



September 14, 2012

Timothy Zaricznyj
Providence Health & Services
2001 Lind Ave. SW, #180
Renton, WA 98057

Re: *Determination Whether Project is Subject to Prevailing Wage Rate Law*
Project: Dethman Manor
Requested by: Providence Health & Services

Dear Mr. Zaricznyj:

On September 11, 2012, you submitted a request on behalf of Providence Health & Services asking if the Prevailing Wage Rate law would apply to the Dethman Manor rehabilitation project ("project"). Sufficient information to make a determination was received on September 11, 2012, and therefore, the commissioner issues the following determination:

FINDINGS OF FACT:

1. Providence Health & Services plan to rehabilitate Dethman Manor, a senior affordable housing development located at 1205 Montello Avenue in Hood River. The project will be owned by either Providence Health & Services or a private limited liability company in which Providence Health & Services will be a managing member. Providence Health & Services is a private non-profit company.
2. Dethman Manor is a three-story residential apartment building. It was originally built in 1978 and contains 27 one-bedroom apartment units. The common areas include a laundry room and space for residents' use and storage. The units will be occupied by residents whose incomes are no greater than 50 percent of the area median income.

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800 NE Oregon St. Suite 1045
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3. The proposed rehabilitation work includes renovating the building envelope, replacing the windows, and adding fire sprinklers and various other interior upgrades.
4. The total project is estimated to cost \$1,843,216. Funding for the project includes the following sources:
 - a. Funds of a public agency: \$1,250,000
 - i. HOME Grant - Oregon Housing & Community Services - \$750,000
 - ii. Trust Fund – Oregon Housing & Community Services - \$500,000
 - b. Other Funds: \$593,216
 - i. Enterprise Green Pilot Grant: \$13,500
 - ii. Cash from Sponsor: \$164,000
 - iii. Permanent Loan – Network for Oregon Affordable Housing (NOAH) - \$415,716

CONCLUSIONS OF LAW:

1. The proposed project 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. The prevailing wage rate laws do not apply to projects for residential construction that are privately owned and that predominately provide affordable housing. ORS 279C.810(2)(d). The proposed project is a project for residential construction because it is a project for construction of an apartment building not more than four stories in height. Additionally, the project will be privately owned by either Providence Health & Services or a private limited liability company in which Providence Health & Services will be a managing member. The project will predominately provide affordable housing because the tenants will have incomes no greater than 50% of the area median. Therefore, this exemption will apply.

DETERMINATION:

The Prevailing Wage Rate laws, ORS 279C.800 to ORS 279C.870, and OAR Chapter 839, Division 025, will not apply to the proposed construction, reconstruction, major renovation and/or painting of the Dethman Manor 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, OR 97232

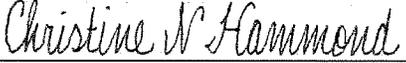
If a written request for hearing is not received within this 21-day period, your right to a hearing shall be considered waived.

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: September 14, 2012

BRAD AVAKIAN, Commissioner
Bureau of Labor and Industries



CHRISTINE N. HAMMOND,
Administrator
Wage and Hour Division
Bureau of Labor and Industries

Certificate of Service

On September 14, 2012, I mailed the Prevailing Wage Rate Determination for the Dethman Manor project to the requestor, as follows:

Timothy Zaricznyj
Providence Health & Services
2001 Lind Ave. SW, #180
Renton, WA 98057

Certified Mail – Return Receipt Requested
Article #: 7012 1010 0001 2377 6194

Daryn Murphy
Housing Development Center
847 NE 19th Ave., Suite 150
Portland, OR 97232

Certified Mail – Return Receipt Requested
Article #: 7012 1010 0001 2377 6200

Carole Dicksa
Oregon Housing & Community Services
P.O. Box 14508
Salem, OR 97309-0409

Certified Mail – Return Receipt Requested
Article #: 7012 1010 0001 2377 6217



Cristin Casey
Compliance Specialist
Wage and Hour Division
Bureau of Labor and Industries