that utilize this public benefit to qualify for MUPTE provide all of the following facilities or facilities deemed by CET to be equivalent in relevance and/or need:**

- **A transit stop or transfer station and ADA compliant accessways to the transit stop**
- **A concrete pad to support a covered shelter at the transit stop**
- **Conduit for power and data for transit signage**
- **Secure bicycle parking for a minimum of 10 bikes**
- **A bench**
- **Pedestrian scaled lighting**

**H. Mobility Supportive Amenities.** Provide mobility hub elements including but not limited to shared micromobility facilities (meeting the requirements of BC Chapter 7.60 if proposed in the public right-of-way), enhanced pedestrian and bicycle facilities, amenities, and storage such as secure bike lockers, upgraded crosswalks, street lighting, curb bulb-outs, pedestrian plazas, and dedicated spaces for bikeshare, or shared vehicle, or taxi pick-up and drop-off. To meet this criterion, the applicant must submit a letter from the City's Community and Economic Development Department stating that the applicant has coordinated with the City on any facilities proposed to be located in public rights-of-way.

**To qualify for this public benefit criteria, a minimum of two of the following site elements must be included:**



**City of Bend**  
**City Manager Administrative Policy**

- Flex mobility space (a minimum of 250 square feet)
- Secured bicycle parking for a minimum of 10 bicycles
- Passengers pick up and drop off areas that are designed to protect pedestrians and bicyclists from vehicle conflicts. Queue areas must provide adequate capacity to prevent vehicles from blocking streets and access corridors.
- Pedestrian scaled lighting
- Accommodation of micromobility services and parking
- Enhanced pedestrian crossing that serves the site

**Applicant may not use the same elements to qualify for both the transit supportive amenities and mobility supportive amenities. Amenities must be additive.**

- I. Ground Floor Commercial.** Provide more than 35 percent of the ground floor as commercial uses. Only projects in zones that allow ground floor commercial uses may seek to provide this public benefit.

**Ground floor will be calculated by dividing Ground floor square footage used for commercial uses by Total ground floor square footage.**

**Accessory residential uses such as residential lobby, storage, etc., do not qualify for ground floor commercial uses. Parking to serve commercial uses can be used to qualify for this public benefit, applicant must demonstrate rationale for why parking is needed to serve commercial if no parking is required. Site Plan submitted with application must demonstrate percentage of ground floor commercial.**

- J. Stormwater.** The site is developed to retain and treat stormwater from more than a 25-year storm event.

**City of Bend  
City Manager Administrative Policy**

To qualify for this public benefit criteria, the project must demonstrate compliance with the **City of Bend's Stormwater Credit Program** by completing the Stormwater Credit Application Packet. Completed Credit Program application must be submitted prior to certifying the exemption with the tax assessor. Applications must include a letter from the City of Bend Utility Department indicating that the project will comply with the credit program requirements. Projects must treat both stormwater quantity and quality in excess of City standards. To qualify for the credit program, Stormwater Management Agreements are required, and applicants will be charged for fees associated with recording of these agreements separate from fees associated with the MUPTE program. Projects that utilize this criterion as one of the public benefits for MUPTE are not eligible to take advantage of the Stormwater Credit, in addition to the tax exemption provided through MUPTE.

**Applicants are able and encouraged to couple this public benefit with the Enhanced Landscaping Public Benefit.**

- K. Environmental Remediation.** Demonstrate how and on what timeline any environmental remediation of the site will be, or has been, completed.

**Provide a copy of documentation of any recent environmental clean-ups and site status from other governmental agencies (for example the Department of Environmental Quality) or description of a plan for remediation which must be verified prior to the exemption being applied. Documents must be submitted as part of the application, and at a minimum prior to the exemption being granted.**

- L. Public Facilities.** Provide common meeting rooms, recreation supportive facilities, senior or youth supportive facilities, and/or art supportive facilities that will be accessible to the general public, including but not limited to public meeting spaces, athletic facilities, playground equipment, swimming pools, spas, and saunas, galleries, performance venues, theatres, or offices or facilities for cultural groups, youth, or seniors. Public facilities provided by this section may be limited to members or paying customers if the Council finds the proposal provides sufficient public benefit.

**City of Bend  
City Manager Administrative Policy**

The application must include a description of the public facilities that will be included in the project and how they meet the requirements stated above and whether these facilities will be open to the public or how the facility provides sufficient public benefit if it is not open to the general public.

- M. Enhanced Landscaping.** Provide native, pollinator-friendly, and water-wise landscaping.

The project must meet landscaping requirements as defined in Chapter 12 of the **Bend Standards and Specification**, for all on-site landscaping. Applicant must maintain landscaping and stay within approved landscaping water budget for the ten-year period of the exemption. Applicant must have a licensed landscape architect prepare a water budget for the project. Annual water budget reports and proof of landscape maintenance will need to be submitted to the City of Bend annually for the period of the exemption. The site can't exceed 20% above the approved water budget for the site during the period of the exemption, or the exemption may be subject to termination.

Resources for Native and Pollinator Friendly Plants can be found on the Utilities Conservation Learning webpage by visiting: [www.bendoregon.gov/government/departments/utilities/conservation/additional-learning](http://www.bendoregon.gov/government/departments/utilities/conservation/additional-learning) From that webpage, you can also find examples of water budgets by clicking the Contractor Resources link at the bottom right of the page.

- N. Provide electric vehicle (EV) charging stations.** Provide at least 10 percent more parking spaces with EV charging infrastructure, conduit for future electric vehicle charging stations, than the minimum required at the time of application. If no EV charging infrastructure is required, the project must provide charging infrastructure to at least 10 percent of parking spaces (a minimum of 1 space).

The Oregon Building Code currently requires commercial building, multi-family, and mixed-use developments with 5 or more units to provide at least 20% of parking spaces as EV Ready as defined in ORS 455.417. The Climate Friend and Equitable Community Rules established by the Department of Land Conservation and Development may require that 40% of parking spaces will need to be EV ready for multifamily developments no later than March 31, 2023.

**City of Bend  
City Manager Administrative Policy**

**Rules in effect at the time of the application will determine the minimum that must be exceeded for this public benefit to be provided.**

- O. Wrapped Parking Structures.** For projects that provide above-grade parking structures, retail and residential uses must be provided on the street level for any frontage on a street with a higher-level classification than an alley.

**This must be demonstrated on the Site Plan in the application.**

- P. Other public benefits that will extend beyond the period of the exemption, as specifically authorized by City Council in the resolution approving the exemption.** This provides an opportunity for the applicant to demonstrate how they meet an additional public benefit requirement, which is consistent with ORS 307.600 to 307.637, that may not yet have been considered or identified as a community need at the time this program was established

City of Bend  
City Manager Administrative Policy

# Post Approval Compliance Requirements

In order to ensure that public benefit requirements are met for the duration of the exemption period, the following reporting requirements are in place.

## After Construction

Applicants must submit the following documentation before staff will certify the exemption with the Deschutes County Assessor's Office:

- Proof of certificate of occupancy
- Submit documentation for any requirements of the public benefits used to qualify the project for the exemption
- Provide contact information for owner and lender associated with the project including name, address, email, and phone number as well as preferred contact information for staff to use for annual reporting requirements.

## During the Exemption Period

Each year, the owner, or preferred contact for each project, must send the following annual reporting requirements for the exemption by March 1 of each year. The following must be provided **within 30 days of the request**:

- Affordable Housing: housing rents and income levels of initial and new leases for 10% of the units
- Middle Income: housing rents and income levels of initial and any new leases for 30% of the units
- Childcare facilities: Copy of childcare license for exempted site address
- Enhanced landscaping: Water budget that demonstrates that the project is maintaining water usage within 20% of the approved water budget
- Public facilities: Proof that public facility is still there and publicly available

If, after an application has been approved, the City finds that construction of the housing was not completed on or before January 31, 2031, or any extension, or that any provision of

Policy No. ADM 2022-8  
Adopted: 12/19/2022  
Revised:  
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**City of Bend**  
**City Manager Administrative Policy**

Chapter 12.35 is not being complied with, or any provision of the resolution granting the exemption is not being or has not been complied with, the City may terminate the project from the exemption program and shall send a notice of the proposed termination of the exemption to the owner's last known address.

## Overall Program Review

Each year, staff will review how well the MUPTE program is reaching the City's desired goals of getting more multifamily housing options for workforce and moderate-income households in core and transit-oriented areas. With the annual review presented to Council, staff will identify any recommendations for modifications to the public benefit requirements or other program modifications to be applied to future applications.

## Online Application Instructions

This section provides specific details for preparing a MUPTE application using the City's Online Permit Center Portal.

**Important note:** You can NOT save applications once they are started until you complete the application and pay the fee, therefore we strongly encourage you to develop all the application materials before drafting your actual application. You can coordinate with staff on necessary submittals.

### Pre-application Meeting

Prior to applying, applicants should set up a pre-application meeting by emailing [mupte@bendoregon.gov](mailto:mupte@bendoregon.gov). This should ideally be held around the same time as your land use pre-application to ensure that the project program will be eligible for the exemption.

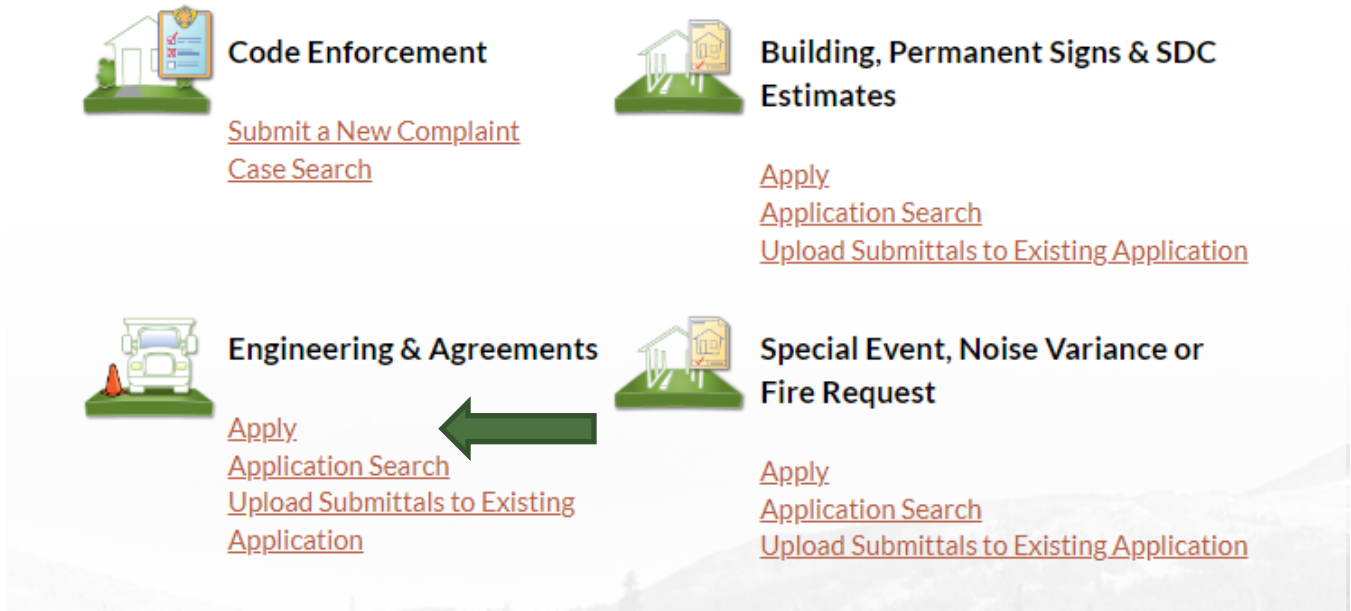


**City of Bend**  
**City Manager Administrative Policy**

### Submitting an Application

To apply, visit the Online Permit Center Portal at <https://cityview.ci.bend.or.us/Portal/>

- Make an account or utilize an existing account
- To start application, click on Apply under “Engineering & Agreements”



### STEP 1: Application Type

Identify “Tax Exemptions” on drop down menu and begin application, click “Other” for the second questions. Add a brief description of your project including site address and the number of residential units proposed.

**City of Bend**  
**City Manager Administrative Policy**

Choose the application type:\*  

Please categorize the nature of\*  
the work being done:

Please describe the work being\*  
done:

Limit 4000 characters

**STEP 2/3: Work Items**

Mark the checkbox for the “Multi-Unit Property Tax Exemption (MUPTE)” permit type.

**City of Bend**  
**City Manager Administrative Policy**

▼ **Tax Exemption Permit**

Please choose as many work items as are appropriate.

Search for work items

- Affordable Housing Tax Exemption
- Middle Income Tax Exemption
- Multi-Unit Property Tax Exemption (MUPTe)

**Previous Step: Application Type**

**Next Step: Description of Work**

**STEP 2: Description of Work**

Fill out the application materials. For the first question (EA), please enter the number 1 as depicted in the example below. Several items may require coordination with staff on estimating the total forecasted exemption for the project.

**City of Bend**  
**City Manager Administrative Policy**

– ▾ Tax Exemption Permit Work Items

**Multi-Unit Property Tax Exemption (MUPTe)**

EA:\*   
Please enter the quantity for this work item in the units specified

Company Name:

Company Address:

Company Contact:

Project Name:

Project Location:

Project Description:

Unit Type(s):

Proposed Number of Units:

Forecasted year for Certificate of

**STEP 4: Location**

Identify the site address for the property for which you are seeking the exemption. In some instances, staff recognizes that a site may not have been established for the property as anticipated in the future, please use an adjacent address as necessary or the existing address of the site.

**City of Bend**  
**City Manager Administrative Policy**

### **STEP 5: Contacts**

Please ensure the primary contact that you would like staff to coordinate with on necessary application submittals is the person who is applying. To add additional contacts not listed in the address book, please send requests to [mupte@bendoregon.gov](mailto:mupte@bendoregon.gov)

### **STEP 6: Upload Files**

Note: If your session is idle for more than 20 minutes, your session could time out and work will not be saved. Review Attachment A to help you prepare for your submittal documents. During this step, please provide documentation for the following submittal requirements:

- Legal Description of the site
- Proof of Ownership
- Site Plan
- Proforma Income Statement without Tax Exemption. Should include substantiation for:
  - Individual operating revenues by type, including rents, non-residential lease rates and parking fees, if applicable
  - Individual operating expenses by type, including vacancy loss, maintenance, and repair/replacement reserve
  - Detailed site costs including acquisition or lease cost and site development costs, including any preliminary bids
  - Detailed horizontal development costs, including any preliminary bids
  - Lending assumptions, including debt to equity split, principal and lending terms
  - Specifically highlight any costs associated with meeting public benefit requirements.
- Proforma Income Statement with Tax Exemption
  - Individual operating revenues by type, including rents, non-residential lease rates and parking fees, if applicable
  - Individual operating expenses by type, including vacancy loss, maintenance, and repair/replacement reserve
  - Detailed site costs including acquisition or lease cost and site development costs, including any preliminary bids
  - Detailed horizontal development costs, including any preliminary bids
  - Lending assumptions, including debt to equity split, principal and lending terms

**City of Bend**  
**City Manager Administrative Policy**

- Specifically highlight any costs associated with meeting public benefit requirements.
- Project Description
- Assessor Property Account Number
- Existing Use of Site and Justification for Displacement and any measures taken to mitigate displacement such as:
  - Advanced notice/communication
  - Relocation assistance (funding or services)
  - Reduced lease rates/rents
  - Right or first option to return
- Private Development Engineering Letter
- Public Benefits Checklist

The following submittals are also required for the following Public Benefit requirements (please see requirements in Attachment A:

<b>PUBLIC BENEFIT CRITERIA</b>	<b>REQUIRED SUBMITTAL DOCUMENTATION</b>
Affordable Housing; Middle-Income Housing	Letter from City of Bend Housing Department
Open Space and Publicly Accessible Park or Plaza Space	Bend Park and Recreation District Letter
Transit Supportive Amenities	Cascade East Transit Letter
<ul style="list-style-type: none"> <li>● Mobility Supportive Amenities</li> </ul>	Community & Economic Development Department Letter
High Standard and Additional Energy Efficiency/Green Building Features	Energy Efficiency Documentation
Enhanced Landscaping	Landscaping Plan & Draft Maintenance Agreements
Public Facilities	Description of Public Facilities
Environmental Remediation	Environmental Remediation Documentation
Stormwater	Stormwater Credit Application
Other Public Benefit	Other Public Benefit: Description of proposed public benefit for Council consideration

Policy No. ADM 2022-8  
 Adopted: 12/19/2022  
 Revised:  
 Revision No:



**City of Bend**  
**City Manager Administrative Policy**

Please indicate again what three public benefits you are using to qualify for the program in the description box at bottom of page

**STEP 7: Review and Submit**

Review your application to ensure that all documents are complete and uploaded.

**STEP 8: Submitted**

Following submission of the application, you will receive a notification from staff once the application has been deemed complete or incomplete. If deemed incomplete, staff will notify the applicant of items that are missing from the application or any modifications that need to be addressed before the application can be deemed complete.

Staff may request a post-application meeting to verify submittal documents and address any follow up questions before deeming the application complete.

Following a complete application, staff will contact the applicant to notify them of key review milestones including:

- Completion of Independent Financial Proforma Review (within 60 days of complete application)
- Staff review and recommendation (within 120 days of complete application)
- Taxing District Review and Meeting Date (within 120 days of complete application)
- City Council Meeting Date for Application Approval or Denial (within 180 days of complete application)



**Accommodation Information for People with Disabilities**

To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Allison Platt at [aplatt@bendoregon.gov](mailto:aplatt@bendoregon.gov) or (541) 322-6394; Relay Users Dial 7-1-1, and 541-385-6676.

Policy No. ADM 2022-8  
Adopted: 12/19/2022  
Revised:  
Revision No:

**City of Bend**  
**City Manager Administrative Policy**

**ATTACHMENT A**

**Summary of MUPTE Application and Public Benefit Requirements, Criteria, and Reporting Requirements**

<b>Application Requirement</b>	<b>Evaluation Criteria</b>	<b>Reporting Requirements</b>
New construction project	<ul style="list-style-type: none"> <li>Project is new residential development</li> </ul>	No reporting requirements
Eligible Area and/or Project Type	<ul style="list-style-type: none"> <li>Project is located within eligible TIF zone or is an Urban Dwelling Site project</li> </ul>	No reporting requirements
3 or more dwelling units on the parcel	<ul style="list-style-type: none"> <li>Site Plan includes plans for 3 or more units on the parcel seeking the exemption</li> </ul>	No reporting requirements
Mutli-story requirement	<ul style="list-style-type: none"> <li>For lots greater than 10,000 square feet (sf) in size, Site Plan must demonstrate the project includes 3 or more building stories</li> <li>For lots that are 10,000 sf or less in size, Site Plan must demonstrate that the project includes 2 or more building stories</li> </ul>	No reporting requirements
Hotels, motels, short term vacation rentals prohibited	<ul style="list-style-type: none"> <li>Site Plan must not include any hotels or motels</li> <li>Applicant will be required to provide proof of a deed restriction that prohibits these uses for the period of the exemption (10 years from CofO)</li> <li>Site will not be eligible to receive short term vacation rental permit for the duration of the exemption</li> </ul>	<ul style="list-style-type: none"> <li>Provide proof of a deed restriction that prohibits these uses for the period of the exemption, this will need to be submitted prior to the exemption being applied</li> <li>Staff may verify that STR's are not operating on the site at any time during the period of the exemption</li> </ul>
Justification for the elimination of any existing housing or businesses and measures applicant is taking to mitigate the impacts of displacement	<ul style="list-style-type: none"> <li>Provide justification for the elimination of any existing housing or businesses on the site</li> <li>Identify the number of housing units and businesses that will be impacted by the project, if applicable</li> </ul>	No annual reporting requirements

Policy No. ADM 2022-8

Adopted: 12/19/2022

Revised:

Revision No:

**City of Bend**  
**City Manager Administrative Policy**

	<ul style="list-style-type: none"> <li>• If applicable, describe what measures applicant is taking to mitigate impacts of displacement for residents and businesses such as:             <ul style="list-style-type: none"> <li>○ Advanced notice/communication</li> <li>○ Relocation assistance (funding or services)</li> <li>○ Reduced lease rates/rents</li> <li>○ Right or first option to return</li> </ul> </li> </ul>	
<p>Project proforma that demonstrates project would not be feasible but for the exemption</p>	<ul style="list-style-type: none"> <li>• Two project proformas- one proforma with the MUPTe applied and one proforma without it. Both proformas should include:             <ul style="list-style-type: none"> <li>○ Individual operating revenues by type, including rents, non-residential lease rates and parking fees, if applicable</li> <li>○ Individual operating expenses by type, including vacancy loss, maintenance, and repair/replacement reserve</li> <li>○ Detailed site costs including acquisition or lease cost and site development costs, including any preliminary bids</li> <li>○ Detailed horizontal development costs, including any preliminary bids</li> <li>○ Lending assumptions, including debt to equity split, principal and lending terms</li> <li>○ specifically highlight any costs associated with meeting public benefit requirements</li> </ul> </li> </ul>	<p>No annual reporting requirements</p>

Policy No. ADM 2022-8  
 Adopted: 12/19/2022  
 Revised:  
 Revision No:

**City of Bend**  
**City Manager Administrative Policy**

	<ul style="list-style-type: none"> <li>Project proformas must demonstrate that project, including the inclusion of the required public benefits, is not feasible <b>but for</b> the exemption</li> </ul>	
Public Benefit requirements are met	<ul style="list-style-type: none"> <li>At least one priority public benefit below is met</li> <li>At least three total public benefits below are met</li> </ul>	See requirements for each individual public benefit below

Priority Public Benefit (must have at least one)	Application Evaluation Criteria	Reporting Requirements
Affordable Housing	<ul style="list-style-type: none"> <li>10% of units are deed restricted as Affordable Housing for the length of the exemption.                             <ul style="list-style-type: none"> <li>60% Area Median Income for rental units</li> <li>80% Area Median Income for sale units</li> </ul> </li> <li>Appropriate rental rates must be shown in the project proformas submitted as part of the application</li> <li>For the purpose of calculating unit requirements, fractional units are rounded up to the next whole unit (ie. if providing less than 10 units, at least 1 unit must be Affordable)</li> <li>Letter from City of Bend Housing Department</li> </ul>	<ul style="list-style-type: none"> <li>Applicant will be required to provide proof of a deed restriction that restricts income levels for 10% of the units prior to exemption being applied</li> <li>Annual reporting on initial tenants and any new tenants' certification of household income qualifications</li> </ul>
Middle Income Housing	<ul style="list-style-type: none"> <li>30% of units are deed restricted as Middle Income (120% Area Median Income) housing for the length of the exemption</li> </ul>	<ul style="list-style-type: none"> <li>Applicant will be required to provide proof of a deed restriction that restricts income levels for 30% of the units prior to exemption being applied</li> </ul>

Policy No. ADM 2022-8  
 Adopted: 12/19/2022  
 Revised:  
 Revision No:

**City of Bend**  
**City Manager Administrative Policy**

	<ul style="list-style-type: none"> <li>• Appropriate rental rates must also be shown in the project proformas submitted as part of the application</li> <li>• For the purpose of calculating unit requirements, fractional units are rounded up to the next whole unit</li> <li>• Letter from City of Bend Housing Department</li> </ul>	<ul style="list-style-type: none"> <li>• Annual reporting on initial tenants and any new tenants' certification of household income qualifications</li> </ul>
Childcare Facilities	<ul style="list-style-type: none"> <li>• Site Plan must demonstrate location of childcare facilities and that it meets all code requirements for those facilities</li> <li>• Identify which childcare provider that the applicant plans to locate in the facility</li> </ul>	<ul style="list-style-type: none"> <li>• Proof of childcare license before exemption is applied</li> <li>• Annual reporting to verify childcare license</li> </ul>
Open Space and Publicly Accessible Park or Plaza Space	<ul style="list-style-type: none"> <li>• More than 10% of site area is dedicated to BPRD (if acceptable to BPRD) or in a public access easement</li> <li>• Dedicated area is located in one continuous area or provides sufficient public benefit, as determined by City Council</li> <li>• Incorporates usable amenities</li> <li>• Application includes a letter from Bend Park and Recreation District demonstrating that the applicant has met and coordinated with BPRD. BPRD's letter should provide an evaluation of how the Open Space, Park or Plaza space meets the intent of the program</li> <li>• Any additional information from the applicant about how the applicant has addressed BPRD's comments</li> </ul>	<ul style="list-style-type: none"> <li>• Land dedication or public access agreement</li> <li>• Staff verification that usable amenities are incorporated into final project before exemption is applied</li> <li>• No annual reporting requirements</li> </ul>

Policy No. ADM 2022-8

Adopted: 12/19/2022

Revised:

Revision No:

**City of Bend**  
**City Manager Administrative Policy**

<p>High Standard of Energy Efficiency/Green Building Features</p>	<ul style="list-style-type: none"> <li>• Applicant must indicate which energy efficiency standard they plan to utilize to qualify for this public benefit                             <ul style="list-style-type: none"> <li>○ Energy Trust New Buildings Path to Net Zero; or</li> <li>○ LEED Platinum; or</li> <li>○ Earth Advantage Platinum or higher</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Submit documentation of 3<sup>rd</sup> party verification of energy efficiency standard that is met before exemption is applied</li> <li>• No annual reporting requirements</li> </ul>
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<p><b>Additional Public Benefits (must have at least two)</b></p>	<p><b>Application Evaluation Criteria</b></p>	<p><b>Reporting Requirements</b></p>
<p>Additional Energy Efficiency/Green Building Features</p>	<p>Applicant must indicate which energy efficiency standard they plan to utilize to qualify for this public benefit</p> <ul style="list-style-type: none"> <li>○ Energy Trust of Oregon New Building Whole Building; or</li> <li>○ Energy Trust Multifamily Market Solutions Best; or</li> <li>○ Earth Advantage Silver or higher; or</li> <li>○ LEED Silver; or</li> <li>○ Solar installation that will supply some of the building's energy using solar.</li> </ul>	<ul style="list-style-type: none"> <li>• Submit documentation of 3<sup>rd</sup> party verification of energy efficiency standard that is met before exemption is applied</li> <li>• If utilizing the solar installation, submit City of Bend solar permit and coordinate with staff to verify requirement is met before exemption is applied</li> <li>• No annual reporting requirements</li> </ul>
<p>Transit Supportive Amenities</p>	<ul style="list-style-type: none"> <li>• Site Plan must include proposed facilities used to meet this public benefit</li> <li>• Application includes a letter from Cascade East Transit (CET) demonstrating that applicant has met and coordinated with CET</li> <li>• Project provides all of the following facilities or facilities that they deem to be equivalent in relevance and/or need:                             <ul style="list-style-type: none"> <li>○ A transit stop or transfer station</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Staff to verify proposed facilities are constructed before exemption is applied</li> <li>• No annual reporting requirements</li> </ul>

Policy No. ADM 2022-8

Adopted: 12/19/2022

Revised:

Revision No:



**City of Bend**  
**City Manager Administrative Policy**

	<ul style="list-style-type: none"> <li>○ ADA compliant accessways to the transit stop</li> <li>○ A concrete pad to support a covered shelter at the transit stop</li> <li>○ Conduit for power and data for transit signage</li> <li>○ Secure bicycle parking for a minimum of 10 bikes</li> <li>○ A bench</li> <li>○ Pedestrian scaled lighting</li> </ul>	
<p>Mobility Supportive Amenities</p>	<ul style="list-style-type: none"> <li>● Mobility hub elements including but not limited to shared micromobility facilities (meeting the requirements of BC Chapter <b>7.60</b> if proposed in the public right-of-way), enhanced pedestrian and bicycle facilities, amenities, and storage such as secure bike lockers, upgraded crosswalks, street lighting, curb bulb-outs, pedestrian plazas, and dedicated spaces for bikeshare, or shared vehicle, or taxi pick-up and drop-off</li> <li>● Minimum of two site elements from the following list:             <ul style="list-style-type: none"> <li>○ Flex mobility space (a minimum of 250 square feet)</li> <li>○ Secured bicycle parking for a minimum of 10 bicycles</li> <li>○ Passengers pick up and drop off areas that are designed to protect pedestrians and bicyclists from vehicle conflicts. Queue areas must provide adequate</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Staff to verify proposed facilities are constructed before exemption is applied</li> <li>● No annual reporting requirements</li> </ul>

Policy No. ADM 2022-8  
 Adopted: 12/19/2022  
 Revised:  
 Revision No:

**City of Bend**  
**City Manager Administrative Policy**

	<p>capacity to prevent vehicles from blocking streets and access corridors.</p> <ul style="list-style-type: none"> <li>○ Pedestrian scaled lighting</li> <li>○ Accommodation of micromobility services and parking</li> <li>○ Enhanced pedestrian crossing that serves the site</li> </ul>	
Ground Floor Commercial	<ul style="list-style-type: none"> <li>● More than 35 percent of the ground floor is commercial uses not including accessory residential uses such as residential lobby, storage, etc.</li> <li>● Commercial use ground floor calculation must be included as part of the application and be consistent with site plan</li> </ul>	<ul style="list-style-type: none"> <li>● Staff verification before exemption is applied.</li> <li>● No annual reporting requirements</li> </ul>
Stormwater	Application must include letter from City of Bend Utility Department indicating that site plan and proposed stormwater infrastructure is consistent with City of Bend Stormwater Credit Program requirements	<ul style="list-style-type: none"> <li>● Must submit approved Stormwater Credit Program application before exemption is applied</li> <li>● Submit recorded stormwater management agreement before exemption is applied</li> <li>● Annual reporting throughout the duration of the exemption on stormwater management in compliance with management agreement</li> </ul>
Environmental Remediation	Copy of documentation of any recent environmental clean-ups and site status from other governmental agencies (ie. DEQ)	<ul style="list-style-type: none"> <li>● Verified documentation by City of Bend staff before exemption is applied</li> <li>● No annual reporting requirements</li> </ul>
Public Facilities	<ul style="list-style-type: none"> <li>● Description of public facilities that will be included in the project, and indicated on site plan</li> </ul>	<ul style="list-style-type: none"> <li>● City to verify public facility is included in the project before exemption is applied</li> </ul>

Policy No. ADM 2022-8

Adopted: 12/19/2022

Revised:

Revision No:

**City of Bend**  
**City Manager Administrative Policy**

	<ul style="list-style-type: none"> <li>Facility will be open to the public or description of how the facility provides sufficient public benefit if not open to the general public</li> </ul>	<ul style="list-style-type: none"> <li>Annual reporting on public facility use and how the facility is remaining open to the general public as applicable</li> </ul>
Enhanced Landscaping	<ul style="list-style-type: none"> <li>All landscaping proposed on site is in compliance with Chapter 12 of the Bend Standards and Specifications and should include native, pollinator-friendly and water-wise landscaping best practices</li> <li>Submit water budget prepared by a licensed landscape architect</li> </ul>	<ul style="list-style-type: none"> <li>Annual reporting on water budget that must remain within 20% of the approved water budget for the site</li> </ul>
Electric Vehicle (EV) charging stations	<ul style="list-style-type: none"> <li>Demonstrate on site plan how applicant plans to provide EV charging infrastructure to 10% more parking spaces than code minimum requires</li> <li>Must include calculation for proposed EV charging spaces compared to total parking spaces proposed</li> </ul>	<ul style="list-style-type: none"> <li>City of Bend to verify total number of spaces that are provided with EV charging infrastructure prior to exemption is applied</li> <li>No annual reporting requirements</li> </ul>
Wrapped Parking Structure	<ul style="list-style-type: none"> <li>Site Plan must demonstrate that retail and residential uses are provided on the street level for any frontages on a street level with a higher classification than an alley for any above-grade parking structures</li> </ul>	<ul style="list-style-type: none"> <li>City of Bend to verify construction of wrapped parking as proposed in approved site plan and building permits before exemption is issued</li> <li>No annual reporting requirements</li> </ul>
Other Public Benefit that extends beyond the period of the exemption, must be approved by City Council.	<ul style="list-style-type: none"> <li>Description of proposed public benefit and how the benefit extends beyond the lifetime of the exemption</li> </ul>	<ul style="list-style-type: none"> <li>City Council must authorize the public benefit before it is approved for exemption</li> <li>Staff will verify benefit is constructed as presented</li> </ul>

Policy No. ADM 2022-8

Adopted: 12/19/2022

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Revision No:

**City of Bend**  
**City Manager Administrative Policy**

**ATTACHMENT B:**

**BPRD Publicly Accessible Open Space, Park, and Plaza Space Design Guidelines for the Multiple Unit Property Tax Exemption (MUPTE) Program**

These guidelines will be used by the Bend Park and Recreation District when they evaluate how an applicant is meeting the intent of the MUPTE Open Space Public Benefit requirements.

**General Design Requirements**

- An unobstructed portion of a lot, with minimum dimensions of no less than 20 feet in each direction
- Slope not greater than five-percent unless specific design elements like an amphitheater require a more significant slope.
- Contiguous property unless site size, site constraints or another factor rendering this infeasible.
- Integrated into overall site design and centrally located for ease of access by the residential units it is designed to serve, as well as the general public.
- Usable open space can take the form of an urban plaza, urban garden, a view or sun terrace, urban playground, roof garden or similar.
- Space can be located at ground level, within an enclosed space or at the roof level.
- Design shall minimize wind tunneling and ensure solar access to the maximum extent practicable.
- Space may include areas for special events that can be closed off during such events.
- All site elements including street furniture, pathways, etc. will meet ADA requirements.
- The area will not
  - Be a widened sidewalk
  - Include areas for private dining, private recreation, display or non-publicly accessible uses.
  - Include garage entrances, driveways (except those providing controlled access for maintenance or events), parking spaces, loading berths, exhaust vents, mechanical equipment, building trash storage facilities, or similar

**City of Bend**  
**City Manager Administrative Policy**

**Safe and Welcoming Design Requirements**

- Pedestrian level lighting in all accessible locations to create a safe environment.
- Naturalized surveillance – is visible from the street or other activated space
- Public Space Signage – The provision of clear, visible, and readable signage will be provided to identify the area as public open space, and to identify hours of access and those responsible for the upkeep and maintenance of the space.

**Required Amenities**

- Trash cans
- Seating and benches – including a minimum of 20-percent movable site furniture for public open space on private properties.
- Trees and landscaping - Area will be landscaped and developed for active or passive recreation and leisure use. Certain open spaces such as plazas or playgrounds will have less landscaping, but a minimum of 20% of the public open space will be planted areas (excluding tree canopy). This will take the form of planting beds, groundcover, raised beds, boxed trees or accessible lawns. Mature trees will be preserved to the maximum extent practicable.
- Bike racks in compliance or exceeding City of Bend bike parking requirements

**Additional Amenities to Consider**

- Water fountains
- Dog friendly facilities
- Public art
- Splash pads
- Greenways/trails
- Community garden
- Restrooms
- Area for pop-up events, maker’s markets, festivals, farmer’s markets, etc.

**Site Connectivity and Circulation**

- Space will support, not inhibit connectivity – circulation paths will provide for unobstructed pedestrian circulation throughout the public open space area.

Policy No. ADM 2022-8  
Adopted: 12/19/2022  
Revised:  
Revision No:

**City of Bend**  
**City Manager Administrative Policy**

- While paths are not required to be straight and direct, they must be continuous and navigable, and provide access to all features of the site.

**Maintenance Requirements**

- Landscaping must be maintained in good condition, without weeds. Dead or dying plants must be replaced by the owner.
- Snow will be removed as necessary to facilitate access and use.
- Site shall have regular clean-ups and trash service to ensure a cleanly and welcoming experience.
- Prompt repair of damaged materials to ensure safety
- Prompt removal of graffiti
- On-going replacement of assets as necessary at end of lifespan.

Please see **BPRD Development Standards** for guidance on required and suggested amenities for plazas and neighborhood parks.