

ORDINANCE No. 185794

* Approve application under the Multiple-Unit Limited Tax Exemption Program for Boulevard Square located at 6431-6445 NE Martin Luther King Jr. Blvd (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, which went into effect August 1, 2012 and replaces both the Transit Oriented Development (TOD) and New Multiple Unit Housing (NMUH) Limited Tax Exemption Programs. The program is authorized under ORS 307.600 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 one million dollars of new estimated foregone revenue. Minimum thresholds and types of public benefits expected are defined for the program. In order to fairly select projects best meeting program goals, applications are accepted annually during an open application period.
4. During this open application period, PHB received a request for a ten year property tax exemption for Boulevard Square located at 6431-6445 NE Martin Luther King Jr. Blvd. The project proposes 24 homeownership units with sales prices affordable to households below 80% median family income. The project is described in further detail in the PHB staff recommendation included as Exhibit A.
5. PHB has the responsibility for reviewing the financial need for requested exemptions by calculating the rate of return. A PHB review and analysis has determined that the Project's financial need for the tax exemption is demonstrated in the Project's projected sale prices and restricted homebuyer income levels at 80% area median family income.
6. The application for Boulevard Square was reviewed by the PHB Housing Investment Committee (HIC) with expanded representation from the Portland Bureau of Planning and Sustainability and the Multnomah County Tax Assessor's Office. The role of the review committee is to approve the staff recommendation that the application meets the basic program threshold criteria.

7. On December 4, 2012, the PHB Portland Housing Advisory Committee convened a public hearing on the proposed approval for the Boulevard Square application under the MULTE program.

NOW, THEREFORE, the Council directs:

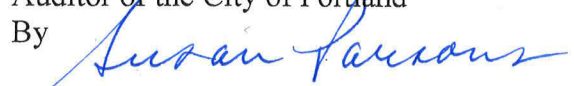
- a. The request for a ten year property tax exemption under the Multiple-Unit Limited Tax Exemption authorized by Chapter 3.103 of the Municipal Code of the City of Portland, Oregon, and ORS 307.600-637 is hereby approved for Boulevard Square.
- b. Approval of the Boulevard Square MULTE application is provided subject to the meeting the following conditions:
 1. For projects containing for-sale units, those units receiving the exemption must not exceed the maximum price established under City Code Section 3.102.040 at initial sale and must sell to an initial homebuyer who income qualifies and occupies the unit as established under City Code Section 3.102.040.
 2. During the term of the exemption, the unit must be occupied by a homebuyer as established under City Code Section 3.102.040.
- c. PHB shall provide copies of this Ordinance to the Multnomah County Tax Assessor as prescribed by City Code Section 3.103.060 (C).

Section 2. The Council declares an emergency exists because timely City approval of the Boulevard Square application to the MULTE Program is required under authorizing statute; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: **DEC 12 2012**

Commissioner Nick Fish
Prepared by: Andrea Matthiessen
Date Prepared: November 28, 2012

LaVonne Griffin-Valade
Auditor of the City of Portland
By


Deputy

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<p>INTRODUCED BY Commissioner/Auditor: Nick Fish</p>	<p>CLERK USE: DATE FILED <u>DEC 07 2012</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor /Finance and Administration - Adams <i>[Signature]</i></p> <p>Position 1/Utilities - Fritz <i>[Signature]</i></p> <p>Position 2/Works - Fish <i>[Signature]</i></p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Portland Housing Bureau Bureau Head: Traci Manning <i>[Signature]</i></p> <p>Prepared by: Andrea Matthiessen Date Prepared: November 28, 2012</p> <p>Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Council Meeting Date December 12, 2012</p> <p>City Attorney Approval</p> <p style="text-align: right;"><i>6F</i></p>	<p>ACTION TAKEN:</p>

AGENDA

TIME CERTAIN

Start time:

Total amount of time needed:

CONSENT

REGULAR

Total amount of time needed: _____
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz <input checked="" type="checkbox"/>	
2. Fish	2. Fish <input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman <input checked="" type="checkbox"/>	
4. Leonard	4. Leonard <input checked="" type="checkbox"/>	
Adams	Adams <input checked="" type="checkbox"/>	