

**RESOLUTION NO. 2410**

**A RESOLUTION GRANTING AN EXEMPTION FROM PROPERTY TAXES UNDER ORS 307.540 TO ORS 307.548 FOR CHARLESTON APARTMENTS, A LOW-INCOME APARTMENT DEVELOPMENT OWNED AND OPERATED BY NORTHWEST HOUSING ALTERNATIVES, INC.**

WHEREAS, maintaining Wilsonville's existing affordable housing supply is necessary for its continued health and growth; and

WHEREAS, Northwest Housing Alternatives (NHA), a not-for-profit organization, constructed the Charleston Apartments, an affordable housing development located at 11609 SW Toulouse St., Wilsonville OR; and

WHEREAS, the Charleston Apartments includes 15 units reserved for people with chronic mental illness and the 36 units designated as affordable housing; and

WHEREAS, NHA is currently seeking to preserve the Charleston Apartment's as affordable housing; and

WHEREAS, a property tax exemption is essential to Charleston Apartment's continuation as affordable housing; and

WHEREAS, ORS 307.540 to 307.548 authorizes property tax exemptions for affordable housing owned by not-for-profit corporations and occupied by low-income persons; and

WHEREAS, the City of Wilsonville wishes to adopt and/or ratify the policy set forth in those sections; and

WHEREAS, NHA has requested a property tax exemption for its Charleston Apartment development, pursuant to ORS 307.543(2); and

WHEREAS, the City of Wilsonville and West Linn-Wilsonville School District property tax levies jointly comprise more than 51% of the total combined rate of taxation on Charleston Apartments; and

WHEREAS, NHA has received an exempt status from the West Linn-Wilsonville School District for the Charleston Apartments for property taxation arising under its jurisdiction unless and until terminated pursuant to ORS 307.548;

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

- Section 1: The City of Wilsonville adopts the provisions of ORS 307.540 to 307.548.
- Section 2: NHA and its affordable housing development, Charleston Apartments, qualify for a property tax exemption pursuant to ORS 307.540 to 307.548.
- Section 3: The Finance Director is directed to request the Clackamas County Assessor to exempt Charleston Apartments from taxation by all taxing jurisdictions pursuant to ORS 307.543(2), commencing on the first day of the tax assessment year beginning July 1, 2013.
- Section 4: This Resolution shall take effect upon the occurrence of the following:  
a) Submission, to the City of Wilsonville's City Manager, of an application conforming to the requirements of ORS 307.545 requesting a property tax exemption for Charleston Apartments.
- Section 5: This Resolution is to remain in effect unless and until termination occurs pursuant to ORS 307.548.
- Section 6: This resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting there of this \_\_\_\_ day of April 2013, and filed with the Wilsonville City Recorder this date.

\_\_\_\_\_  
Tim Knapp, Mayor

ATTEST:

\_\_\_\_\_  
Sandra C. King, MMC, City Recorder

**SUMMARY OF VOTES:**

Mayor Knapp - Yes  
Council President Starr - Yes  
Councilor Goddard – Yes  
Councilor Fitzgerald – Yes  
Councilor Stevens – Yes

**APPLICATION**

**PROPERTY TAX EXEMPTION FOR LOW-INCOME HOUSING HELD BY  
CHARITABLE, NONPROFIT ORGANIZATIONS**

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(For Office Use Only)

City of Wilsonville, Oregon \$250 Application Fee \_\_\_\_\_  
Date Received: \_\_\_\_\_ \$50 Renewal Fee \_\_\_\_\_  
Receipt No. \_\_\_\_\_

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**CONTENTS**

|  | Page |
|--|------|
| Section A. Application Information                   | 1    |
| B. Property to be considered for exemption           | 2    |
| C. Leasehold Interest in Eligible Property           | 2    |
| D. Description of Charitable Purpose/Project Benefit | 3    |
| E. Declarations                                      | 4    |

**Section A – Applicant Information**

Corporate Name: Northwest Housing Alternatives, Inc.  
Address: 2316 SE Willard St., Milwaukie, OR 97222

Telephone: (503) 654-1007  
                    Business Residence (Optional)

Email Address: hackworth@nwhousing.org

Chief Executive Officer: Martha McLennan

Contact Person: Ray Hackworth Telephone: (503) 654-1007

**Section B – Property to be Considered for Exemption**

(Sections B, C, and D must be filled out for each building for which you are requesting a tax exemption)

Organization: Charleston Limited Partnership

Property Address: 11609 SW Toulouse St., Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 3S1W15 02907

(Be sure to identify all account numbers for both land and improvements on the property for which you are requesting tax exemption, in some cases, land and improvements may have separate property tax account numbers.)

Total number of residential units in the building: 52

Number of residential units occupied by very low-income people: 51

Total square feet in building: 35,493

Total square feet used to house very low-income people<sup>4</sup> 35,493

**Section C – Leasehold Interest in Eligible Property**

Do you own the property in question?  Yes  No

If you answered “no” to the above question, do you have leasehold interest in the property?  
 Yes  No

If yes, please include a statement describing how, as the nonprofit organization, you are obligated under the terms of the lease to pay the ad valorem taxes on this property or other contractual arrangement such that the property tax exemption benefits accrue to the nonprofit agency and the residential tenants served rather than the owner or corporation from whom you lease.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

<sup>4</sup> This includes halls, baths, dining, and other space dedicated to residential use. Retail uses and other accessory uses not related to residential use are not to be counted.

**Section D – Description Of Charitable Purpose/Project Benefit (Use for multiple projects if same conditions apply)**

Will the cost savings resulting from the proposed tax exemption enable you to do the following?

- 1. Reduce the rents that your very low-income residential tenants pay on the property in question?  Yes \_\_\_\_\_ No If so, by approximately how much? \$40/unit/month
  
- 2. Provide grater services to your very log income residential tenants?  Yes \_\_\_\_\_ No.
  
- 3. If yes, in what way(s)? All cost savings are passed directly through to the tenants in the form of reduced rents.
  
- 4. Provide any other benefit to your very low-income residential tenants? \_\_\_\_\_ Yes  No.  
If yes, please explain: \_\_\_\_\_

If you lease the property identified in this application, to what extent does your lease agreement coincide with the timeframe of the qualifying tax year? Please Explain:

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**Section E- Declarations**

Please read carefully and sign below before a notary.

1. I have attached to this application the IRS declaration of the status of application as a tax exempt corporation under 26 U.S.C. Section 501(c)(3) or (4).
2. I am aware that the income qualifying tenants must meet the income guidelines in accordance with 42 U.S.C. Section 1437 (a)(b)(2) as amended. See Attachment A, Income Eligibility Schedule). Tenant incomes do not exceed these limitations, as I verily believe.
3. I am aware of all requirements for tax exemption imposed by ORS 307.540-307.545 (Chapter 660 Oregon Laws 1985, as amended by Chapter 756 Oregon Laws 1987) and implemented by Resolution No. 1854 of the City of Wilsonville.
4. The above-described properties qualify or will qualify upon completion of any rehabilitation improvements and subsequent occupancy by very low-income residents for property tax exemption within 30 days of the April 1st application or the date of approval.

By:   
 Agency Chief Executive Officer (Signature)

Martha McLennan  
 Agency Chief Executive officer (Print or typed)

For: Northwest Housing Alternatives Inc.  
 Corporate Name (Print or type)

Subscribed and sworn to before me this 19 day of March, 2013.

JAG -  
 Notary Public For Oregon  
 My Commission Expires: 5/2/2015

