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# 190508

Ordinance

## Approve application under the Multiple-Unit Limited Tax Exemption Program under the Inclusionary Housing Program for Modera Morrison Apartments located at 1130 SE Morrison St

Passed

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 Modera

Introduced by

[Commissioner Dan Ryan](#)

Bureau

[Housing Bureau](#)

Prepared by

Brett Eisenbrow

Date Prepared

May 28, 2021

Requested Agenda Type

Regular

Morrison Apartments (the "Project") and located at 1130 SE Morrison Street (the "Property"), in conjunction with the City's Inclusionary Housing Program. The Project, located in the Buckman Community Association neighborhood and the Central Eastside Urban Renewal Area, will be a mixed-use 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, one studio and 10 three-bedrooms, which is four percent of the project's total 247 units, will be restricted to households earning no more than 60 percent MFI. The Owner of record for the property is CH Morrison 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 Central Eastside 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 Modera Morrison Apartments, 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 247 units to households earning no more than 60 percent MFI (the "Restricted Units"). The Restricted Units, through reconfiguration, will consist of one studio and 10 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.

## Efiles

### [Ordinance and supplemental documents](#)

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council  
July 21, 2021

Auditor of the City of Portland  
Mary Hull Caballero

## Agenda Items

### 566 Regular Agenda in [July 14-15, 2021 Council Agenda](#)

Passed to second reading

Passed to second reading July 21, 2021 at 9:30 a.m.

### 586 Regular Agenda in [July 21-22, 2021 Council Agenda](#)

Passed

Commissioner Jo Ann Hardesty Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Mayor Ted Wheeler Yea