

HB 2700 STAFF MEASURE SUMMARY

House Committee On Human Services and Housing

Action Date: 03/04/19

Action: Do pass and be referred to Revenue by prior reference

Vote: 9-0-0-0

Yeas: 9 - Helt, Keny-Guyer, Meek, Mitchell, Noble, Sanchez, Schouten, Williams, Zika

Fiscal: No fiscal impact

Revenue: Revenue impact issued

Prepared By: Amie FenderSosa, LPRO Analyst

Meeting Dates: 2/25, 3/4

WHAT THE MEASURE DOES:

Extends sunset on tax exemption for multiple unit housing from 2022 to 2032. Effective 91st day following adjournment *sine die*.

ISSUES DISCUSSED:

- Permissive rather than mandatory nature: local jurisdictions may opt in
- Meeting statutory requirements and local criteria to qualify
- Tool to finance multi-unit and affordable housing
- Descriptions of various projects
- Tax revenue generated and approved projects
- Rationale for tax exemption lasting 10 years instead of six: greater predictability for development industry
- Other tools available to local jurisdictions

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Local jurisdictions in Oregon are authorized to design programs that attract development of multiple-unit housing by means of property tax exemptions. Programs are required to preserve, construct, add or convert existing units, at rental or purchase prices that are within reach of a broad range of the general public. The multi-unit housing property tax exemption is considered integral to the development of affordable housing in many communities.

House Bill 2700 extends the property tax exemption for multi-unit housing from 2022 to 2032.