



# CITY OF SALEM

585 Liberty St SE  
Salem, OR 97301

## Staff Report

---

File #: 22-111

Version: 1

Date: 3/28/2022

Item #: 3.3b.

---

**TO:** Chair and Housing Authority Commissioners

**THROUGH:** Kristin Rutherford, Interim Executive Director

**FROM:** Nicole Utz, Administrator

**SUBJECT:**

Authorizing Salem Housing Authority to enter into a Limited Partnership Agreement with CDP Gateway Phase 1 LLC and CDP Oregon LLC.

Ward(s): All Wards

Commissioners(s): All Commissioners

Neighborhood(s): All Neighborhoods

Result Area(s): Safe Community; Welcome and Livable Neighborhood

**SUMMARY:**

The Limited Partnership between the Salem Housing Authority (SHA), Gateway Phase 1 LLC, and CDP Oregon LLC will develop, own, and operate a 184-unit apartment complex located at 5205 Battlecreek Road Southeast to serve low-income households.

SHA intends to engage in a partnership as authorized under Oregon Statute, which will provide this development with a full property tax exemption. SHA will be compensated for its role in this partnership through an annual fee to cover the costs for program oversight.

**ISSUE:**

Shall the Salem Housing Authority Commission approve Resolution No. 2284 authorizing SHA to enter into a limited partnership agreement with CDP Gateway Phase 1 LLC and CDP Oregon LLC?

**RECOMMENDATION:**

Approve Resolution No. 2284 authorizing SHA to enter into a limited partnership agreement with CDP Gateway Phase 1 LLC and CDP Oregon LLC.

**FACTS AND FINDINGS:**

Approval of this resolution will allow the owner to claim a property tax exemption with Marion County. This action is recommended to continue adding and expanding affordable housing options for the city of Salem. This type of partnership grants the partners an incentive to keep rents at or

below 60% AMI by lowering annual operational costs. This type of partnership adds a minimal capacity burden to SHA. If granted, the exemption will remain in place through the life of the approved agreement.

SHA program oversight occurs annually upon the one-year anniversary of the certificate of occupancy. This would be the fourth partnership of this kind established for the purpose of expanding affordable housing in Salem. The business of the Partnership shall be (a) to develop, own, and operate a 184-unit apartment complex to be located at 5205 Battle Creek Road Southeast to serve low-income households with adjusted incomes of less than sixty percent of the area median income.

Additionally, Gateway Phase 1 offers a different type of affordable housing living. This housing concept follows a Community for All Ages (CFAA) Framework. A Community for All Ages (CFAA) is a well-planned, intentional community that is a welcoming home for people of all ages. The movement to intentionally create CFAAs is a positive reaction to age-segregated communities and funding patterns that have often led to increased isolation, exclusive rather than inclusive space, and a lack of awareness and empathy for the experiences of others. The CFAA model is sustainable, demonstrating what happens when people of all ages live, work, and play together. Residents in these communities reap the rewards of intergenerational interdependence for themselves and for the community. CFAAs envision community collaboration and crosspollination that comes from multiple generations living with one another. These are communities where children are mentored and cared for by parents, by grandparents, and other adults in the neighborhood. In these communities, elders are valued as knowledge wisdom holders, and where some of the needs of community elders are met by neighbors. Mentoring becomes a two-way street where young residents who are digital natives assist elders with their needs to engage in an increasingly digital world.

CFAAs thrive on the diversity of the lived experience. CFAA communities are made by individuals giving back to one another through the practice of generativity. Solid research shows that people who are active and volunteer are happier, more connected, and have larger social support networks than those who do not.

## **BACKGROUND:**

Affordable housing in Salem is a community need.

SHA is working on several new affordable housing projects. Approval of this partnership would continue furthering the Housing Authority's commitment to finding ways to expand on public/private partnerships and increase affordable housing supply in Salem. In addition to SHA's partnership program to incentivize affordable housing, the City and its Urban Renewal Agency also provide housing incentives through other programs. The Low Income Rental Housing Property Tax Exemption Program provides property tax exemptions for non-profit providers of affordable housing. The Multi-Unit Housing Tax Exemption Program (MUHTIP) targets sustainability through incentivizing infill transit-oriented developments by providing up to ten-years of property tax abatement for new projects within the MUHTIP boundary. The City's newest tool is the creation of Single Property Urban

---

Renewal Areas, which can provide partial property tax rebates for multi-family developments that meet community goals.

Nicole Utz  
Administrator

Attachments:

1. Resolution 2284
2. Gateway Phase 1 Limited Partnership Agreement