



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: November 29, 2023

SUBJECT: Multiple Unit Property Tax Exemption application for Jackstraw development at 310 & 350 SW Industrial Way

RECOMMENDED MOTION:

Move approval of the application from Killian Pacific for a Multiple Unit Property Tax Exemption relating to property at 310 & 350 SW Industrial Way in Bend.

BACKGROUND AND POLICY IMPLICATIONS:

In August 2022, the Bend City Council adopted a Multiple Unit Property Tax Exemption (MUPTe) program to support development and redevelopment goals in Bend's core and transit-oriented areas. The program is available for multi-story residential projects in certain areas of Bend that provide three or more units and provide at least three defined public benefits.

The Jackstraw mixed-use project is in the process of building 313 apartment units, 16,019 square feet of retail, 332 bicycle parking spaces, and 457 parking spaces. Additionally, the project will include construction of a multi-modal publicly accessible shared use drive aisle and a shared use path. For this project, the three identified public benefits will be:

- High Standard of Energy Efficiency/Green Building Features through Energy Trust New Buildings Path to Net Zero (priority public benefit);
- Mobility Supportive Amenities; and
- Wrapped Parking Structure.

Numerous additional public benefits beyond the requirements are listed in the attached project description. According to information submitted by the applicant and reviewed by an independent financial consultant, this project approaches financial feasibility only with a MUPTe award, and can still be viewed as a challenged project with higher risk even with the lowered property tax burden. In order for this project to qualify for the tax exemption, it must be approved by the boards which represent at least 51% of the combined levy of taxing districts.

