

## **RESOLUTION NO. 2992**

### **A RESOLUTION OF THE CITY OF WILSONVILLE CLARIFYING THE TAX EXEMPTION CALCULATION METHODOLOGY TO BE UTILIZED UNDER THE CITY'S VERTICAL HOUSING DEVELOPMENT ZONE PROGRAM.**

WHEREAS, the State of Oregon passed laws and adopted regulations for local jurisdictions to implement Vertical Housing Development Zone (VHDZ) programs, whereby development can receive partial property tax exemption for participating; and

WHEREAS, the purpose of these VHDZ programs is to encourage vertical, multi-floor residential development within a project; and

WHEREAS, on May 2, 2022 the City of Wilsonville established a Vertical Housing Development Zone program ("Program") and local criteria, as authorized by Oregon Revised Statutes (ORS) 307.841 to 307.867, by the adoption of Resolution No. 2971, with exhibits; and

WHEREAS, ORS 307.844(7)(a) states that a local jurisdiction may adopt a resolution or ordinance that includes "additional criteria for certification of a vertical housing development project"; and

WHEREAS, the City of Wilsonville finds the calculation methodology prescribed in ORS 307.857(4) to be unclear and insufficient when computing the "exemption multiplier" described in ORS 307.864, for a project comprised of multiple buildings; and

WHEREAS, the lack of clarity in the calculation methodology prescribed in ORS 307.857(4) can result in the award of inordinate tax exemptions for projects consisting of multiple buildings but few floors of housing in each building, which is not consistent with the purpose of Program.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

Section 1. In addition to local criteria adopted under Resolution No. 2971, Exhibit A, the City of Wilsonville further adds the following criterion when certifying a project and calculating the exemption multiplier under the local Vertical Housing Development Zone program.

Section 2. The “average floor area of a project,” computed under ORS 307.857(4) equals the total square footage of the project divided by the quotient of the number of floors of the project that are at least 500 square feet in area, and the number of buildings in the project. [E.g. Average Floor Area =  $X/(Y/Z)$ , where X is the total square footage of the project, Y is the total number of floors in the project that are at least 500 square feet in area, and Z is the number of buildings in the project.]

Section 3. Effective Date. This Resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 15<sup>th</sup> day of August 2022, and filed with the Wilsonville City Recorder this date.

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JULIE FITZGERALD, MAYOR

ATTEST:

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Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Fitzgerald

Council President Akervall

Councilor Lehan

Councilor West

Councilor Linville