

ORDINANCE No. 186826

* Amend approved application under the Multiple-Unit Limited Tax Exemption Program for The Abigail Apartments located at 1650 NW 13th Ave (Ordinance; amend Ordinance No. 186290)

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 307.600-637 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. 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. On October 16, 2013, Ordinance 186290 authorized a ten year property tax exemption for The Abigail Apartments located at 1650 NW 13th Ave. The application proposed 86 percent (123 units) of the project's 142 units would be affordable at or below 60 percent of the median family income, including 25 units at or below 30 percent and 18 units at or below 50 percent of the median family income.
5. The developers of The Abigail Apartments have requested to amend their approved MULTE application in order to accommodate an increase in the project's construction costs and a change in the loan structure necessary for financing. The amended application includes 82 percent (127 units) of the project's 155 units as affordable at or below 60 percent of the median family income, including 8 units at or below 30 percent and 27 units at or below 50 percent of the median family income. The total number of affordable units has increased, however there are less units affordable at or below 30 and 50 percent compared to the initial application.
6. PHB has the responsibility for reviewing compliance of approved applications with the minimum MULTE program requirements and has concluded that the amended application for The Abigail Apartments does indeed meet the minimum 20 percent affordability and other threshold requirements of the program. Additionally, the project has demonstrated the required financial need for the MULTE as detailed in the recommendation to the Portland Housing Bureau Housing Investment Committee, included as Exhibit A.

7. On September 8, 2014, the Portland Housing Bureau Investment Committee provided support for the amended MULTE application for The Abigail Apartments.

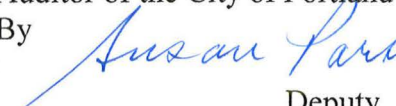
NOW, THEREFORE, the Council directs:

- 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 Abigail Apartments' structural improvements of the market rate units, all of the parking units, and the commercial space which will provide a public good.
- b. Approval of The Abigail Apartments MULTE application is provided subject to the project meeting the minimum threshold requirements and public benefits as specifically described in Exhibit A including the following conditions:
 1. The project must provide 127 of its 155 units (82 percent) as affordable to households at or below 60 percent of the median family income as established annually by the U.S. Department of Housing and Urban Development, including 27 units (17.5 percent) targeted to households at or below 50 percent of the median family income, and 8 units (5 percent) targeted to households at or below 30 percent of the median family income. The overall percentage of units affordable at or below 60 percent of median family income 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 Abigail 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: OCT 01 2014

Commissioner Dan Saltzman
Prepared by: Dory Van Bockel
Date Prepared: September 17, 2014

LaVonne Griffin-Valade
Auditor of the City of Portland
By 
Deputy

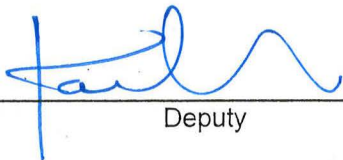
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✓140

Agenda No.
ORDINANCE NO.
 Title

186826

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<p>INTRODUCED BY Commissioner/Auditor: Dan Saltzman</p>	<p>CLERK USE: DATE FILED <u>SEP 26 2014</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By:  Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Portland Housing Bureau Bureau Head: Traci Manning</p> <p>Prepared by: Dory Van Bockel Date Prepared: September 17, 2014</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>ACTION TAKEN:</p>
<p>City Auditor Office Approval:</p> <p>City Attorney Approval:</p> <p>Council Meeting Date October 1, 2014</p>	

AGENDA
<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 type="checkbox"/></p>
<p>REGULAR <input checked="" type="checkbox"/></p> <p>Total amount of time needed: 5 min (for presentation, testimony and discussion)</p>

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	✓	