

## **ORDINANCE No. 176140**

\*Grant a ten-year property tax exemption to Cascadian Holladay, LLC for new multiple-unit housing on a site at the northwest corner of the intersection of NE 6th Avenue and Holladay Street (Ordinance)

The City of Portland ordains:

Section 1. The Council finds that:

1. Cascadian Holladay, LLC (Enterprise Development) has applied for a ten year property tax exemption for property located at Lots 5 and 6; Block 45; Holladay's Addition (State ID Number 1N1E35BB 3300) at the northwest corner of NE 6th Avenue and Holladay Street. The property ID Number is R182142.
2. The applicant has constructed a 59-unit condominium project known as Cascadian Court with ground floor commercial space.
3. The subject property is located in an eligible area (within the Central City Plan District and Oregon Convention Center Urban Renewal Area) as required by Chapter 3.104 of the City Code.
4. The proposed development conforms with the Comprehensive Plan, other relevant Council-adopted plans and policies, and the applicable regulations for the reasons contained in the Planning Commission Report and Recommendation. These plans, policies, and regulations include the Central City Plan; the CX, Central Commercial Zone and Plan designations; the Lloyd District Development Strategy; and the Oregon Convention Center Urban Renewal Plan.
5. The proposed development contains public benefits necessary for approval of the ten year property tax exemption on the improvement value of the qualifying units in the structure.
6. On December 12, 2001, the Portland Development Commission reviewed the proposed development and recommended that the application be approved on a finding that the tax exemption is necessary to make the project feasible at sales prices affordable to a wider range of household incomes than would otherwise be possible without the tax exemption.
7. On November 27, 2001, the Planning Commission held a public hearing and found that the project complies with the eligibility requirements of Section 3.104.010 of the Municipal Code and contributes public benefits sufficient to carry out the purposes of this property tax exemption program.
8. At their meeting, the Portland City Planning Commission voted that this application be approved subject to the public benefit conditions set forth in the Planning

Commission Report and Recommendation and contained in this ordinance.

9. It is in the public interest that the limited property tax exemption for the proposed development be approved in order to meet the City's goals for housing as stated in the Central City Plan, the Housing Goal of the Comprehensive Plan, and the housing production goals of the Central City 2000 Plan.

NOW, THEREFORE, the Council directs:

- a. The application of Cascadian Holladay LLC for the ten year property tax exemption provided by Chapter 3.104 of the Municipal Code of the City of Portland, Oregon, and ORS 307.600-691 is hereby approved for the eligible units within the following property:

Lots 5 and 6, Block 45; Holladay's Addition (State ID Number 1N1E35BB 3300); Property ID Number R182142.

- b. The application described in paragraph "a" above is approved subject to the following conditions:

1. The condominium units qualifying for the limited ten year property tax exemption must comply with the price and household income limits as follows:

All projects containing housing units available for individual purchase shall receive the property tax exemption only for those for-sale units which are available at an initial purchase price which does not exceed 95 percent of the median purchase price for a condominium unit in Multnomah County as established by the U.S. Department of Housing and Urban Development for the purpose of determining FHA loan qualification (\$166,962 during the year 2001). The studio and one bedroom units must be sold to a household earning no more than 100 percent of the area median income for a household of two (or \$44,700 for the year 2001) as established by the U.S. Department of Housing and Urban Development, or its successor agency, during the year of sale in order to retain its property tax exempt status. The qualifying two bedroom units must be sold to a household earning no more than 100 percent of the area median income for a household of three (or \$50,300 for the year 2001).

In order to qualify for this exemption, such units must be owner-occupied during the term of the exemption. Should any unit become available for sale during the term of the exemption, it must be sold to a household earning no more than 100 percent of the area median income for a household of two for the studio and one bedroom units and no more than 100 percent of the area median income for a household of three for the two

bedroom units as established by the U.S. Department of Housing and Urban Development, or its successor agency, during the year of sale in order to retain its property tax exempt status.

2. A copy of this ordinance and the conditions contained herein must be recorded with the deed of the individual unit qualifying for this exemption.
  3. Should any of the qualifying units not be sold during the initial sale period, the developers or owners may make the unit or units available for rent to households earning at or below eighty percent of the area median family income for a household of two. Presently, eighty percent of the area median for a household of two is \$35,800 for the year 2001 resulting in a rent cap of \$895 per month, including utilities ( $\$35,800 \div 12 \times .3 = \$895$ ). Should the building owners determine that this arrangement is not economically feasible, they may forego the property tax exemption after conferring with staff from the Portland Development Commission. The owners may retain the option of selling the unit and re-establishing the ten year property tax exemption for the number of years remaining in the initial ten year exemption period within five years from the date of the issuance of occupancy permits and upon a demonstration of compliance with the provisions of Condition Number 1 noted above.
  4. The public benefits as described by the applicant be provided in accordance with agreements reached by the relevant review bodies and agencies, including but not limited to the Planning Bureau, the Portland Development Commission, and the Design Review Commission.
  5. The project comply with all applicable standards of Title 33, Planning and Zoning, as well as all conditions of approval of LUR 98-00910 and LUR 99-00644 DZ AD.
- c. The Bureau of Planning provide copies of this Ordinance to the applicant and the Multnomah County Tax Assessor as prescribed by Section 3.104.050(1)(d) of the Code of the City of Portland.

Section 2. The Council declares an emergency exists because this property tax exemption is an essential element to assist qualifying purchasers of eligible units; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council, DEC 19 2001  
Mayor Vera Katz  
Michael P. Saba:mps  
November 30, 2001  
City of Portland

**GARY BLACKMER**  
Auditor of the

By /S/ Terry Reisz

Deputy

#### BACKING SHEET INFORMATION

AGENDA NO. 1445-2001

ORDINANCE/RESOLUTION/COUNCIL DOCUMENT NO. 176140

COMMISSIONERS VOTED AS FOLLOWS:		
	YEAS	NAYS
FRANCESCONI	X	

HALES	X	
SALTZMAN	X	
STEN	X	
KATZ	X	