

## ORDINANCE No. 185796

\* Approve application under the Multiple-Unit Limited Tax Exemption Program for The Wilmore Apartments located at 4327 North Williams Ave (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. Upon application to PHB, a property may receive an extension of an original ten year property tax exemption under the MULTE Program if the property continues to provide the initial affordability and is subject to long-term affordability restrictions, up to the length of the low income housing assistance contract.
4. 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.
5. During this open application period, PHB received a request for a ten year property tax exemption for The Wilmore Apartments located at 4327 North Williams Avenue. The project is described in further detail in the PHB staff recommendation included as Exhibit A.
6. PHB has the responsibility for reviewing the financial need for requested exemptions by calculating the rate of return. To qualify, the calculation may not exceed ten percent rate of return based on evaluation of the operating pro forma. A PHB review and analysis has determined that a property tax exemption under the MULTE Program is necessary to meet the economic need of The Wilmore Apartments.
7. To qualify for the MULTE program, a rental project must include at least 20 percent of its units affordable to households below sixty percent of the median family income. As detailed in Exhibit A, the application for The Wilmore Apartments meets these

requirements with thirty percent of its 65 units affordable to households below sixty percent median family income.

8. The application for The Wilmore Apartments 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.
9. On December 4, 2012, the PHB Portland Housing Advisory Committee convened a public hearing on the proposed approval for The Wilmore Apartments 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 the residential portion of The Wilmore Apartments.
- b. Approval of The Wilmore Apartments MULTE application is provided subject to the meeting the following conditions:
  1. The project must continue to provide thirty percent of its 65 units as affordable to households below sixty percent of the median family income as established annually by the U.S. Department of Housing and Urban Development. The units affordable to and restricted to occupancy by low income households will reflect the unit-mix in the project.
  2. The application will comply with all rate of return provisions established in City Code Section 3.103.070. This section requires the owner to sign an Extended Use Agreement and to provide financial data on an annual basis to the PHB for each tax year that the exemption is in effect.
- 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 Wilmore Apartments 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.

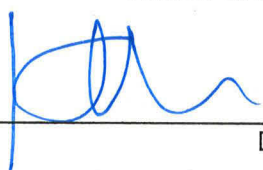
Passed by the Council: **DEC 12 2012**

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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<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Nick Fish</b>	CLERK USE: DATE FILED <u>DEC 07 2012</u>
<b>COMMISSIONER APPROVAL</b> Mayor /Finance and Administration - Adams Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Leonard	LaVonne Griffin-Valade Auditor of the City of Portland  By:  Deputy
<b>BUREAU APPROVAL</b> Bureau: Portland Housing Bureau Bureau Head: Traci Manning  Prepared by: Andrea Matthiessen Date Prepared: November 28, 2012  Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>  Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  Council Meeting Date December 12, 2012  City Attorney Approval  <p style="text-align: right;">66</p>	<b>ACTION TAKEN:</b>

<b>AGENDA</b>
<b>TIME CERTAIN</b> <input type="checkbox"/>  <b>Start time:</b>  <b>Total amount of time needed:</b>
<b>CONSENT</b> <input checked="" type="checkbox"/>
<b>REGULAR</b> <input type="checkbox"/> <b>Total amount of time needed:</b> _____ <b>(for presentation, testimony and discussion)</b>

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"/>