

RESOLUTION NO. 2231

A RESOLUTION GRANTING AN EXEMPTION FROM PROPERTY TAXES UNDER ORS 307.540 TO ORS 307.548 FOR RAIN GARDEN LIMITED PARTNERSHIP, A LOW-INCOME APARTMENT DEVELOPMENT OWNED AND OPERATED BY CARITAS COMMUNITY HOUSING CORPORATION, A SUBSIDIARY OF CATHOLIC CHARITIES.

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

WHEREAS, Caritas Community Housing Corporation, a subsidiary of Catholic Charities, a not-for-profit organization, has owned and maintained Rain Garden Limited Partnership, an affordable housing development located at 10920 S.W. Wilsonville Road, since April 2008; and

WHEREAS, Caritas Community Housing Corporation is currently seeking to preserve Rain Garden Limited Partnership as affordable housing; and

WHEREAS, a property tax exemption is essential to Rain Garden Limited Partnership'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, Caritas Community Housing Corporation has requested a property tax exemption for its Rain Garden Limited Partnership development, pursuant to ORS 307.543(2); and

WHEREAS, the City of Wilsonville and West Linn-Wilsonville School District property tax levies jointly comprise 73% of the total combined rate of taxation on Rain Garden Limited Partnership; and

WHEREAS, Caritas Community Housing Corporation has requested that the West Linn-Wilsonville School District agree to the policy of property tax exemption under ORS 347.540 to 307.548; and,

WHEREAS, Caritas Community Housing Corporation has requested that the West Linn-Wilsonville School District exempt Rain Garden Limited Partnership from property taxation arising under its jurisdiction unless and until terminated pursuant to ORS 307.548;

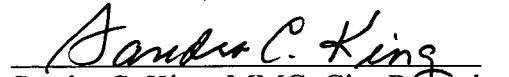
NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

- Section 1: The City of Wilsonville adopts the provisions of ORS 307.540 to 307.548.
- Section 2: Caritas Community Housing Corporation and its affordable housing development, Rain Garden Limited Partnership, 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 Rain Garden Limited Partnership 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, 2010.
- Section 4: This Resolution shall take effect upon the occurrence of the following:
- a) Receipt by the Wilsonville City Recorder of an executed Initial Low Income Housing Tax Credit Reservation, offered by the Oregon Department of Housing and Community Services and accepted by Caritas Community Housing Corporation, for the purposes of maintaining affordable housing for low and very low income tenants; and
 - b) 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 Autumn Park 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 thereof this 5th day of April 2010, 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
Councilor Kirk	Yes
Councilor Núñez	Excused
Councilor Ripple	Yes
Councilor Hurst	Yes

Attachment: Application Property Tax Exemption for Low-Income Housing held by Charitable, Non-Profit Organization submitted by Rain Garden Limited Partnership.

APPLICATION

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

(For Office Use Only)

City of Wilsonville, Oregon

Date Received: 3/30/10

[Signature]
APPROVED

\$250 Application Fee _____

\$50 Renewal Fee X

Receipt No. ✓ # 001125 CAR

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: Rain Garden Limited Partnership

Address: c/o Caritas Community Housing Corporation, 231 SE 12th Avenue, Portland, OR 97214

Telephone: (503) 231-4866

Business

Residence (Optional)

Email Address: mlutino@catholiccharitiesoregon.org

Chief Executive Officer: Dennis Keenan

Contact Person: Maralea Lutino

Telephone: (503) 231-4866, x132

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: Rain Garden Limited Partnership

Property Address: 29197 SW Orleans Avenue, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 3S1W15DB075000

(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: 29

Number of residential units occupied by very low-income people: 29

Total square feet in building: 21,243

Total square feet used to house very low-income people⁴: 21,243

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.

Caritas Community Housing Corporation (CCHC) a subsidiary of Catholic Charities, in August 2008 stepped in as the non-profit sole member of the ownership entity general partner, Rain Garden GP LLC, replacing Cascadia Housing Inc. CCHC is responsible for ensuring all operating costs are paid includes taxes due. The very low-income residents of Rain Garden are charged rents well below market. The savings realized from the property tax exemption are passed through to reduce rents.

⁴ 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? \$30/mo./unit
2. Provide grater services to your very low income residential tenants? Yes No.
3. If yes, in what way(s)? Rain Garden residents require a certain level of resident services to be provided to support their tenancy. If Rain Garden is required to pay property taxes, less project cash flow will be available to support these essential resident services. Raising rents to cover resident services costs would the apartments unaffordable to the residents.
4. Provide any other benefit to your very low-income residential tenants? Yes No.
If yes, please explain: Contributes to increased cash flow that is available for maintenance and operating expenses without raising rents, ensuring the property remains in good condition, well-maintained and attractive.

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:

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.

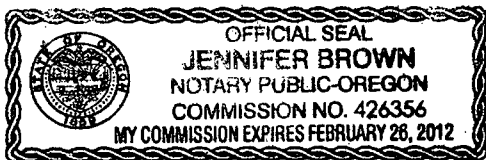
By: *Dennis Keenan*
Agency Chief Executive Officer (Signature)

Dennis Keenan
Agency Chief Executive officer (Print or typed)

For: Caritas Community Housing Corporation, sole member of Rain Garden GP LLC, General Partner of Rain Garden LP
Corporate Name (Print or type)

Subscribed and sworn to before me this 23rd day of March, 2010.

Jennifer Brown
Notary Public For Oregon
My Commission Expires: February 26, 2012



**WEST LINN – WILSONVILLE SCHOOL DISTRICT
RESOLUTION NO. 2008-7**

A RESOLUTION GRANTING AN EXEMPTION FROM PROPERTY TAXES UNDER OREGON REVISED STATUTES FOR RAIN GARDEN APARTMENTS, AN AFFORDABLE APARTMENT DEVELOPMENT TO BE OWNED AND OPERATED BY CASCADIA BEHAVIORAL HEALTHCARE.

WHEREAS, Cascadia Behavioral Healthcare (CBH), a not-for-profit organization, plans to break ground for the new Rain Garden Apartments, an affordable housing development located within the Villebois master development area in April 2008; and

WHEREAS, one apartment is planned for an onsite manager and the remaining 29 apartments (all studios) are reserved for people with chronic mental illness; and

WHEREAS, a property tax exemption is essential to the development of the Rain Garden Apartments as affordable housing; and

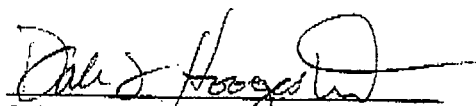
WHEREAS, ORS 307.540 to 307.548 authorizes property tax exemptions for affordable housing owned by not-for-profit corporations and occupied by low-income persons; and

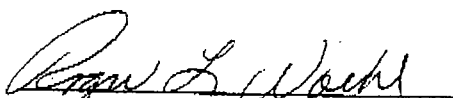
WHEREAS, the District wishes to adopt and/or ratify the policy set forth in those sections; and

WHEREAS, CBH has requested a property tax exemption for its Rain Garden Apartment development, located within the Villebois master development area pursuant to ORS 307.543(2);

NOW, THEREFORE, BE IT RESOLVED THAT, the applicant, CBH, and its affordable housing development, Rain Garden Apartments, qualify for a property tax exemption pursuant to ORS 307.540 to 307.548 and that this resolution remain in effect unless and until termination occurs pursuant to ORS 307.548.

ADOPTED this 14th day of April 2008.


School Board Chair


District Superintendent

*Rec'd 4/16/08
JCH*

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **OCT 25 2005**

CARITAS COMMUNITY HOUSING
CORPORATION
231 SE 12TH AVE
PORTLAND, OR 97214-0000

Employer Identification Number:
94-3395473
DLN:
17053267784075
Contact Person:
DEL TRIMBLE ID# 31309
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated OCTOBER 2001, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

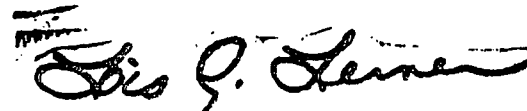
Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading between 8:30 a.m. - 5:30 p.m. Eastern time.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)