



February 21, 2014

Mr. Tom D. Walsh
Piedmont Community Developers, LLC
PO Box 12129
Portland OR 97212

Re: *Determination Whether Project is Subject to Prevailing Wage Rate Law*
Project: King-Parks Housing Project
Requested by: Piedmont Community Developers, LLC

Dear Mr. Walsh:

On February 18, 2014, you submitted a request on behalf of Piedmont Community Developers, LLC, asking if the Prevailing Wage Rate law would apply to the proposed Kings-Park Housing Project. Sufficient information to make a determination was received on February 19, 2014; therefore, the commissioner issues the following determination:

FINDINGS OF FACT:

1. Portland Housing Bureau (“PHB”), a division of the City of Portland that develops and implements housing policies that increase affordable housing opportunities for low and moderate income households, is contracting with Piedmont Community Developers, LLC (“PCD”), a domestic limited liability company, to build the King-Parks Housing Project (“KPHP”), an affordable home ownership project located at the corner of NE Martin Luther King, Jr. Blvd. and NE Rosa Parks Way in Portland.
2. KPHP will include 24 housing units: 16 townhomes and eight lofts. The townhomes/lofts will be two and three stories in height. KPHP will also include a parking lot, sidewalks, and landscaping. KPHP will not include commercial space of any kind.
3. PHB currently owns the land on which KPHP will be built; PHB will transfer ownership of the land to PCD prior to the beginning of construction. PCD will own a 100% interest in KPHP.

PORTLAND
800 NE Oregon St. Suite 1045
Portland, OR 97232-2180
(971) 673-0761
Fax (971) 673-0762

SALEM
3865 Wolverine St. NE; E-1
Salem, OR 97305-1268
(503) 378-3292
FAX (503) 373-7636

EUGENE
1400 Executive Parkway, Suite 200
Eugene, OR 97401-2158
(541) 686-7623
FAX (541) 686-7980

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4. KPHP's 24 housing units will be sold only to households earning at or below 80% of the area median income (AMI).
5. The total project cost is \$6,662,660. Funding sources for KPHP are as follows:
 - a. Funds from a public agency: \$3,192,660
 - i. PHB Donated Land: \$752,660
 - ii. PHB Const./Perm. Note: \$1,750,000
 - iii. PHB Developer Fee: \$100,000
 - iv. PHB Repaid at Phase 1 Sales: \$590,000
 - b. Other funds: \$3,470,000
 - i. Developer Equity: \$90,000
 - ii. Capital Pacific Bank Loan: \$2,600,000
 - iii. SDC Waivers: \$420,000
 - iv. SHOP Loan: \$360,000

CONCLUSIONS OF LAW:

1. KPHP meets the definition of "public works" under ORS 279C.800(6)(a)(B) because the project will be privately owned and will use \$750,000 or more of funds of a public agency.
2. KPHP is exempt from Oregon prevailing wage rate law because it is a privately-owned, residential construction project that predominantly provides affordable housing pursuant to ORS 279C.810(2)(d). The project is privately owned by Piedmont Community Developers, LLC a private, domestic limited liability company. The project is residential construction pursuant to ORS 279C.810(2)(d)(D) because it includes only townhomes, lofts, a parking lot, and landscaping; all structures on the property will be fewer than four stories in height. The project predominantly provides affordable housing pursuant to ORS 279C.810(2)(d)(A) and ORS 279C.810(2)(d)(B) because all 24 housing units will be sold only to households earning at or below 80% of the area median income (AMI).

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 proposed King-Parks Housing 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 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, this determination order will be final, and the agency file on this matter shall serve as the record for purposes of proving a prima facie case.

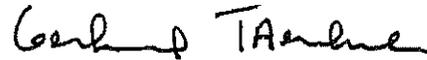
If you request a hearing, you will be notified of the date, time and place of the hearing. You have the right to be represented by legal counsel at a hearing. However, if you are a government agency, corporation, partnership, or unincorporated association, you must be represented by either legal counsel 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 order 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.

Date: February 21, 2014

BRAD AVAKIAN, Commissioner
Bureau of Labor and Industries



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

Certificate of Service

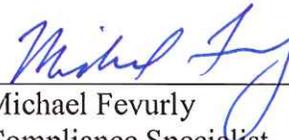
On February 21, 2014, I mailed the Prevailing Wage Rate Determination for the King-Parks Housing Project to the requestors below:

Mr. Tom D. Walsh
Piedmont Community Developers, LLC
PO Box 12129
Portland OR 97212

Certified Mail – Return Receipt Requested
Article #: 7012-1010-0001-2377-8013

Mr. Karl Dinkelspiel
Portland Housing Bureau
421 SW Sixth Ave., Suite 500
Portland OR 97204

Certified Mail – Return Receipt Requested
Article #: 7012-1010-0001-2377-8020



Michael Fevurly
Compliance Specialist
Wage and Hour Division
Bureau of Labor and Industries