

RESOLUTION NO. 2735

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.

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

WHEREAS, Caritas Community Housing Corporation, a not-for-profit organization, constructed the Rain Garden Apartments, an affordable housing development located at 29197 SW Orleans Avenue, Wilsonville OR; and

WHEREAS, the Rain Garden Apartments includes 29 residential units, for people with low income; and

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

WHEREAS, a property tax exemption is essential to Caritas Community Housing Corporation 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 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 the Caritas Community Housing Corporation development at Rain Garden Apartments; and

WHEREAS, Caritas Community Housing Corporation has received an exempt status from the West Linn-Wilsonville School District for the Rain Garden 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: Caritas Community Housing Corporation and its affordable housing development, Rain Garden Apartment development, 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 Autumn Park 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, 2019.
- Section 4: This resolution is effective upon adoption for the upcoming 2019/2020 tax year.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 18th day of March 2019 and filed with the Wilsonville City Recorder this date.



Tim Knapp, Mayor

ATTEST:



Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp	Yes
Council President Akervall	Yes
Councilor Stevens	Yes
Councilor Lehan	Yes
Councilor West	Yes

Attachment:

- A. Property Tax Exemption Application

APPLICATION

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

(For Office Use Only)

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

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Section A – Applicant Information

Corporate Name: Rain Garden LP c/o Caritas Community Housing Corporation

Address: 2740 SE Powell Blvd.

Portland, OR 97202

Telephone: <u>503-688-2502</u>	_____
Business	Residence (Optional)

Email Address: Nthornton@catholiccharitiesoregon.org

Chief Executive Officer: Travis Phillips

Contact Person: Natalie Thornton Telephone: 503-688-2640

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 LP

Property Address: 29197 SW Orleans Ave., Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 31W15DB07500

(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.

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? _____
2. Provide greater services to your very low income residential tenants? Yes _____ No.
3. If yes, in what way(s)? By reducing costs to allow us to continue to partner with organizations such as Cascadia Behavioral Health to provide residents with services.
4. Provide any other benefit to your very low-income residential tenants? Yes _____ No.
If yes, please explain: Preserves financial stability, and therefore longevity, of the project.

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.

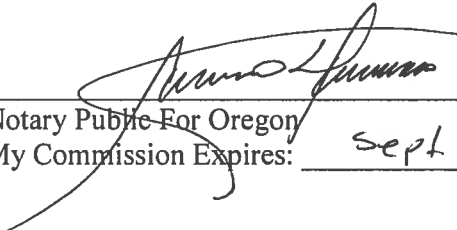
1. I have attached to this application the IRS declaration of the status of application as a tax exempt corporation under 26 U.S.C. Section 501(c)(3) or (4).
2. I am aware that the income qualifying tenants must meet the income guidelines in accordance with 42 U.S.C. Section 1437 (a)(b)(2) as amended. 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.

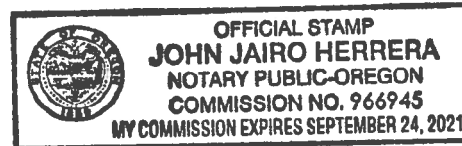
By: 
Agency Chief Executive Officer (Signature)

Travis Phillips
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 30th day of January, 2019.


Notary Public For Oregon
My Commission Expires: sept 24, 2021



Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: June 2, 2017

Person to Contact:

R. Meyer ID# 0110429

Toll Free Telephone Number:

877-829-5500

United States Conference of Catholic
Bishops
3211 4th Street, NE
Washington, DC 20017-1194

Group Exemption Number:

0928

Dear Sir/Madam:

This responds to your June 2, 2017, request for information regarding the status of your group tax exemption.

Our records indicate that you were issued a determination letter in March 1946, that you are currently exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, and are not a private foundation within the meaning of section 509(a) of the Code because you are described in sections 509(a)(1) and 170(b)(1)(A)(i).

With your request, you provided a copy of the *Official Catholic Directory for 2017*, which includes the names and addresses of the agencies and instrumentalities and the educational, charitable, and religious institutions operated by the Roman Catholic Church in the United States, its territories, and possessions that are subordinate organizations under your group tax exemption. Your request indicated that each subordinate organization is a non-profit organization, that no part of the net earnings thereof inures to the benefit of any individual, and that no substantial part of their activities is for promotion of legislation. You have further represented that none of your subordinate organizations is a private foundation under section 509(a), although all subordinates do not all share the same sub-classification under section 509(a). Based on your representations, the subordinate organizations in the *Official Catholic Directory for 2017* are recognized as exempt under section 501(c)(3) of the Code under GEN 0928.

Donors may deduct contributions to you and your subordinate organizations as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to them or for their use are deductible for federal estate and gifts tax purposes if they meet the applicable provisions of section 2055, 2106, and 2522 of the Code.

Subordinate organizations under a group exemption do not receive individual exemption letters. Most subordinate organizations are not separately listed in Publication 78 or the EO Business Master File. Donors may verify that a subordinate organization is included

in your group exemption by consulting the *Official Catholic Directory*, the official subordinate listing approved by you, or by contacting you directly. IRS does not verify the inclusion of subordinate organizations under your group exemption. See IRS Publication 4573, *Group Exemption*, for additional information about group exemptions.

Each subordinate organization covered in a group exemption should have its own EIN. Each subordinate organization must use its own EIN, not the EIN of the central organization, in all filings with IRS.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

A handwritten signature in cursive script that reads "Stephen A. Martin".

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements