



**Bureau of Planning and Sustainability**  
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## Portland Planning and Sustainability Commission

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February 14th, 2012

Mayor Adams and Portland City Council  
Portland City Hall  
1121 SW 4th Avenue  
Portland OR 97204

### RE: Recommendation for Approval of a 10-Year Tax Exemption for The Rose Apartments

Dear Mayor Adams and Members of the Portland City Council:

On February 14th, 2012, the Portland Planning and Sustainability Commission (PSC) held a public hearing on a request for a 10-year tax exemption for *The Rose Apartments* under the City's New Multiple-Unit Housing (NMUH) program. The regulations for this program are found in City Code Chapter 3.104. The applicant, Gordon Jones, General Manger, Lake Creek Lodge requested this exemption. The proposal is for development of a new four story wood frame, 90 units multifamily project located between an extension of NE Flanders and E. Burnside and between NE 99<sup>th</sup> and 97<sup>th</sup> Avenues in the Gateway URA. This project is slated to be entirely affordable.

For the TOD program, the PSC's role is to review the consistency of public benefits with program requirements. Besides locational eligibility and affordability set-aside, TOD projects need to provide at least three public benefits from a specified list. The Commission finds that the project will provide 90 new housing units affordable to households making at or below 60% MFI that will help meet the significant unmet needs of low-income households, particularly the young working poor and retired seniors on fixed-income, in a transit and jobs rich location. Further, the Commission finds that the proposal to include six additional public benefits is consistent with the program requirements.

Subsequent to the hearing, the PSC unanimously voted in favor of recommending approval of this request to City Council subject to the applicant providing all proposed public benefits:

- 1. Increased affordability:** The Rose Apartments will be 100% affordable.
- 2. Green Building:** LEED Silver certification from the US Green Building Council. In addition to this standardized certification, the Project will be undertaking some innovative and sustainable building construction and resource use practices:
  - **Deconstruction/Recycling of Existing Buildings:** Two single family residences, two garages and a commercial building on the site were recently deconstructed (salvaged in a way that allows them to be reused) and recycled to make way for the project. All of these activities were done according to prescriptive LEED criteria, and every load that was removed from the site received a 100% certification at the recycling destination;
  - **Reduced Schedule:** The Construction schedule with this technology is reduced from approximately 14 months per building to 5 months per building, resulting in far less use of resources, energy, trucking, and neighborhood disturbance (Good community benefit if it plays out that way);



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- **Reduced Waste:** The construction methods will reduce waste from approximately 8 to 9 lbs. per building square foot to less than ½ lb. per sq. foot, resulting in a savings to the public in landfill use and setting a new standard for construction projects in the Portland region (This may be a very important contribution to improving current construction practices);
- **Integrated Pannelized System:** Miranda Industries cutting edge construction technology makes the construction process far more efficient and results in a building that is of superior quality, longevity and at a lower const. The public benefit is that a new standard for low to midrise multi-family housing will be established in the Portland metropolitan region (this construction process has not been done before here in Portland);
- **Durable Quality Materials:** The all concrete and steel structure minimizes waste all the way through manufacturing and construction. The floor and roof assemblies utilize a system called "BubbleDeck®", which uses hollow plastic balls sandwiched between square mesh structural steel, reducing concrete by 35% and reducing costs by being panelized off-site (New technology, good for reducing waste. Since material selection is up to designers and contractors, this will be a good project for others to see how well it works);
- **Eco Roofs:** The Buildings and other roof areas will utilize vegetated covers to reduce the heat island affect, reduce storm water surges and extend roof life (Above code);
- **Green Live Walls:** A new and innovative Green Live Wall system will surround all courtyards and the building base to provide similar benefits as the eco roof. A side benefit is the elimination of graffiti which is endemic in the area ( Above code);
- **Rainwater Harvesting:** The Project is investigating the feasibility of utilizing rain water for drip irrigation of the landscaping, fruits and vegetables, as well as for flushing toilets (Above code).

3. **Parking Spaces:** The Project will offer dedicated car-share spaces.

4. **Transportation improvements above those required by development standards:**

- **Local Improvement District (LID):** The property owners in the neighborhood joined together in support of the LID to improve NE 97<sup>th</sup> Ave. and stimulate development. This was a process initiated by PDC and took over 5 years, including a revision to the Gateway Street Plan and significant community involvement;
- **Model Green Street & Innovative "Woonerf" (shared streets):** The City of Portland, through two grants from BES and PDC committed to the Project and provided the seed money for the LID to improve two streets and make the project feasible; a collaborative effort between the City and the Gateway Community, resulting in smaller more walkable blocks.

5. **Public benches, Bicycle Parking, Pedestrian Environment:** The Project will include park benches on the private property near building lobbies and along Flanders for pedestrian respites, as well as bicycle parking available in several locations, all adding to a vital pedestrian experience on all three streets

6. **Community Garden:** The center of the Project will incorporate raised vegetable beds for both resident and public community gardening; as well as other edible plants such as berries vines, espaliered fruit trees and herbs in the perimeter landscaping. The process of planting, cultivating and harvesting will bring community members together and provide for a healthy living environment.



At conclusion of the hearing the Commission noted that this a valuable project in the Gateway Regional Center with potential to introduce a new and highly sustainable construction method and also provide desirable public benefits like the community garden.

*Recommendation: Approve the request for the 10-year tax exemption under the New Multiple Unit Housing (NMUH) Limited Tax Exemption (LTE) for The Rose Apartments project and the parking associated with the development.*

Sincerely,



Andre Baugh, Chair  
Portland Planning and Sustainability Commission

