

ORDINANCE No. 187749

Approve application under the Multiple-Unit Limited Tax Exemption Program for Jarrett Street Condominiums located at 5732 N Interstate 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, authorized under ORS 307.600-307.637 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.
3. The MULTE Program has an annual cap limiting the approval of new property tax exemptions to no more than three million dollars of new estimated foregone revenue. There is sufficient cap remaining for the 2016 calendar year to include this application. The requirements of the program are defined in City Code and Administrative Rules.
4. PHB received a request for a ten-year property tax exemption for Jarrett Street Condominiums located at 5732 N Interstate Ave. The application proposes to sell all twelve units in the project to households earning no more than 100 percent of median family income. Those individual units will continue to qualify for the exemption as long as the owners of each unit continue to live in each one. Subsequent owners of the property can assume the benefit of the tax exemption through the end of the ten-year exemption period.
5. PHB has the responsibility for reviewing compliance of approved applications with the minimum MULTE program requirements and has concluded that the application for Jarrett Street Condominiums does indeed fulfill the program guidelines. A full description of how the application is qualified for the MULTE Program is detailed in the recommendation to the Portland Housing Bureau Housing Investment Committee, included as Exhibit A.
6. On March 3, 2016, the PHB Housing Investment Committee reviewed and approved the staff recommendation that the Jarrett Street Condominiums application meets the basic program threshold criteria. The Portland Housing Advisory Council held a hearing where the application was presented to the public.

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 structural improvements of Jarrett Street Condominiums.
- b. Approval of the Jarrett Street Condominiums application is provided subject to the following conditions:
 1. All of the twelve units will be sold to homebuyers earning no more than the annual income limit of 100 percent of the median family income as established annually by the U.S. Department of Housing and Urban Development, and will sell under the annual sale price cap;
 2. The application will comply with the program requirements established in City Code Chapter 3.103, including the requirement that PHB record a notice on title to the property requiring PHB verification of homebuyer affordability and owner-occupancy qualification prior to the sale of the property to the initial homebuyer; and
 3. The project must provide all of the public benefits as described in Exhibit A.
- c. PHB shall provide copies of this Ordinance to the Multnomah County Tax Assessor as prescribed by City Code Section 3.103.050 (A).
- d. If, after the project is approved for the MULTE, and prior to construction being completed, the project owner needs to make changes to the application submitted that would reduce the number of affordable units in the project or the approved public benefits provided, the project owner must submit a formal restructure request. Restructures will be reviewed by staff, presented to PHB's Housing Investment Committee, and go to City Council for approval. If changes to the project are minor and would result in substantially the same project, PHB may allow slight variances to what was approved without a formal restructure request.

Passed by the Council: **MAY 18 2016**

Commissioner Dan Saltzman
 Prepared by: Dory Van Bockel
 Date Prepared: April 13, 2016

Mary Hull Caballero
 Auditor of the City of Portland

By

Susan Parsons
 Deputy

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Agenda No.
ORDINANCE NO.

187749

Title

Approve application under the Multiple-Unit Limited Tax Exemption Program for Jarrett Street Condominiums located at 5732 N Interstate Ave (Ordinance)

INTRODUCED BY
Commissioner/Auditor:
Dan Saltzman

COMMISSIONER APPROVAL

Mayor—Finance and Administration - Hales

Position 1/Utilities - Fritz

Position 2/Works - Fish *D Saltzman*

Position 3/Affairs - Saltzman *D Saltzman*

Position 4/Safety - Novick

BUREAU APPROVAL

Bureau: Portland Housing Bureau
Bureau Head: Kurt Creager *KC 4/20*

Prepared by: Dory Van Bockel
Date Prepared: April 13, 2016

Financial Impact & Public Involvement Statement

Completed Amends Budget

Portland Policy Document
If "Yes" requires City Policy paragraph stated in document.
Yes No

City Auditor Office Approval: N/A

City Attorney Approval: *bl*

Council Meeting Date
May 11, 2016

CLERK USE: DATE FILED MAY 03 2016

Mary Hull Caballero
Auditor of the City of Portland

By: *Mary Hull Caballero*
Deputy

ACTION TAKEN:
MAY 11 2016 PASSED TO SECOND READING
MAY 18 2016 9:30 A.M.

AGENDA

TIME CERTAIN
Start time: _____

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

CONSENT

REGULAR
Total amount of time needed: 5 min
(for presentation, testimony and discussion)

| FOUR-FIFTHS AGENDA | COMMISSIONERS VOTED AS FOLLOWS: | | |
|--------------------|---------------------------------|------|------|
| | | YEAS | NAYS |
| 1. Fritz | 1. Fritz | ✓ | |
| 2. Fish | 2. Fish | ✓ | |
| 3. Saltzman | 3. Saltzman | ✓ | |
| 4. Novick | 4. Novick | ✓ | |
| Hales | Hales | ✓ | |