

MEASURE: SB322
EXHIBIT: GHOUSE REVENUE COMMITTEE
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## CITY MANAGER'S OFFICE

555 Liberty St SE / Room 220 • Salem, OR 97301-3503 • (503) 588-6255 • Fax (503) 588-6354

May 10, 2011

The Honorable, Vicki Berger, Co-Chair The Honorable, Phil Barnhart, Co-Chair The Honorable, Jules Bailey, Co-Chair The Honorable, Katie Brewer, Co-Chair House Committee on Revenue 900 Court Street NE, HR A Salem, OR 97301

SUBJECT: SB 322 A

Dear Co-Chair Berger, Co-Chair Barnhart, Co-Chair Bailey, Co-Chair Brewer and Members of the Committee:

The City of Salem would like to express its support for SB 322, which extends the sunset date of the multiple-unit housing exemption program to 2022. Multi-unit housing that qualifies for exemption under ORS 307.600 may be exempt from ad valorem taxation for up to 10 successive years. The exemption may not include the land or any improvements not a part of the multiple-unit housing.

The Salem Council adopted a Multi-Unit Tax Incentive Program to stimulate the construction of new multiple unit (rental or owner-occupied) housing improvements, within the downtown core, extending to Owens in the South Waterfront Urban Renewal Area, which expires January 2012.

As we have limited financial incentives to encourage mix-used development, including housing in our core area, this program continues to be an important economic development tool for our City.

The City of Salem urges your support for SB 322. Thank you for your consideration and the opportunity to comment.

Sincerely,

Linda Norris

City Manager

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