



Owner Occupied Rehabilitation Limited Tax Abatement

Application Instructions and Process Steps

The City of Portland offers a 10-year limited tax property abatement on any increase in assessment value that results from the rehabilitation improvements made to qualifying owner occupied single family homes. The homeowner will not pay taxes on the increase in assessed value due to rehabilitation work for 10-years; however, the homeowner will continue to pay taxes on the assessed value of the Land and original Improvement value during this period, as well as any incremental increase allowed under Measure 50¹. It is important to note that your taxes will not go down and assessed values will not be frozen as a result of the program. You are strongly encouraged to discuss your construction plans and schedule with the program administrator as soon as possible, if you think that you could benefit from the program.

Criteria:

- The property is located within the Homebuyer Opportunity Area at the time of construction (see map at www.pdc.us/lta).
- The home must be an owner occupied single-family unit for the length of the abatement.
- The home must have code violations. An initial inspection by a PDC inspector is required to identify existing violations immediately after application, and then a final inspection to verify that the identified violations have been satisfactorily addressed. Work completed before the date of the application does not qualify for the abatement.
- For homes built before January 1, 1961, rehabilitation expenses must equal or exceed 5% of the property's assessed value as reflected in the last assessment roll preceding the application date. Homes built after January 1, 1961 require rehabilitation expenditures of 50% of the property's assessed value at the time of application. After all the desired rehabilitation work (and that which is required by the initial inspection) has been completed, the PDC will collect receipts for the rehabilitation work to determine if adequate expenditures have been made.
- Homeowner must make formal application, applying for exemption and pay all applicable fees.

How To Apply:

- Homeowner completes the Application for Determination of Eligibility and pays the non-refundable application fee of \$500 with a check made out to "Portland Development Commission".

Applications without application fee are considered inactive.

Process Steps:

1. Submit Application for Determination of Eligibility and pay non-refundable application fee.
2. PDC reviews application and calls applicant to schedule initial inspection.
3. PDC Inspector verifies Property Maintenance Violations (City Code Title 29).
4. Homeowner completes rehabilitation work, submits proof of rehab expenditures to PDC, submits Application for Certification of Qualification (ACQ).
5. PDC Inspector performs final inspection.
6. PDC reviews ACQ to determine final approval status.
7. PDC sends qualified applicant letter of Final Approval, and notifies Multnomah County Tax Assessor of Final Approval.

Application materials are available at www.pdc.us/lta or by contacting the Limited Tax Abatement program specialist.

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¹ For complete explanation of exemption refer to Portland City Code 3.102, explanation provided for general explanatory purposes only and is not intended as a complete representation of City Code or State Statute.