



April 22, 2015

Lucy Corbett, Project Manager
REACH Community Development, Inc.
4150 SW Moody Avenue
Portland, OR 97239

Re: *Determination Whether Project is Subject to Prevailing Wage Rate Laws*
Project: Bronaugh Apartments
Requested by: REACH Community Development, Inc.

Dear Ms. Corbett:

On April 17, 2015, we received your request asking if the Prevailing Wage Rate laws would apply to the proposed project known as Bronaugh Apartments. Sufficient information to make a determination was received on April 21, 2015, and therefore, the commissioner issues the following determination:

FINDINGS OF FACT

1. The Bronaugh Apartments (the "Bronaugh") is an existing three-story apartment building with a half basement, located at 1434 SW Morrison Street in Portland. The building is currently owned by REACH Bronaugh LLC (the "LLC"), a private entity. Upon closing of financing, currently scheduled for May 15, 2015, ownership will transfer to REACH Bronaugh Partners Limited Partnership (the "LP"), another private entity. The general partners of the LP are REACH Community Development, Inc. and the LLC. The sole member of the LLC is REACH Community Development, Inc. ("REACH"), a private entity. No public agency will be a member in the LP.
2. REACH plans to renovate the Bronaugh. The work to be done includes seismic upgrades, foundation improvements, reconfiguring some units for accessibility, and reroofing. When renovations are complete, the building will contain 50 apartment units, a laundry room, a community room, a computer room, and an outdoor courtyard. All space is for the exclusive use of the residents.

PORTLAND

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Portland, OR 97232-2180
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EUGENE

1400 Executive Parkway, Suite 200
Eugene, OR 97401-2158
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BEND

Apprenticeship and Training
Worksource Bend
1645 NE Forbes Rd, Ste 106
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MEDFORD

Apprenticeship and Training
119 N Oakdale Ave.
Medford, OR 97501-2629
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3. All of the apartment units at the Bronaugh will be designated as affordable housing, with the occupants' incomes restricted to no greater than 60 percent of the area median.
4. The total project cost for this project, including acquisition, is estimated to be \$13,966,285. The proposed project will use the following funds of a public agency:

\$1,386,949	Community Development Block Grant through Portland Housing Bureau
\$200,000	OHCS General Housing Account Program Funds
\$100,000	OHCS Low Income Weatherization Grant Funds

Other funds to be used for the proposed project include:

\$8,745,190	LIHTC Equity
\$1,494,146	Historic Tax Credit Equity
\$1,850,000	NOAH Permanent Loan
\$190,000	Sponsor Equity

CONCLUSIONS OF LAW

1. The proposed project meets the definition of “residential construction” in ORS 279C.810(2)(d)(D), as the project includes the construction, reconstruction, major renovation or painting of an apartment building not more than four stories in height, and does not include any commercial or retail spaces.
2. The proposed project meets the definition of “privately owned” in ORS 279C.810(2)(d)(C)(ii), as the project will be privately owned by REACH Bronaugh Partners Limited Partnership.
3. The proposed project meets the definition of “affordable housing” in ORS 279C.810(2)(d)(A), as the project will serve occupants whose incomes are not greater than 60 percent of the area median income. The proposed project will “predominately” provide affordable housing, as 100 percent of the units will be for affordable housing. ORS 279C.810(2)(d)(B).
4. Pursuant to ORS 279C.810(2)(d), the prevailing wage rate laws do not apply to projects for residential construction that are privately owned and that predominately provide affordable housing. Even if this proposed project met the definition of “public works” under ORS 279C.800(6)(a), it would be exempt from the prevailing wage rate laws.

DETERMINATION

Based on the foregoing, the Prevailing Wage Rate laws, ORS 279C.800 to ORS 279C.870, and OAR Chapter 839, Division 025, will not apply to the Bronaugh Apartments project.

This determination is based on the agency's file as of the date of this determination. The commissioner may make a different determination if any of the project information is incorrect, or if the project or project documents are modified or supplemented after the date of this determination.

REQUEST FOR A RECONSIDERATION

After the commissioner issues a determination, the requestor or any public agency served with a copy of the determination may request that the commissioner reconsider the determination. A request for reconsideration must be submitted in writing to the Prevailing Wage Rate Unit, must include the reason or reasons for the request and any documents in support of the request, and must be received within 15 calendar days of the date the determination was mailed. A request for reconsideration does not toll the time period for requesting a contested case hearing on the determination.

RIGHT TO A HEARING

The requestor and any person adversely affected or aggrieved by this determination are entitled to a hearing as provided by the Administrative Procedures Act (ORS 183.413 to 183.470) and ORS 279C.817. If you want a hearing, the Bureau of Labor and Industries, Wage and Hour Division must receive your written request for hearing within 21 days from the date this notice was mailed. Hearing requests should be addressed and delivered to:

Administrator
Wage and Hour Division
Bureau of Labor and Industries
800 NE Oregon St., Suite 1045
Portland, Oregon 97232

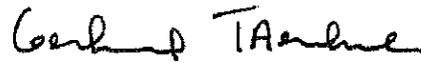
If a written request for hearing is not received within this 21-day period, your right to a hearing shall be considered waived.

If you request a hearing, you will be notified of the date, time and place of the hearing. You have the right to be represented by legal counsel at a hearing. However, if you are a government agency, corporation, partnership, or unincorporated association, you must be represented by either legal counsel or an authorized representative. If you request a hearing, you will receive information on Contested Case Rights and Procedures before the hearing. After the hearing, an order confirming, modifying, or reversing this determination will be issued. This determination shall remain in effect until the final order is issued.

If you request a hearing, but fail to appear at any scheduled hearing, you will have waived your right to hearing, and the commissioner may issue a final order by default. If the commissioner issues a final order by default, the agency file on this matter shall serve as the record for purposes of proving a prima facie case. You are not entitled to judicial review of this determination order unless you have made a timely request for a hearing.

Date: April 22, 2015

Brad Avakian, Commissioner
Bureau of Labor and Industries



Gerhard Taeubel, Administrator
Wage and Hour Division
Bureau of Labor and Industries

Certificate of Service

On April 22, 2015, I mailed the Prevailing Wage Rate Determination for the Bronaugh Apartments project to the requestor and associated parties, as follows:

Lucy Corbett, Project Manager
REACH Community Development, Inc.
4150 SW Moody Avenue
Portland, OR 97239

Lara Spangler
Housing Development Center
847 NE 19th Avenue, Suite 150
Portland, OR 97232



Susan Wooley
PWR Technical Assistance Coordinator
Wage and Hour Division
Bureau of Labor and Industries