



CITY OF CAMAS
MULTI-FAMILY HOUSING LIMITED
PROPERTY TAX EXEMPTION AGREEMENT

THIS AGREEMENT is entered into this__day of June, 2019, by and between CAMAS PDX LLC (hereinafter referred to as the "Owner"), and the CITY OF CAMAS, a municipal corporation of the State of Washington (hereinafter referred to as the "City").

WHEREAS the City has an interest in stimulating new construction or rehabilitation of multi-family housing in Residential Target Areas in order to reduce development pressure on single-family residential neighborhoods, to increase and improve housing opportunities, and to encourage development densities supportive of transit use, and

WHEREAS the City has, pursuant to the authority granted to it by Chapter 84.14 RCW, designated various Residential Target Areas for the provision of a limited property tax exemption for new multi-family residential housing, and

WHEREAS the City has, through Camas Municipal Code (hereinafter referred to as "CMC") Chapter 3.86, enacted a program whereby property owners may qualify for a Final Certificate of Tax Exemption which certifies to the Clark County Assessor that the owner is eligible to receive a limited property tax exemption, and

WHEREAS, The Owner is interested in receiving the multiple family property tax exemption for new multiple family residential housing units in the **Downtown District**, a residential targeted area; and

WHEREAS, The Owner has submitted to the City a complete application form for no fewer than thirty (30) units of new multifamily housing within a structure that includes commercial uses on the ground floor.

WHEREAS, The Owner has declared that twenty (20%) percent of the units (six units) will qualify as affordable to moderate-income households, which is 80-115% of the median family income adjusted for family size for Clark County.

WHEREAS the Owner has submitted to the City preliminary site plans and floor plans for multi-family residential housing to be constructed on said property legally described as:

608 NE Birch Street, in the City of Camas, Clark County. Assessor’s Parcel Numbers 79865-000; 79870-000; 79900-000; and 79910-000, commonly known as Sixth & Birch Mixed Use, hereinafter referred to as the “Site,” and

WHEREAS the City has determined that the improvements will, if completed as proposed, satisfy the requirements for a Final Certificate of Tax Exemption;

NOW, THEREFORE, the City and the Owner do mutually agree as follows:

1. The City agrees to issue the Owner a Conditional Certificate of Acceptance of Tax Exemption.
2. The Owner agrees to construct on the Site multi-family residential housing substantially as described in the most recent site plans, floor plans, and elevations on file with the City as of the date of administrative approval of this Agreement. The affordable units will be substantially similar in amenities and construction to other units within the development. The Owner will make reasonable efforts to ensure that three of each of the unit types are available throughout the Site (e.g., one bedroom and two bedroom) for moderate income households.
3. The project shall comply with all applicable zoning requirements, land use requirements, design review requirements and all building, fire, and housing code requirements contained in the Camas Municipal Code (herein referred to as the “CMC”) at the time a complete application for a building permit is received.
4. The new multiple-unit housing shall provide for a minimum of fifty (50) percent of the space for permanent residential occupancy.

5. The Owner shall complete construction of the agreed upon improvements within three years from the date the City issues the Conditional Certificate of Acceptance of Tax Exemption, or within any extension thereof granted by the City.

6. The Owner is requesting a twelve year limited property tax exemption. The Owner commits to renting or selling at least twenty percent (20%) of the multifamily housing units constructed on the site as housing units affordable for low or moderate-income households as defined by CMC Section 3.86.020. The Owner shall, upon completion of the improvements and upon issuance by the City of a temporary or permanent certificate of occupancy, to file with the City's Department of Community Development the following:

- a) A statement of expenditures made with respect to each multifamily housing unit and the total expenditures made with respect to the entire property;
- b) A description of the completed work and a statement of qualification for the exemption;
- c) A statement that the work was completed within the required three (3) year period or any authorized extension; and
- d) A statement that the project meets the affordable housing requirements as described in RCW 84.14.020.

7. The City agrees, conditioned on the Owner's successful completion of the improvements in accordance with the terms of this Agreement and on the Owner's filing of the materials described in Paragraph 6 above, to file a twelve year Final Certificate of Tax Exemption with the Clark County Assessor.

8. The Owner, as a continuing condition of receipt of the limited tax exemption set forth herein, within 30 days following the first anniversary of the City's filing of the Final Certificate of Tax Exemption and each year thereafter for a period twelve years to file a notarized declaration with the City's Department of Community Development indicating the following:

- a) A statement identifying the total number of occupied and vacant multifamily units receiving a property tax exemption;
- b) A certification that the property continues to be in compliance with the contract with the city including any provisions related to affordable housing;
- c) A description of any improvements or changes to the property constructed after the issuance of the certificate of tax exemption;
- d) The total monthly rent or total sale amount for each unit;
- e) For exemptions granted under the affordable housing provisions of this chapter, the income of each renter household at the time of initial occupancy and the income of each initial purchaser of owner-occupied units at the time of purchase; and
- f) For exemptions granted under the affordable housing provisions of this chapter, documentation showing that twenty percent of the units were rented or sold as affordable housing to low or moderate income households.

9. The Owner shall maintain records to support the declarations made in Paragraph 8 above. The records and the multifamily units are subject to inspection by the City. Failure to submit the annual declaration, maintain adequate records, or deny access to the City for inspection of the units may result in tax exemption being canceled.

10. The parties acknowledge that a minimum of 30 units are to be used and occupied for residential use. The parties further acknowledge that the certificate of occupancy issued by the City is for multifamily residential units.

11. If the Owner intends to convert to another use any of the multi-family residential housing units constructed under this Agreement, the Owner shall notify the City's Department of Community Development in writing within 30 days prior to such change in use. The Owner shall notify Clark County upon conversion to a non-residential use.

12. The Owner agrees to notify the City within 15 days prior to any transfer of Owner's ownership interest in the Site or in the improvements made to the Site under this Agreement. The new owner shall sign and provide to the City an acknowledgment of continuing compliance with the terms of this Agreement.

13. For purposes of this agreement, "Owner" shall mean the Owners Association of a condominium complex in the event that such association is established which shall be responsible for all reporting requirements required herein on behalf of the owners of individual condominium units.

14. Subject to the provisions of CMC 3.86.040L, the City, in its sole discretion, reserves the right to cancel the **Final Certificate of Tax Exemption** should the Owner, its successors and assigns, fail to comply with any of the terms and conditions of this Agreement.

15. The Owner acknowledges its awareness of the potential tax liability involved if and when the property ceases to be eligible for the incentive provided pursuant to this agreement. Such liability may include additional real property tax, penalties and interest imposed pursuant to RCW 84.14.110.

16. Nothing in this Agreement shall permit or be interpreted to permit either party to violate any provision of Chapter 84.14 RCW or CMC Chapter 3.86.

17. No modifications of this Agreement shall be made unless mutually agreed upon by the parties in writing.

18. The Owner acknowledges its awareness of the potential tax liability involved if and when the property ceases to be eligible for the incentive provided pursuant to this agreement. Such liability may include additional real property tax, penalties and interest imposed pursuant to RCW 84.14.110. The Owner further acknowledges its awareness and understanding of the process implemented by the Clark County Assessor's Office for the appraisal and assessment of property taxes. The Owner agrees that the City is not responsible for the property value assessment imposed by Clark County at any time during the exemption period.

19. In the event that any term or clause of this Agreement conflicts with applicable law, such conflict shall not affect other terms of this Agreement which can be given effect without the conflicting term or clause, and to this end, the terms of this Agreement are declared to be severable.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF CAMAS

Property Owners:

By:

Shannon Turk, Mayor

Phil Bourquin, Director
Dept. of Community Development

Approved as to Form:

Shawn MacPherson, City Attorney