

Agenda No. ~~266~~ 286

ORDINANCE No. 190377

Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Analog PDX located at 1871 N Flint Ave (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. On behalf of the City of Portland, the Portland Housing Bureau (“PHB”) administers the Multiple-Unit Limited Tax Exemption Program (the “MULTE Program” or “Program”), authorized under ORS 307.600-307.637 and City Code Chapter 3.103.
2. The MULTE Program provides a 10-year property tax exemption on the residential portion of the structural improvements so long as Program requirements are met. During the exemption period, property owners remain responsible for the payment of 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 is an incentive provided to developments complying with the City Inclusionary Housing (“IH”) Program, which requires 99 years of restricted rents of a percentage of units within the building.
4. PHB received a request for a 10-year property tax exemption under the MULTE Program for the development known as Analog PDX (the “Project”) and located at 1871 N Flint Ave (the “Property”), in

Introduced by
Commissioner Ryan

Bureau
Housing

Prepared by
Chris Flanary

Date Prepared
January 21, 2021

Requested Council Date
April 21, 2021

Requested Agenda Type
Regular
10 min requested

Date Filed with Clerk
April 13, 2021

conjunction with the City's Inclusionary Housing Program. The Project, located in the ELIOT neighborhood and the Interstate Corridor Urban Renewal Area, will be a residential only housing project and will restrict 10 percent of the total bedrooms in the Project to households earning no more than 60 percent of the median family income ("MFI") at the time of lease-up. Using the reconfiguration option, five three-bedroom units, which is four percent of the project's total 134 units, will be restricted to households earning no more than 60 percent MFI. The Owner of record for the property is ANALOG PDX LLC ("Owner").

5. The MULTE Program has an annual cap limiting the approval of new property tax exemptions to no more than 15 million dollars of new estimated foregone revenue within a five-year period, defined as any current year and the previous four years. Projects that are in an Urban Renewal Area are not subject to the annual cap and must be approved by Prosper Portland. This Project was approved for the Interstate Corridor URA prior to the Council date.
6. PHB has the responsibility for reviewing compliance of applications with the minimum MULTE Program requirements and has concluded that the application for the Project does indeed meet the minimum Program requirements.

NOW, THEREFORE, the Council directs:

- a. The request for a 10-year property tax exemption under the MULTE Program is hereby approved for 100 percent of the residential portion of the structural improvements of Analog PDX, including 100 percent of residential parking and common areas.
- b. Approval of the application is provided subject to the Project meeting the following conditions:
 1. The Project must restrict four percent of its 134 units to households earning no more than 60 percent MFI (the "Restricted Units"). The Restricted Units, through reconfiguration, will consist of five three-bedroom units.
 2. The application will comply with the Program requirements established in City Code Chapter 3.103, including the requirement that the Owner sign a Regulatory Agreement and report annually to PHB each tax year that the exemption and restrictions are in effect.

3. The Restricted Units will be built to meet all minimum Americans with Disabilities Act and Fair Housing Act requirements. The Project will also be built to ensure at least five percent of the Restricted Units, totaling one unit, be fully adaptable to become fully accessible per ADA and FHA standards if necessary to accommodate tenants with disabilities.
- c. PHB shall provide a copy of this Ordinance to the Multnomah County Tax Assessor as prescribed by City Code Section 3.103.050 (A).
- d. If, prior to the completion of construction, the Project is changed in any way that would reduce the number, percentage or distribution of the Restricted Units in the Project, or the approved public benefits provided, Owner must provide written notice to PHB. If such changes still conform to the Program requirements, PHB will amend the Regulatory Agreement. Such amendment would not be subject to City Council approval if changes are minor and would result in substantially the same Project.

Passed by Council: April 28, 2021

MARY HULL CABALLERO

Auditor of the City of Portland

By *Christina Thomas*

Deputy

Action taken: April 21, 2021 Passed to Second Reading April 28, 2021 at 9:30 am.

Commissioners voted as follows (Yea or Nay)

Rubio - Yea

Ryan - Yea

Hardesty - Nay

Mapps - Yea

Wheeler - Yea