



## STAFF REPORT

### Multifamily Tax Exemption Application Sixth & Birch Mixed Use Project

(MISC19-05)(Associated Files: SPRV18-03; DR18-05; and SEPA18-13)

To:	Shannon Turk, Mayor Council Members	From: Sarah Fox, Senior Planner
Report Date	May 28, 2019	Technically Complete: March 20, 2019
Applicant:	Ross Kelly, Camas PDX LLC 3621NW Yeon Ave. Portland, OR 97210	
Site:	Sixth & Birch Mixed Use 608 NE Birch St Camas, WA 98607	
Parcels:	79865-000; 79870-000; 79900-000; 79910-000	

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#### Summary

The mixed use building will be three stories, with the first floor reserved for commercial/retail use. The upper floors will have 30 residential units. There will be a mix of one and two-bedroom units with six reserved for a household that earns 80-115 percent of the median income, adjusted by family size.

[**Note:** Excerpts from Camas Municipal Code (“CMC”) are shown in *italicized type* within this report.]

## Discussion & Findings

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The criteria for approval for the Multifamily Tax Exemption are provided at CMC§3.86.040(D) Project Eligibility and CMC§3.86.050 Downtown District Standards and Guidelines which are discussed below.

### CMC§3.86.040(D) PROJECT ELIGIBILITY

1. *Location. The project must be located within a residential target area, as designated in Section 3.86.030.*

**FINDINGS: Meets. The proposed project is located within the Downtown District Target Area.**

2. *Tenant Displacement Prohibited. Property proposed to be rehabilitated must be vacant at least twelve months before submitting an application and fail to comply with one or more standards of the applicable city adopted state or local building or housing codes.*

**FINDINGS: Not applicable. This is a new building on a vacant lot.**

3. *Size. The project must include at least four units of multifamily housing within a residential structure or as part of a mixed-use development. A minimum of four new units must be constructed or at least four additional multifamily units must be added to existing occupied multifamily housing. Existing multifamily housing that has been vacant for twelve months or more does not have to provide additional units so long as the project provides at least four units of new, converted, or rehabilitated multifamily housing. More specific sizing requirements may be established for each residential target area.*

**FINDINGS: Meets. There will be six units within a mixed use structure.**

4. *Permanent Residential Housing. At least fifty percent of the space designated for multifamily housing must be provided for permanent residential occupancy, as defined in Section 3.86.020.*

**FINDINGS: Meets. It will not be a hotel.**

5. *Proposed Completion Date. New construction multifamily housing and rehabilitation improvements must be scheduled to be completed within three years from the date of approval of the application.*

**FINDINGS: Meets. Construction is intended to be completed within three years.**

6. *Compliance with Guidelines and Standards. The project must be designed to comply with the city's comprehensive plan, building, housing, and zoning codes and any other applicable regulations in effect at the time the application is approved. Rehabilitation and conversion improvements must comply with all applicable housing codes. New construction must comply with the uniform building code. The project must also comply with any other standards and guidelines adopted by the city council for the residential target area in which the project will be developed.*

**FINDINGS: Meets. Applications for Site Plan Review and Design Review were approved on August 17, 2018.**

7. *Owner Occupancy. Projects within a residential target area that are developed for owner-occupancy shall include an agreement or other guarantee acceptable to the director ensuring that some or all of the units within the project are used for purposes of owner-occupancy.*

**FINDINGS: Not applicable. The project is intended to create 30 residential rental units.**

8. *Affordability. To be eligible for twelve-year tax abatements under this chapter, applicants must commit to renting or selling at least twenty percent of units as affordable housing to low and moderate income households as defined herein. Projects intended exclusively for owner occupancy may meet this standard through housing affordable to moderate-income households.*

**DISCUSSION:** The applicant requested a 12-year tax abatement. And for that reason, the applicant intends to provide 20% of the units (6 units) as affordable to moderate income households. The definitions for both "affordable" and "moderate income" per CMC§3.86.020 are as follows:

"Affordable housing" is "residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income."

"Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is more than eighty percent but is at or below one hundred fifteen percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States department of housing and urban development."

The chart appended to this report includes the calculation based on family size for the Clark County median income of \$87,900. The calculation will be updated annually while the property is eligible for the abatement. Affordable rent is 30% of the family income.

**FINDINGS: The applicant has stated that the units will meet the income guidelines as required. Refer to Exhibit "D" -Email from applicant.**

#### CMC§3.86.050 DOWNTOWN DISTRICT STANDARDS AND GUIDELINES

##### A. Standards.

1. *Size. The project must include at least four new or additional units of multifamily housing located on the second floor or higher in a mixed use building in which the ground floor is dedicated in whole to commercial uses. The building shall include no ground floor residential units.*

**FINDINGS: Meets. The application includes 30 units with six (6) of them targeted to be available to moderate-income tenants.**

2. *Parking. All multifamily units regardless of the underlying zone shall include off-street parking and as provided in CMC [18.11.130](#) or alternately as otherwise specified through a development agreement.*

**FINDINGS: The project includes restriping both sides of NE Birch to provide angled on-street parking. There will also be 19 spaces available off-street and located between the buildings. This is a reduced number of off-street parking based on the standard calculations of CMC18.11.130. The number of parking spaces was approved with the Site Plan Review permit that was issued on August 17, 2018, and was not appealed.**

3. *Building Height. Maximum of forty-five feet and three stories.*

**FINDINGS: Meets. Building will be three stories and no more than 45 feet high.**

4. *Where the project includes six or more multifamily units, an outdoor commons consisting of a minimum two hundred square feet shall be provided and include seating and tables for a minimum twelve people. This requirement may be incorporated into seating or dining areas for commercial uses on the ground floor, through common balconies or rooftop improvements.*

**FINDINGS: Meets. The applicant is providing 1,700 square feet of seating south of Building A.**

*B. Guidelines.*

*1. Connectivity. The project must demonstrate that pedestrian circulation from the project site to Northeast Fourth Avenue within the district is enhanced or improved.*

**FINDINGS: The development will repair the sidewalks and curb ramps along their frontage. There are no proposals to enhance or exceed requirements.**

*2. Parking. Demonstration that existing street parking will not be reduced in number or will be offset by an equal or better number of parking spaces made available for public parking.*

**FINDINGS: The number of parking spaces was approved with the Site Plan Review permit that was issued on August 17, 2018, and was not appealed.**

## Conclusion

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Based on the above findings and discussion provided in this report, staff concludes that the Multifamily Tax Exemption Application (MISC19-05) with attached Agreement should be approved through Resolution 19-007, because it complies with the following standards of CMC:

- MISC19-05 is in conformance with the CMC§3.86.040(D) PROJECT ELIGIBILITY.
- MISC19-05 is in substantial conformance with the requirements of CMC§3.86.050 DOWNTOWN DISTRICT STANDARDS AND GUIDELINES.
- MISC19-05 complied with the application and fee requirements of CMC§3.86.040(E).

## Recommendation

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Staff recommends that Council move to accept staff findings and conclusions, and adopt Resolution 19-007 for the Birch & Sixth Avenue Mixed Use Project.

## Appendix

Income limits for affordable housing within the 80 to 115% of Clark County Median Income of \$87,900 based on family size.

### 2019 HUD Income Limits

Income level (% of AMI)	1-person	2-person	3-person	4-person	5-person	6-person
80%	49,280	56,320	63,360	70,320	76,600	81,600
100%	61,600	70,400	79,200	<b>87,900</b>	95,000	102,000
115%	70,840	80,960	91,080	101,085	109,250	117,300

### Affordable Rent Including Utilities

Income level (% of AMI)	1-person	2-person	3-person	4-person	5-person	6-person
80%	1,232	1,408	1,584	1,758	1,915	2,040
100%	1,540	1,760	1,980	2,198	2,375	2,550
115%	1,771	2,024	2,277	2,527	2,731	2,933

\*Updated annually. The above numbers are in effect for income/rent determinations completed on or after 4/15/19.