

Vertical Housing Development Zone



RESIDENTIAL HOUSING



COMMERCIAL DEVELOPMENT



PUBLIC TRANSPORTATION



PROXIMITY TO TOWN CENTER



CITY OF
Tigard

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CITY OF TIGARD

Community Development Dept.

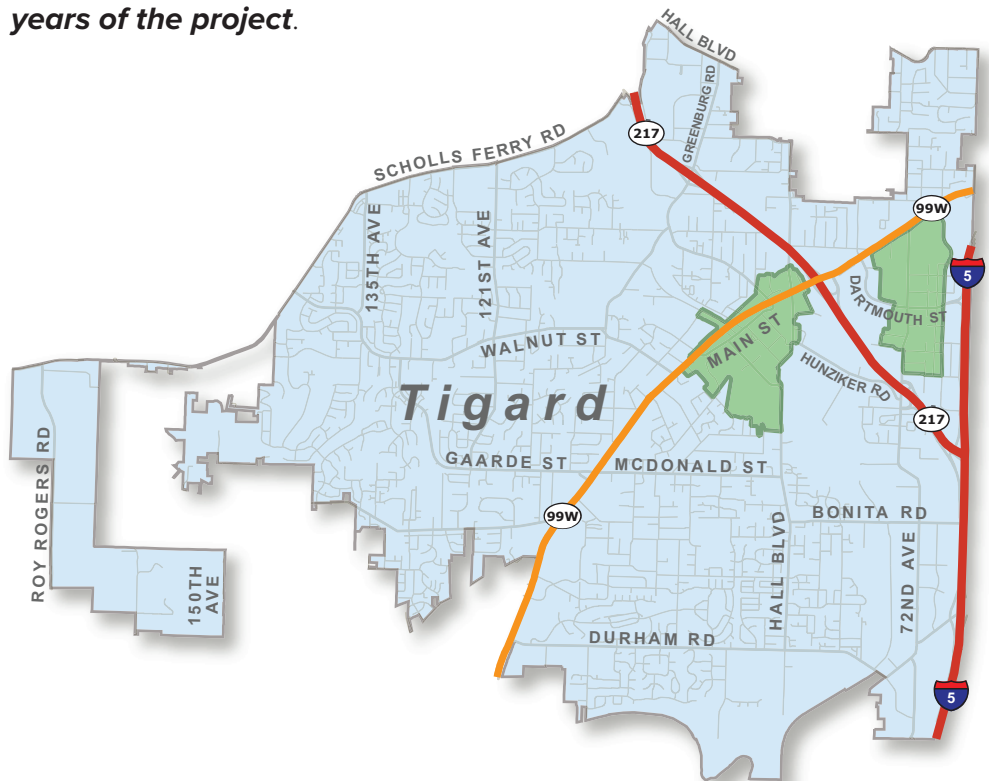
13125 SW Hall Blvd., Tigard, OR 97223

www.tigard-or.gov

TIGARD'S VERTICAL HOUSING DEVELOPMENT ZONE (VHDZ)

Developers with experience in mixed-use multi-story projects may be interested in a new City of Tigard program that provides a **partial property tax exemption of 20 percent per floor of residential housing**. A developer can earn the partial property tax exemption by locating a qualified project in the City of Tigard's Vertical Housing Development Zone

Tigard's VHDZ includes two areas within the city that are well positioned for mixed-use multi-story development. Tigard's downtown and the majority of the area within the Tigard Triangle are eligible for a vertical housing tax exemption. The partial property tax exemption applies to new construction on the first four floors of residential development built above a non-residential ground floor. **The maximum tax exemption on the new construction is 80 percent per year over the first ten years of the project.**



Tigard's VHDZ is shown above in green.

Vertical Housing Development Zone

Tigard's Vertical Housing Development Zone will:

- Encourage new mixed-use development (residential and commercial).
- Stimulate more commercial growth in the area, increasing the value of surrounding properties.
- Enhance opportunities for a live/work community.
- Support commercial development by increasing the number of residents (aka consumers).
- Create long-term community wealth through larger, mixed-use buildings that will be fully taxed after the partial abatement expires.
- Encourage more walkable neighborhoods by locating goods and services near residents.



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BENEFITS

Financial modeling shows that a vertical housing based tax exemption moves some multi-story mixed-use projects from the red to the black. This tool helps close the gap for developers who are willing to take a risk in an untested market.

Tigard's VHDZ encourages private sector development that combines first floor commercial activity with residential capacity on upper floors. This mix of activity improves property values, the viability of local businesses and the quality of life for residents. It also diversifies local housing options giving residents a wider range of housing solutions. This partial property tax exemption is not limited to low-income housing, though low income projects do receive an additional property tax exemption. In addition to the exemption for the residential portion of a mixed-use building, the land would also be eligible for a partial tax exemption of 20 percent for each floor dedicated to low-income residential housing (maximum exemption is 80 percent).

ELIGIBILITY

In order for a project to qualify, it must meet the following criteria:

1. Project must be entirely located within a vertical housing development zone.
2. Project must be a multi-story building used for residential and non-residential uses.
3. At least 50 percent of the project's ground floor that fronts the primary public street must be committed to non-residential use. For the project's ground floor to be considered committed to non-residential use, all ground floor interior spaces that front on the primary public street must be constructed to building code standards for commercial use or planned for commercial use upon completion.
4. Complete a consult with the Energy Trust, call 1.877.467.0930 or email newbuildings@energytrust.org to schedule.
5. Report your building's final energy use intensity (EUI) score or comparable agreed upon energy efficiency score to the City of Tigard.

EXPRESSION OF INTEREST

If you are interested in participating in the Vertical Housing Development Zone exemption, please contact the City of Tigard's Economic Development Manager, Lloyd Purdy, at 503.718.2425 or lloyd@tigard-or.gov.