Temporary System Development Charge Exemption for Residential Housing

Portland City Council approved a Temporary System Development Charge Exemption ("Temporary SDC Exemption") Program exempting new System Development Charges ("SDCs") due on residential housing, including dwelling units and congregate living facilities, which is effective August 15, 2025 through September 30, 2028.

1. To utilize the Temporary SDC Exemption Program, submit the Acknowledgment of Terms and Conditions for Exemption of System Development Charges ("Acknowledgement Form") to Permitting Services. The Acknowledgement Form is available online. The SDC reviewers will need to apply or update any applicable exemptions prior to you paying for and getting your building permit(s) issued. Permitting Services will send you an updated billing statement once ready. Please allow up to two weeks for processing.
2. If you have already been approved for Affordable Housing SDC Exemptions and want to change to the Temporary SDC Exemption, you must also contact Portland Housing Bureau ("PHB") to coordinate the release of any already recorded legal covenants or liens.
3. For batch RS and CO permits, you must indicate in the Acknowledgement Form to Permitting Services any units or permits in a project that you do not wish to include in the Temporary SDC Exemption Program so that you can maintain or pursue the Affordable Housing SDC Exemption with PHB. (Please clearly notate in the permit section of the form those permits and units you do not want to include.)
4. PHB will release any executed regulatory agreements and cancel your Affordable Housing SDC Exemption application(s) upon your request and your enrollment in the Temporary SDC Exemption. PHB will not issue refunds of any fees already collected to cover application processing and will charge for the cost of recording any releases.
5. If you wish to receive an exemption of any Tree fees according to Title 11, you must apply for and be approved for Affordable Housing SDC Exemptions under PCC 30.01.09 through PHB. You should not opt-in to the Temporary SDC Exemption for any units you need to benefit from the Tree exemption.
6. To receive the Homebuyer Opportunity Limited Tax Exemption ("HOLTE") and the Affordable Housing Construction Excise Tax ("CET") Exemption, you will still need to apply to PHB first for the HOLTE, as usual.
7. To receive an affordable housing exemption of the Local Infrastructure Transportation Charge ("LTIC"), you will still need to apply for the LTIC Exemption separately.

8. If you have already paid for and had your building permit issued, you cannot change which exemption or deferral program, if any, you have already been approved for previously. The SDC bureaus are unable to refund SDCs that have already been paid.

The Temporary SDC Exemption Program administrative rules are available online.

For more information regarding the Temporary SDC Exemption Program, please visit Temporary system development charge exemptions for new housing units | Portland.gov If you have questions or inquiries, please contact the Portland Permitting & Development main line at 503-823-7300.