

TO: General Government Committee
FROM: Brad Medrud, Planning Manager
DATE: November 9, 2022
SUBJECT: Contract Approval for an 8-Year Multifamily Tax Exemption for the 350 North Street Apartments (TUM-22-1338)

1) Recommended Action:

Staff recommends that the General Government Committee review the application materials, be prepared to ask staff questions, and schedule the application for City Council consideration on December 6, 2022.

2) Background:

In 2017, the City Council adopted the Multifamily Housing Tax Exemption program to stimulate desired housing development within key areas of the City, such as the Brewery District and Capitol Boulevard Corridor. In 2019, the City Council approved expanding the 12-Year Multifamily Housing Tax Exemption program to the Town Center and Littlerock Subarea to encourage the development of permanent affordable housing as part of its 2019 Housing Affordability Work Plans. The program includes both an 8-year exemption for providing multifamily housing in the designated areas and a 12-year exemption for development providing a minimum of 20% of units designated for low or moderate-income households.

The City has received an application for the 8-year exemption program for the 24-unit 350 North Street Apartment complex in the Brewery District Subarea (TUM-22-1338).

3) Policy Support:

Comprehensive Plan Housing Element Action H-3.3.3: Establish a multi-family tax exemption program that gives financial incentive for developers to create multi-family structures in target areas and to set aside a percentage of units as low-income housing.

4) Alternatives:

☐ None.

5) Fiscal Notes:

The application is for an 8-year Multifamily Housing Tax Exemption.

6) Attachments:

- A. Staff Report
- B. 350 North Street Apartments (TUM-22-1338) MFTE Tax Agreement

- C. 350 North Street Apartments (TUM-22-1338) Exhibits A Application and Exhibit B Building Plans
- D. 350 North Street Apartments (TUM-22-1338) Exhibit C Berschauer Group Letter