

# Vertical Housing Program

(Program Factsheet)

## Program Overview

The 2005 Legislature passed legislation moving the Vertical Housing Program from Oregon Economic and Community Development Department (OECDD) to Oregon Housing and Community Services (OHCS) beginning in November 2005. The purpose of the Program is to encourage investment in and rehabilitation of properties in targeted areas of a city or community, to augment the availability of appropriate housing, and to revitalize communities. The program encourages mixed-use developments that contain both non-residential and residential uses in areas (zones) designated by local jurisdictions. The residential portion may be for market rate or lower income households. Eligible projects receive a partial property tax exemption which varies with the number of "Equalized Floors" in a project, with a maximum property tax exemption of 80 percent over a 10 year term. An additional partial property tax exemption on the land may be given if some or all of the residential housing is for low-income persons (80 percent of area median income or below):

For full Program details, visit the Loan Application webpage at:

[http://www.oregon.gov/ohcs/pages/hfs\\_vertical\\_housing\\_program.aspx](http://www.oregon.gov/ohcs/pages/hfs_vertical_housing_program.aspx)

## Eligible Zones

An eligible zone is any area that meets the criteria for a Vertical Housing Zone which has been designated by the local jurisdiction and has been approved by the Department.

## Certified Project

Any project that has made application to and has been approved by the Department may receive a partial tax exemption as determined by the number of Equalized Floors for a maximum of 10 years.

## Equalized Floors

The tax exemption will be based on the number of Equalized Floors as determined by the total square footage divided by the number of actual floors of the project that are at least 500 square feet per floor. Equalized floors will be rounded down to the nearest whole number (e.g., any equalized quotient between 1.0 and 1.99 will have a rounded Equalized Floor equivalent of 1.0).

## Charges

A non-refundable Project Application charge of \$550. A one-time Monitoring charge of \$150 for projects with no low-income units, and \$200 for projects with low-income units.

### More information:

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### **Applications**

Applications can be accessed via the OHCS Web site. Eligible criteria and instructions can be accessed through the Oregon Administrative Rules for the Vertical Housing Program. Applications are to be submitted to OHCS, Vertical Housing Program, 725 Summer Street NE, Suite B, Salem, OR 97301-1266.

### **For More Information**

To talk with someone about developing affordable housing in your area, please contact a Regional Advisor to the Department.

### **Regional Advisor to the Department**

Main Office: (503) 986-2000

Webpage: [http://www.oregon.gov/ohcs/Pages/DO\\_RegionalAdvisors.aspx](http://www.oregon.gov/ohcs/Pages/DO_RegionalAdvisors.aspx)

OHCS is the state housing finance agency, providing financial and program support to create and preserve opportunities for quality, affordable housing for lower income Oregonians. The agency also administers federal and state antipoverty, homeless and energy assistance community service programs.