

TO: City Council
FROM: Brad Medrud, Planning Manager
DATE: July 2, 2024
SUBJECT: Contract Approval for an 8-Year Multifamily Tax Exemption for the Rookery Apartments (TUM-24-0714)

1) Recommended Action:

Authorize the Mayor to sign contract for an 8-Year Multifamily Tax Exemption for the Rookery Apartments (TUM-24-0714).

The contract was recommended for approval at the June 12, 2024, General Government Committee meeting.

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 six apartment units as part of a mixed use development in the Capital Boulevard Corridor Subarea (TUM-24-0714). The General Government Committee was briefed on the contract at their June 12, 2024, meeting.

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 contract is for an 8-year Multifamily Housing Tax Exemption.

6) Attachments:

- A. Staff Report
- B. The Rookery Apartments (TUM-24-0714) MFTE Tax Agreement
- C. The Rookery Apartments (TUM-24-0714) Exhibit A Application
- D. The Rookery Apartments (TUM-24-0714) Exhibit B Site Plans
- E. The Rookery Apartments (TUM-24-0714) Exhibit C Floor Plan
- F. The Rookery Apartments (TUM-24-0714) Exhibit D Parking Narrative
- G. Presentation