

ORDINANCE No. 188341

*Approve application under the Multiple-Unit Limited Tax Exemption Program for SW Park + Columbia Apartments located at SW Park Ave and SW Columbia Street (Ordinance)

The City of Portland ordains:

Section 1. The Council finds that:

1. On behalf of the City of Portland, the Portland Housing Bureau (PHB) administers the Multiple-Unit Limited Tax Exemption (MULTE) Program, authorized under ORS 307.600-307.637 and City Code Chapter 3.103.
2. The MULTE Program provides a ten-year property tax exemption on the residential portion of the structural improvements as long as program requirements are met. During the exemption period, property owners are still responsible for payment of the taxes on the assessed value of the land and any commercial portions of the project, except for those commercial improvements deemed a public benefit and approved for the exemption.
3. The MULTE Program has an annual cap limiting the approval of new property tax exemptions to no more than three million dollars of new estimated foregone revenue. There is sufficient cap remaining for the 2017 calendar year, when this application was received, to include this application. The requirements of the program are defined in City Code and Administrative Rules.
4. PHB received a request for a ten-year property tax exemption for SW Park + Columbia Apartments located at SW Park Ave and SW Columbia Street. The application proposes to provide 24 of the project's 73 units, which is 33 percent, to households earning no more than 80 percent of area median income at the time of lease-up. Those households will continue to be qualified tenants as long as their income remains below 100 percent of area median income.
5. PHB has the responsibility for reviewing compliance of approved applications with the minimum MULTE program requirements and has concluded that the application for SW Park + Columbia Apartments does indeed meet the minimum 20 percent affordability threshold of the program. Additionally, the project has demonstrated the required financial need to receive the tax exemption in order to provide the income restricted units, is providing the required additional public benefits detailed in Exhibit A, as well as is within the designated MULTE eligible area of the City.
6. On, April 6, 2017 the PHB Housing Investment Committee reviewed and recommended approval to the PHB Director that the SW Park + Columbia Apartments application meets the basic program threshold criteria. The Portland Housing Advisory Council held a hearing where the application was presented to the public.

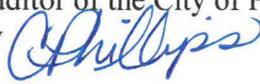
NOW, THEREFORE, the Council directs:

- a. The request for a ten-year property tax exemption under the Multiple-Unit Limited Tax Exemption authorized by Chapter 3.103 of the Municipal Code of the City of Portland, Oregon, and ORS 307.600-637 is hereby approved for the residential portion of the structural improvements of SW Park + Columbia Apartments.
- b. Approval of the SW Park + Columbia Apartments application is provided subject to the project meeting the following conditions:
 1. The project must provide 33 percent of its units as affordable to households earning no more than 80 percent of the area median income as established annually by the U.S. Department of Housing and Urban Development. The units affordable to and restricted to occupancy by low- to moderate-income households will reflect the unit-mix in the project.
 2. The application will comply with the program requirements established in City Code Chapter 3.103, including the requirement that the owner sign an Extended Use Agreement and report annually to PHB each tax year that the exemption is in effect.
 3. The project must provide all of the public benefits as described in Exhibit A.
- c. PHB shall provide copies of this Ordinance to the Multnomah County Tax Assessor as prescribed by City Code Section 3.103.050 (A).
- d. If, after the Project is approved for the MULTE, and prior to construction being completed, the Project owner needs to make changes to the application submitted that would reduce the number, percent or distribution of affordable units in the Project, or the approved public benefits provided, the project owner must submit a formal restructure request. Restructures will be reviewed by staff, presented to PHB's Housing Investment Committee, and if recommended, to PHB's Director for submittal to City Council for approval. If changes to the Project are minor and would result in substantially the same Project, PHB may allow slight variances to what was approved without a formal restructure request.

Section 2. The Council declares an emergency exists because timely City approval of the application for the MULTE Program is necessary in order to allow the project to meet construction and financing commitments; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: APR 26 2017

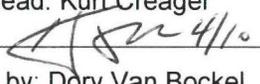
Mayor Ted Wheeler
Prepared by: Dory Van Bockel
Date Prepared: April 5, 2017

Mary Hull Caballero
Auditor of the City of Portland
By 
Deputy

403

Agenda No.
ORDINANCE NO. 188341
 Title

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INTRODUCED BY Commissioner/Auditor: Ted Wheeler	CLERK USE: DATE FILED <u>APR 18 2017</u>
COMMISSIONER APPROVAL Mayor—Finance & Administration - Wheeler ADD Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Eudaly	Mary Hull Caballero Auditor of the City of Portland By: <u></u> Deputy ACTION TAKEN:
BUREAU APPROVAL Bureau: Housing Bureau Head: Kurt Creager 	
Prepared by: Dory Van Bockel Date Prepared: April 5, 2017	
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter 6f	
Council Meeting Date April 26, 2017	

AGENDA
TIME CERTAIN <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input checked="" type="checkbox"/>
REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Eudaly	4. Eudaly	✓	
Wheeler	Wheeler	✓	