

ORDINANCE No. 188339

*Approve amended application under the Multiple-Unit Limited Tax Exemption Program for Block 290/KOTI (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 and any commercial portions of the project, except for those commercial improvements deemed a public benefit and approved for the exemption.
3. On June 29, 2016, Ordinance 187860 authorized a ten-year property tax exemption for Block 290/KOTI located at 1417 NW 20th Avenue. The application proposed 20 percent (30 units) of the project's 150 units would be affordable at 80 percent area median income.
4. The developer of Block 290/KOTI has requested to amend the approved application because the project size has increased. The amended application would include 20 percent (40 units) of the project's 200 units as affordable at 80 percent median family income.
5. PHB has the responsibility for reviewing compliance of approved applications with the minimum MULTE program requirements and has concluded that the amended application for Block 290/KOTI does indeed meet the minimum 20 percent affordability threshold of the program. Additionally, the project has demonstrated the required financial need for the requested tax exemption and is providing additional public benefits detailed in Exhibit A, as well as is within the designated MULTE eligible area of the City.
6. The PHB Housing Investment Committee reviewed and recommended approval of the amendment to the PHB Director for Block 290/KOTI because the application meets the program criteria. The Portland Housing Advisory Council held a hearing where the application was presented to the public.

NOW, THEREFORE, the Council directs:

- a. The amended 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 structural improvements, including associated parking, of Block 290/KOTI.
- b. Approval of Block 290/KOTI application is provided subject to the meeting the following conditions:
 1. The project must provide 20 percent of its units as affordable to households earning no more than 80 percent of the area median income as established annually by the U.S. Department of Housing and Urban Development. The units affordable to and restricted to occupancy by low – to moderate-income households will reflect the unit-mix in the project.
 2. The application will comply with the program requirements established in City Code Chapter 3.103, including the requirement that the owner sign an Extended Use Agreement and report annually to PHB each tax year that the exemption is in effect.
 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 3.103.060 (C).
- 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, percent or distribution 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 if recommended, to PHB's Director for submittal 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.

Section 2. The Council declares an emergency exists because timely City approval of the application for the MULTE Program is necessary in order to allow the project to meet construction and financing commitments; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council:

APR 26 2017

Mayor Ted Wheeler
Prepared by: Dory Van Bockel
Date Prepared: April 5, 2017

Mary Hull Caballero
Auditor of the City of Portland

By 

Deputy

*Approve application under the Multiple-Unit Limited Tax Exemption Program for Block 290/KOTI Apartments located at 1417 NW 20th Avenue (Ordinance)

<p>INTRODUCED BY Commissioner/Auditor: Ted Wheeler</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance & Administration - Wheeler <i>PD</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Eudaly</p> <p>BUREAU APPROVAL</p> <p>Bureau: Housing Bureau Head: Kurt Creager <i>KC</i></p> <p>Prepared by: Dory Van Bockel Date Prepared: April 5, 2017</p> <p>Impact 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>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <i>bf</i></p> <p>Council Meeting Date April 26, 2017</p>	<p>CLERK USE: DATE FILED <u>APR 18 2017</u></p> <p style="text-align: right;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p> <p>ACTION TAKEN:</p>
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<p style="text-align: center;">AGENDA</p> <p>TIME CERTAIN <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p> <p>CONSENT <input checked="" type="checkbox"/></p> <p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">FOUR-FIFTHS AGENDA</th> <th colspan="2">COMMISSIONERS VOTED AS FOLLOWS:</th> </tr> <tr> <th></th> <th style="width: 20%;">YEAS</th> <th style="width: 20%;">NAYS</th> </tr> <tr> <td>1. Fritz</td> <td>1. Fritz <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>2. Fish</td> <td>2. Fish <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>3. Saltzman</td> <td>3. Saltzman <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>4. Eudaly</td> <td>4. Eudaly <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>Wheeler</td> <td>Wheeler <input checked="" type="checkbox"/></td> <td></td> </tr> </table>	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. Eudaly	4. Eudaly <input checked="" type="checkbox"/>		Wheeler	Wheeler <input checked="" type="checkbox"/>	
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