

## RESOLUTION NO. 3406

### A RESOLUTION OF THE BEND CITY COUNCIL APPROVING A PROPERTY TAX EXEMPTION FOR QUALIFYING RENTAL UNITS AT 1565 NE 1<sup>st</sup> STREET

#### Findings

- A. ORS 307.515 to 307.537 allow for local governments to provide a tax exemption to qualified rental housing. The City of Bend, through Resolution numbers 2433 and 2436 in 2003, codified at Bend Municipal Code (BMC) Chapter 12.25 in 2021, authorizes tax exemptions for qualified rental housing projects.
- B. The owner of property located at 1565 NE 1<sup>st</sup> Street, a legal description of which is attached to this resolution as Exhibit A (the "Property"), submitted an application for tax exemption for qualified rental units under BMC Chapter 12.25.
- C. The portion of the Property held for development as or offered for rent solely as a residence for low-income persons qualifies for a property tax exemption under BMC Chapter 12.25 and ORS 307.515 to 307.537. The Property is located within the limits of the City of Bend and is held for the purpose of developing qualified rental housing or is a multi-family project containing three or more units that will be offered for rent solely as a residence for low-income persons, and the required rent payments reflect the full value of the tax exemption as shown in the application submitted by the owner of the Property.
- D. The Bend-LaPine School District authorized the application of this tax exemption to the portion of the Property used for qualified rental housing, provided the City of Bend approves this tax exemption. The combined exempted taxes of the School District and the City exceed 51% of all property taxes imposed on the Property; therefore, the exemption granted by this resolution applies to the tax levy of all taxing districts in which property certified for exemption is located.
- E. That portion of the Property offered for rent solely as a residence for low-income persons qualifies for a property tax exemption under BMC Chapter 12.25 and ORS 307.515 to 307.537.

Based on these findings, the Bend City Council resolves as follows:

Section 1. The property tax exemption for the portion of the Property described herein is approved for the tax levy of all taxing districts in which the Property is located. The exemption is for a period of 20 years, commencing July 1, 2025, under the City's tax exemption for qualified rental housing, BMC Chapter 12.25, as allowed under Oregon Revised Statutes 307.515 to 307.537. City staff is directed to take such further steps as are necessary to implement the tax exemption granted under this resolution.

Section 2. The portion of the property on which the tax exemption is approved is described as follows:

Project address:

1565 NE 1<sup>st</sup> Street, Bend, OR 97701

Owner's name and address:

Vazquez, David & Lopez-Vasquez, Melissa  
621 SE Glengarry Place, Bend, OR 97702

Description of housing:

Six residential units in a mixed-use development, rented solely to low-income persons as defined in BMC 12.25.010

Legal description of property:

See attached Exhibit A (the "Property")

Description of the portion of Property that is approved:

6 residential units and space supporting the residential uses (totaling 3,482 gross sf for that portion of the Property dedicated to the residential uses; 61% of the gross square feet of the Property)

Section 3. The property tax exemption for the Property is subject to the provisions of ORS 307.529 to 307.531 and BMC Chapter 12.25 regarding termination of the exemption. If, after an application for exemption under has been approved, the City of Bend finds that:

- a) construction or development of the residential units on the Property rented solely to low-income persons differs from the construction or development described in the application for exemption,
- b) the units are not reserved exclusively for low-income persons as defined,
- c) any provision of ORS 307.515 to 307.523 is not being complied with, or
- d) any provision required by the City of Bend under BMC chapter 12.25 or ORS 307.515 to 307.523 is not being complied with,

The City of Bend shall follow the procedures outlined in BMC Chapter 12.25 and ORS 307.529 to 307.531 to terminate the exemption. Per ORS 307.533, the tax rolls shall be corrected and taxes shall become due beginning January 1 of the first assessment year following the date on

which the noncompliance first occurred.

Adopted by the Bend City Council on December 4, 2024.

YES: Mayor Melanie Kebler  
Mayor Pro Tem Megan Perkins  
Councilor Anthony Broadman  
Councilor Barb Campbell  
Councilor Ariel Méndez  
Councilor Megan Norris  
Councilor Mike Riley



ATTEST:

Morgen Fry  
Morgen Fry, City Recorder

Approved as to form:

  
Mary Winters, City Attorney

Western Title & Escrow Company  
Public Record Report for New Subdivision or Land Partition  
Order No. WT0257509

**EXHIBIT "A"**  
**(Land Description)**

The Northeast Quarter (NE1/4) of Tract 3, LYTLE ACRE TRACTS (UNRECORDED) OF BEND, being located in the NE1/4 NE1/4 of Section 32, Township 17 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

EXCLUDING THEREFROM the right of way of the Oregon Trunk Railway along the Westerly portion.