October 8, 2019

Lucy Corbett  
Community Development Partners  
126 NE Alberta Street, Suite 202  
Portland, OR 97211

Re: Determination Whether Project is Subject to Prevailing Wage Rate Laws  
Project: Patton Home Renovation  
Requested by: Community Development Partners on behalf of CDP Patton Home Limited Partnership

Dear Ms. Corbett:

On September 5, 2019, the Bureau of Labor and Industries received the request you submitted on behalf of CDP Patton Home Limited Partnership, asking if the Prevailing Wage Rate laws would apply to the proposed renovation of Patton Home. Sufficient information to make a determination was received on September 23, 2019, and therefore, the commissioner issues the following determination:

FINDING OF FACT

1. CDP Patton Home Limited Partnership ("CDP Patton Home LP"), a private entity, proposes to renovate Patton Home, located at 4619 N. Michigan Avenue in Portland, Oregon. Patton Home provides housing to low-income residents. For purposes of this coverage determination, the project is referred to as Patton Home Renovation (the "Project").

2. Patton Home is currently owned by Ecumenical Ministries of Oregon, a private non-profit entity. Upon closing of funding, ownership of the property will be transferred to CDP Patton Home LP. CDP Patton Home LP will be composed of a General Partner, with 0.01 percent ownership share, and a Limited Partner, with 99.99 percent ownership share. The General Partner will be composed of CDP Developers, LLC, a private entity; and Integrity Housing, a private non-profit entity. No public agency will be a partner of CDP Patton Home LP.
3. Patton Home, a four-story building, currently contains 63 single-room occupancy ("SRO") units. The SRO units do not include bathrooms or kitchens. The basement level and the three stories above ground include common bathrooms. The ground floor includes a commercial kitchen and dining room, and the second story includes a common kitchen.

4. The work to be done for the Project includes adding 6 SRO units, brick and roof repair, selected window repair and replacement, selected flooring repair and replacement, updates to the common kitchens and bathrooms, upgrades to common area HVAC systems, repair or replacement of select lighting and plumbing fixtures, and painting.

5. Victory Project PDX, a private non-profit entity, will enter into a lease for use of the commercial kitchen on the ground floor. Victory Project PDX will be allowed to operate its business rent-free in exchange for providing daily meals to Patton Home residents free of charge. In addition, Victory Project PDX will use Patton Home’s commercial kitchen to prepare and provide food for five other affordable housing facilities, through a contract with Home Forward. Home Forward, a public agency under ORS 279C.800(5), will pay Victory Project PDX for this service.

6. All of the SRO units will be restricted to occupants with incomes no greater than 60 percent of the area median income.

7. The Project will use the following funds of a public agency:
   $5,805,206   Oregon Housing and Community Services ("OHCS") Preservation Funds
   $  823,125   Portland Housing Bureau Cash Flow Split Loan

Other funds to be used for the Project include:
$3,456,557   OHCS Low Income Housing Tax Credit Equity
$1,653,259   Historic Tax Credit Equity
$   913,000   Deferred Development Fee

CONCLUSIONS OF LAW

1. The Project will use $6,628,331 in funds of a public agency for renovation and reconstruction of a building. Therefore, the Project meets the definition of “public works” under ORS 279C.800(6)(a)(B).

2. Under ORS 279C.810(2)(d), projects for residential construction that are privately owned and that predominantly provide affordable housing are not subject to the Prevailing Wage Rate laws. While the Project is privately owned and predominately provides affordable housing, the Project does not meet the definition of “residential construction” under ORS 279C.810(2)(d)(D) because of the commercial uses of kitchen on the ground floor. Therefore, the exemption under ORS 279C.810(2)(d) for residential construction projects that are privately owned and that predominantly provide affordable housing will not apply to the Project.
3. No other exemptions from the Prevailing Wage Rate laws under ORS 279C.810 apply to the Project.

DETERMINATION

Based on the foregoing, the Prevailing Wage Rate laws, ORS 279C.800 to ORS 279C.870, and OAR Chapter 839, Division 025, will apply to the Patton Home Renovation 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, 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: October 8, 2019

VAL HOYLE, Commissioner
Bureau of Labor and Industries

Sonia Ramirez, Administrator
Wage and Hour Division
Bureau of Labor and Industries
Certificate of Service

On October 8, 2019, I mailed the Prevailing Wage Rate Determination for Patton Home Renovation project to the requestor, as follows:

Lucy Corbett  
Community Development Partners  
126 NE Alberta Street, Suite 202  
Portland, OR 97211

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