

City of Wilsonville

City Council Meeting

March 2, 2020



AGENDA

**WILSONVILLE CITY COUNCIL MEETING
MARCH 2, 2020
7:00 P.M.**

**CITY HALL
29799 SW TOWN CENTER LOOP EAST
WILSONVILLE, OREGON**

Mayor Tim Knapp

Council President Kristin Akervall
Councilor Charlotte Lehan

Councilor Joann Linville
Councilor Ben West

CITY COUNCIL MISSION STATEMENT

To protect and enhance Wilsonville's livability by providing quality service to ensure a safe, attractive, economically vital community while preserving our natural environment and heritage.

Executive Session is held in the Willamette River Room, City Hall, 2nd Floor

- 5:00 P.M. EXECUTIVE SESSION** [25 min.]
A. Pursuant to: ORS 192.660 (2)(e) Real Property Transactions
ORS 192.660(2)(h) Legal Counsel / Litigation
- 5:25 P.M. REVIEW OF AGENDA AND ITEMS ON CONSENT** [5 min.]
- 5:30 P.M. COUNCILORS' CONCERNS** [5 min.]
- 5:35 P.M. PRE-COUNCIL WORK SESSION**
- A. Residential Code Modernization Packet [20 min.]
B. Equitable Housing Strategic Plan [30 min.]
- 6:25 P.M. ADJOURN**
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CITY COUNCIL MEETING

The following is a summary of the legislative and other matters to come before the Wilsonville City Council a regular session to be held, Monday, March 2, 2020 at City Hall. Legislative matters must have been filed in the office of the City Recorder by 10 a.m. on February 18, 2020. Remonstrances and other documents pertaining to any matters listed in said summary filed at or prior to the time of the meeting may be considered there with except where a time limit for filing has been fixed.

7:00 P.M. CALL TO ORDER

- A. Roll Call
- B. Pledge of Allegiance
- C. Motion to approve the following order of the agenda and to remove items from the consent agenda.

7:15 P.M. MAYOR'S BUSINESS

- A. State of the City Address
Break for refreshments.
- B. League of Women Voters Month Proclamation
- C. Appointment of Rohit Sharma to the Tourism Promotion Committee

8:15 P.M. COMMUNICATIONS

- A. None.

8:15 P.M. CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS

This is an opportunity for visitors to address the City Council on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

8:20 P.M. COUNCILOR COMMENTS, LIAISON REPORTS AND MEETING ANNOUNCEMENTS

- A. Council President Akervall
- B. Councilor Lehan
- C. Councilor West
- D. Councilor Linville

8:30 P.M. CONSENT AGENDA

- A. **Resolution No. 2793**
A Resolution Granting An Exemption From Property Taxes Under ORS 307.540 To ORS 307.548 For Autumn Park Apartments, A Low-Income Apartment Development Owned And Operated By Northwest Housing Alternatives, Inc.
- A. **Resolution No. 2794**
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.
- B. **Resolution No. 2795**
A Resolution Granting An Exemption From Property Taxes Under ORS 307.540 To ORS 307.548 For Creekside Woods LP, A Low-Income Apartment Development Owned And Operated By Northwest Housing Alternatives, Inc.

C. Resolution No. 2796

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.

D. Resolution No. 2797

A Resolution Granting An Exemption From Property Taxes Under ORS 307.540 To ORS 307.548 For Wiedemann Park, A Low-Income Apartment Development Owned And Operated By Accessible Living, Inc.

8:40 P.M. NEW BUSINESS

A. None.

8:40 P.M. CONTINUING BUSINESS

A. None.

8:40 P.M. PUBLIC HEARING

A. None.

8:40 P.M. CITY MANAGER'S BUSINESS

8:45 P.M. LEGAL BUSINESS

8:50 P.M. ADJOURN

Time frames for agenda items are not time certain (i.e. Agenda items may be considered earlier than indicated.) Assistive Listening Devices (ALD) are available for persons with impaired hearing and can be scheduled for this meeting if required at least 48 hours prior to the meeting. The city will also endeavor to provide the following services, without cost, if requested at least 48 hours prior to the meeting: Qualified sign language interpreters for persons with speech or hearing impairments. Qualified bilingual interpreters. To obtain services, please contact the City Recorder, (503) 570-1506 or cityrecorder@ci.wilsonville.or.us.



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: March 2, 2020		Subject: Residential Code Modernization Project	
		Staff Member: Daniel Pauly, Planning Manager	
		Department: Community Development	
Action Required		Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable	
		Comments: N/A	
Staff Recommendation: Review and provide feedback on Planning Commission and staff's recommendation to make certain residential zoning standards more clear, consistent, and usable.			
Recommended Language for Motion: N/A			
Project / Issue Relates To:			
<input checked="" type="checkbox"/> Council Goals/Priorities: Organizational Excellence and Continuous Improvement; Thoughtful, Inclusive Built Environment	<input type="checkbox"/> Adopted Master Plan(s):	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE CITY COUNCIL:

Review proposed Comprehensive Plan text and Development Code amendments regarding the Planned Development Residential (PDR) Zones to improve clarity, consistency, and usability. Provide feedback on the proposed amendments prior to Planning Commission finalizing its recommendation to Council.

EXECUTIVE SUMMARY:

Most of the City of Wilsonville's residential development, outside of Villebois and Frog Pond, is zoned PDR. The City adopted most of the current PDR development standards in 2000. The City subsequently adopted changes to Open Space standards in 2005 and changes to Accessory Dwelling Units standards in 2010 and 2019. Application of the various standards over the years have brought forward a number of areas needing improvement. A primary area needing improvement is clarifying/defining how density is calculated. Another issue is conflicts can arise between different standards that take up or consume land such as minimum lot size, minimum density, required amount of open space, street improvement standards, and stormwater facility requirements.

Other areas needing improvement include the City's tiered approach to calculating open space, which is difficult to use for smaller projects and in ensuring quality design of open spaces. The recommended Comprehensive Plan and Development Code text amendments are intended to provide clarifications, resolve inconsistencies, and not inhibit reasonable development.

After substantial research, staff prepared draft recommendations for Comprehensive Plan and Development Code text amendments to address the identified areas for improvement and worked to refine them with the Planning Commission over five work sessions. The previous experience of most Planning Commissioners on the Development Review Board, reviewing development under current standards, was invaluable. Staff also sought to inform and gather input from targeted interested parties and the public at large utilizing an online survey on Let's Talk, Wilsonville!. Staff now seeks to brief the Council and gather feedback on the recommended package of updates prior to Planning Commission holding a public hearing and making a formal recommendation to Council.

A number of guiding concepts for the project informed the development of the recommendations, including:

- No proposed changes to allowed uses
- No proposed changes to existing Comprehensive Plan Map Designations or Zone Map Designations
- Better coordinate minimum and typical lot sizes with Comprehensive Plan/Zoning density ranges
- The Comprehensive Plan density range will remain the policy guidance for allowed density / number of units
- Allow predictable flexibility rather than uncertainty associated with the current waiver process
- Mirror the Residential Neighborhood (RN) Zone as applicable (see discussion below).
- Emphasize quality over quantity for open space

The proposed updates are most applicable to about 63 acres of unbuilt and underbuilt land within the City limits currently located within one of the seven PDR Zones or likely to be in one of these zones in the future. The proposed updates may also apply to land added to the City in the future if the land is assigned a PDR Zone. The proposed updates will not apply to the Frog Pond residential area (Residential Neighborhood Zone) or Villebois residential areas (Village Zone) as these areas are not in PDR Zones. The proposed updates also do not apply to existing neighborhoods planned

and built under existing standards, including those within PDR Zones. Previously City-approved plans will continue to control what can be built in these neighborhoods unless a neighborhood is redesigned and rebuilt on a large scale. While the amount of land the recommended Code amendments impact are limited, it is critical this limited amount of land is planned and developed efficiently and with quality design.

The overall approach of modernizing the code is to mirror those of the recently adopted Residential Neighborhood (RN) Zone. The City adopted the Residential Neighborhood Zone and associated code for the Frog Pond area in 2017 after extensive community conversation and research. The Residential Neighborhood Zone combined the best standards of the City's then existing residential zones with best practices from other cities and the planning profession in general. The standards for the Residential Neighborhood Zone are Wilsonville's most modern residential zone standards and thus provide an excellent source for updating code in other zones in Wilsonville.

Below is a brief explanation of each recommended text amendment including an explanation of the issue/reason for the update and the recommended text amendments. The recommendations are grouped into two main topic areas: (1) density calculations/lot size and (2) open space standards. Attachment 1 offers additional detailed explanation of each recommended text amendment and Attachment 2 includes the recommended text amendments

Topic Area 1: Density Calculations/Lot Size

1.1 Comprehensive Plan Map/Text Inconsistency

Currently, for one of the ranges of allowed density, the Comprehensive Plan Text refers to 18-20 dwelling units per acre while the Comprehensive Plan Map refers to 16-20 dwelling units per acre, creating an inconsistency between two numbers that should match. Fixing the inconsistency by changing the text to match the map will improve clarity of the standards.

1.2 Correlation of Comprehensive Plan and Zoning Standards for Density

The Comprehensive Plan text includes discussion of the correlation between the density ranges on the Comprehensive Plan Map with the City's seven Planned Development Residential (PDR) Zones. This Comprehensive Plan text conflicts with a table in the Development Code intended to provide the same information. Removing the conflicting text in the Comprehensive Plan and letting an updated Development Code table show the density range-zoning correlation will ensure an important standard controlling the number of homes in neighborhoods is clear to all parties involved.

1.3 Calculating Density

Current Zonings Standards are not clear whether density is calculated based on the entire area of a property (gross area) or based on the area of a property on which buildings and other private improvements can be built (net area). Clarifying a density calculation is based on gross area of a residential master plan minus areas in the City's Significant Resource Overlay Zone and/or within Bonneville Power Administration power line transmission easements (Buildable Gross Area) is consistent with the approach specifically outlined in the Residential Neighborhood Zone. This provides additional clarity for determining density.

Also, currently certain Development Code standards do not correlate with Comprehensive Plan density requirements. This includes Average Lot Size, Minimum Density at Buildout, and Examples of Typically Permitted Development. Removing these standards and examples will prevent conflicting language and improve clarity.

1.4 Conflicting Land Consuming Zoning Standards

Currently, meeting all standards that take up or consume land can be mathematically impossible. These standards include minimum density, minimum lot size, minimum amount of open space, the requirements for streets, and standards for stormwater treatment areas. These conflicts of land-consuming requirements create a lack of clarity and uncertainty for applicants, as they may have to request a waiver of one standard in order to meet another. One recommended step, to provide more clarity and prevent conflicts, is to reduce minimum lot size in some zones. This enables existing minimum density standards to be met along with other land consuming zoning standards. A second recommended step, to reduce uncertainty, is to establish a clearly defined and certain adjustment process when the math still does not work.

1.5 Accessory Building Lot Coverage

The current standards for additional lot coverage for accessory buildings only applies to buildings like sheds and not Accessory Dwelling Units. The recommended amendments update the lot coverage standards to be consistent with the Residential Neighborhood Zone allowing bonus lot coverage to apply to any detached accessory building whether an accessory dwelling unit, shed, etc. Updating these standards will clarify and make consistent the type of accessory uses that can benefit from bonus lot coverage allowances and make the flexibility to add accessory structures consistent across different zones.

1.6 Lot Related Zoning Standards

Reformatting lot related zoning standards now listed as text in seven different zoning standard subsections into a single table provides additional usability and consistency with how the information is presented for other zones, including the Village and Residential Neighborhood zones.

Topic Area 2: Open Space Standards

2.1 How Much Private Yard to Count as Required Open Space?

The current prohibition on counting private yards as a portion of required open space has created conflict between the amount of land needed to meet open space standards and other standards that take up land (i.e. density, lot size). Mirroring the Residential Neighborhood zone and allowing a small percentage of the yard space provided by single-family lots over 6,000 square feet to count toward the required open space, will help minimize conflicts with other standards and provide consistency across different zones.

2.2 Calculating Usable Open Space

The City currently uses a tiered approach that includes requiring ¼-acre of usable open space outside the Significant Resource Overlay Zone (SROZ) for any subdivision with 50 or less lots. These standards have been difficult to meet for smaller subdivisions (e.g. 5-10 lots), especially those with a large percentage of SROZ, and often conflict with other land consuming requirements.

The proposed change moves from the current tiered approach to a percentage approach, which holds the amount of open space proportional to the size of the subdivision and provides consistency across zones.

2.3 Ensuring Usable Open Space is Usable

Over the years of requiring open space in neighborhoods, a number of situations have arisen where very small, odd shaped, or under-utilized open spaces become a liability for homeowner's associations without providing the value a better-designed open space could provide. Establishing a minimum size for individual open space tracts and requiring experienced professional design will help ensure efficient use of the limited amount of land, and provide quality, usable park areas.

EXPECTED RESULTS:

Feedback on drafted amendments to the Comprehensive Plan and Development Code text.

TIMELINE:

A public hearing is scheduled for the Planning Commission in March to recommend adoption of a final set of Comprehensive Plan text and Development Code text amendments to City Council.

CURRENT YEAR BUDGET IMPACTS:

This project is using funded internal staff resources.

FINANCIAL REVIEW / COMMENT:

Reviewed by: CAR Date: 2/11/2020

LEGAL REVIEW / COMMENT:

Reviewed by: ARGH Date: 2/12/2020

COMMUNITY INVOLVEMENT PROCESS:

Staff developed a survey discussing the various aspects of the proposed changes and posted it on Let's Talk, Wilsonville!. Staff sent an invitation to participate as well as a link to the survey to a list of identified stakeholders. The list included developers, builders, real estate brokers, planners, architects, and engineers. The City will also advertise the public hearing to about 3,800 property owners and interested parties.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

Clearer standards and better design of residential neighborhoods and open spaces.

ALTERNATIVES:

Recommend modifications to the proposed amendments or not pursuing the proposed code amendments.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1: Explanation of Recommended Comprehensive Plan and Development Code Amendments

2: Recommended Comprehensive Plan and Development Code Amendments

- Comprehensive Plan
- PDR Zone Standards
- Open Space Standards
- Definitions

ADDITIONAL EXPLANATION OF RECOMMENDED COMPREHENSIVE PLAN AND DEVELOPMENT CODE AMENDMENTS

Topic Area 1: Density Calculations/Lot Size

1.1 Comprehensive Plan Map/Text Inconsistency

Explanation of Issue/Reason for Update:

- The City's Comprehensive Plan establishes a range of allowed density for all residential land in the City. These ranges of allowed density vary from 0-1 dwelling units per acre to 18-20 dwelling units per acre.
- The Comprehensive Plan has two components that establish the range of allowed density:
 - (1) a map prescribing land uses, and density for residential land, for all land in the City (Comprehensive Plan Map) and
 - (2) a text description of all the land uses, policies, and steps to make them happen (Comprehensive Plan Text).
- Currently, for one of the ranges of allowed density, the Comprehensive Plan Text refers to 18-20 dwelling units per acre while the Comprehensive Plan Map refers to 16-20 dwelling units per acre creating an inconsistency between two numbers that should match. Fixing the inconsistency will improve clarity of the standards.

Recommended Text Amendments:

- Correct the Comprehensive Plan Text to match the 16-20 dwelling units per acre on the Comprehensive Plan Map. Other language in the Comprehensive Plan states the minimum number of dwelling units per acre is 80% of the maximum, which in this case would be 16, as it is 80% of 20.

1.2 Correlation of Comprehensive Plan and Zoning Standards for Density

Explanation of Issue/Reason for Updates:

- Both the Comprehensive Plan and the Zoning Standards address density and how this correlates to various zones located throughout the City. The Comprehensive Plan text includes discussion of the correlation between the density ranges on the Comprehensive Plan Map with the City's seven Planned Development Residential (PDR) zones, which are differentiated from one another by allowed density. The Zoning Standards text includes a table intended to provide the same density correlation information. However, the correlations established in the text of the Comprehensive Plan and in the table in the Zoning Standards are not consistent creating a conflict and creating a lack of clarity for development applications. Removing the conflict will ensure an important standard controlling the number of homes in neighborhoods is clear to all parties involved.

Recommended Text Amendments:

- Remove the residential zone references in the Comprehensive Plan; and

- Update the table in the Zoning Standards listing the correlation between the Comprehensive Plan density ranges and the seven Planned Development Residential (PDR) zones. The updated table reflects the correlation between density range in the Comprehensive Plan and the PDR zones in a manner consistent with how it has been interpreted by the City in land use approvals over the past number of years.

1.3 Calculating Density

Explanation of Issues/Reason for Updates:

- Current Zoning Standards are not clear whether density is calculated based on the entire area of a property (gross area) or based on the area of a property on which buildings and other private improvements can be built (net area).
- Density required by the Comprehensive Plan does not consistently correlate with certain current Zoning Standards, which are intended to implement the Comprehensive Plan. The Zoning Standards this pertains to include Average Lot Size and Minimum Density at Buildout requirements. Also, certain Zoning Standards text provides examples of typical development that does not consistently correlate with the Comprehensive Plan density requirements.
- Updated standards will provide additional clarity for how to find out how many housing units can be built on a given amount of land as well as ensure standards do not conflict and can be met under typical circumstances.

Recommended Text Amendments:

- Clarify density calculation is based on gross area of a residential master plan minus areas in the City's Significant Resource Overlay Zone and/or within Bonneville Power Administration power line transmission easements (Buildable Gross Area). This is consistent with the approach in the Residential Neighborhood Zone.
- Remove potentially conflicting Zoning Standards including Average Lot Size, Minimum Density at Buildout, and Examples of Typically Permitted Development. A new table will reflect Zoning Standards for minimum and maximum density.

1.4 Conflicting Land Consuming Zoning Standards

Explanation of Issue/Reason for Updates:

- It is sometimes mathematically impossible to meet all current Zoning Standards controlling building of residential neighborhoods that take up or "consume" land (Land Consuming Zoning Standards). These standards include minimum density, minimum lot size, minimum amount of open space, the requirements for streets, and standards for stormwater treatment areas. The difficulty particularly exists when trying to design how housing and other components are placed in small projects of less than five acres. Updating these standards will provide more clarity and certainty of what can be built in a new neighborhood. In addition, it will ensure standards can be met under typical circumstances and are more easily applied to smaller-scale residential projects.

Recommended Text Amendments:

- Reduce minimum lot size required for certain zones to enable existing minimum density standards to be met along with other land consuming zoning standards in typical circumstances.
- Establish a clearly defined, and certain, adjustment process when the math does not work to meet all land consuming zoning standards, rather than rely on the current less defined and uncertain waiver process. Under the adjustment process, 20% of the lots can be reduced in size by 20%, as necessary, to ensure density standards are met. Once lot reduction is maximized, required minimum open space area may be reduced to ensure density standards are met.

1.5 Accessory Building Lot CoverageExplanation of Issue/Reason for Updates:

- A common Zoning Standard controlling building on each property or lot is the maximum amount of the lot that can be covered by buildings (lot coverage). Lot coverage is expressed as a percentage of the total lot area. Zoning standards often provide one lot coverage for the primary house and bonus lot coverage for accessory buildings. The current standards for additional lot coverage for accessory buildings only applies to non-dwelling accessory buildings (i.e. sheds etc.) and not secondary or accessory housing units (accessory dwelling units or ADUs) that are now allowed in all residential zones following changes to state law over the last few years. Updating these standards will clarify and make consistent the type of accessory uses that can benefit from bonus lot coverage allowances and make the flexibility to add accessory structures consistent across different zones. Builders often build homes to the maximum lot coverage, so not having a bonus lot coverage for accessory buildings acts as a de facto prohibition on accessory buildings.

Recommended Text Amendments:

- Update the lot coverage standards to be consistent with the Residential Neighborhood Zone allowing bonus lot coverage to apply to any detached accessory building whether an accessory dwelling unit, shed, etc.
- For zones with lot coverage standards from 40-50% for primary house add a 10% bonus for accessory buildings consistent with what is allowed in the Residential Neighborhood Zone.

1.6 Update, As Necessary, Lot Related Zoning StandardsExplanation of Issue/Reason for Updates:

- Ensure zoning standards controlling the dimensions of properties or lots, and how buildings are placed on individual properties or lots, correlate with updated minimum lot sizes proposed under item 1.4 and present the standards in a concise and readable manner. These standards include setbacks, maximum lot coverage, and minimum lot width and depth.

Recommended Text Amendments:

- Reformat lot related zoning standards now listed as text in seven different zoning standards subsections into a single table; and
- No updates to lot-related zoning standards besides minimum lot size as discussed in item 1.4 and additional lot coverage for accessory buildings discussed in item 1.5 above.

Topic Area 2 Open Space Standards**2.1 What to Count as Open Space?**Explanation of Issue/Reason for Updates:

- The City has a history of trying to balance how much of private yards in single-family neighborhoods to count towards the amount of open space required in a neighborhood. Prior to 2005, the City allowed most required open space to be met by yards, but in 2005 the standards were updated to not allow any private yard area on single-family lots to be counted as required open space. On occasion, the prohibition on yards has created conflict between the amount of land needed to meet open space standards and other standards that take up land (i.e. density, lot size).
- Updates will set clear and certain standards for what can be counted as open space, which will allow standards to be met under most circumstances.

Recommended Text Amendments:

- Base the approach to the amount of private yards that can be counted as open space after the Residential Neighborhood Zone, which is for private single-family lots 6,000 square feet or larger, up to 10% of the lot area can be counted as open space; and
- All other existing areas that can be counted toward the open space requirement remain the same.

2.2 Calculating Usable Open SpaceExplanation of Issues/Reason for Updates:

- The City currently uses a tiered approach to determine how much open space (park and natural area) is required in a neighborhood. These current tiered standards require ¼-acre of open space for any subdivision with 50 or less lots. Even if there is ¼-acre of open space in preserved natural area, another ¼-acre has to be designed for active use. These standards have been difficult to meet for smaller subdivisions (e.g. 5-10 lots), especially those with a large percentage of preserved natural area on site, and often conflict with other standards that take up land (i.e. density, minimum lot size).

Recommended Text Amendments:

- Move from the current tiered approach to a percentage approach for calculating the required amount of open space, similar to the methodology for the Residential Neighborhood Zone; and

- Clearly define the amount of the open space (50%) that must be designed for active use outside the protected natural areas (the City’s Significant Resource Overlay Zone or SROZ).

2.3 Ensuring Usable Open Space is Usable

Explanation of Issue/Reason for Updates:

- Over the years of requiring open space (parks and natural areas) in neighborhoods, a number of situations have arisen where very small, odd shaped, or under-utilized open spaces become a liability for homeowners associations without providing the value a better-designed open space could provide. Updating the standards will ensure efficient use of the limited amount of land, better preserve high-quality wildlife habitat areas, and provide quality, usable park areas.

Recommended Text Amendments:

- Establish a minimum size for individual open space tracts or areas:
 - 2,000 square feet for most developments, and
 - 1,000 square feet for subdivisions of 10 lots or less.
- Require “usable” open space be designed by an appropriately credentialed and experienced landscape architect with focus on maximizing use for a variety of users with varying abilities.
- Establish standards to ensure when open space is designed as new wildlife habitat it connects to existing wildlife habitat to the extent possible.

Comprehensive Plan Text Amendments

Additionally, the City is required to periodically review its public facility capacities and plans to assure that planned public facilities can be provided to accommodate the calculated capacity within the planning period.

The City is required to calculate the increases in dwelling unit and job capacities by the year 2017 from any proposed changes to the current Comprehensive Plan and Development Code that must be adopted and add the increases to the calculation of expected capacities.

The City is required to determine the effect of each of the following on calculated capacities, and include any resulting increase or decrease in calculated capacities:

1. Required dedications for public streets, consistent with Metro's Regional Accessibility requirements;
2. Off-street parking requirements, consistent with the Metro Urban Growth Management Functional Plan;
3. Landscaping, setback, and maximum lot coverage requirements;
4. The effects of tree preservation ordinances, environmental protection ordinances, view preservation ordinances, solar access ordinances, or any other regulations that may have the effect of reducing the capacity of the land to develop at the zoned density;
5. The effects of areas dedicated to bio-swales, storm water retention, open space dedications, and other requirements of local codes that may reduce the capacity of the land to develop at the planned density.

If any of the calculated capacities are determined to be less than the City's target dwelling unit and job capacities specified by Metro, either jurisdiction-wide or in mixed-use areas, or both, then the City is required to increase calculated capacities, as needed, to comply with the calculated capacities of Metro's Urban Growth Management Functional Plan. The City is required to achieve the target capacities for both dwelling units and jobs.

As stated above, housing is a basic human need. Therefore, residential development is considered a primary element of this Plan. A priority is given to satisfying the housing Goal. In so doing, however, it is not the intent of this section to ignore other sections of the Plan. Rather, the intent is to balance conformance to other provisions of the Plan so as to best satisfy housing needs within the City. To complete the framework for evaluating residential development, the following Implementation Measures have been established.

Policy 4.1.4 The City of Wilsonville shall provide opportunities for a wide range of housing types, sizes, and densities at prices and rent levels to accommodate people who are employed in Wilsonville.

Implementation Measure 4.1.4.a The City shall encourage that at least an area of land equal to that now utilized for existing mobile home parks within the City, shall be identified within

the City for development of replacement mobile or manufactured parks or subdivisions prior to redevelopment of the existing parcels for other uses. Preservation of existing parks will be encouraged where consistent with other provisions of this Plan.

Implementation Measure 4.1.4.b Plan for and permit a variety of housing types consistent with the objectives and policies set forth under this section of the Comprehensive Plan, while maintaining a reasonable balance between the economics of building and the cost of supplying public services. It is the City's desire to provide a variety of housing types needed to meet a wide range of personal preferences and income levels. The City also recognizes the fact that adequate public facilities and services must be available in order to build and maintain a decent, safe, and healthful living environment.

Implementation Measure 4.1.4.c Establish residential areas that are safe, convenient, healthful, and attractive places to live while encouraging variety through the use of planned developments and clusters and legislative Master Plans.

Implementation Measure 4.1.4.d Encourage the construction and development of diverse housing types, but maintain a general balance according to housing type and geographic distribution, both presently and in the future. Such housing types may include, but shall not be limited to: Apartments, single-family detached, single-family common wall, manufactured homes, mobile homes, modular homes, and condominiums in various structural forms.

Implementation Measure 4.1.4.e Targets are to be set in order to meet the City's Goals for housing and assure compliance with State and regional standards.

Implementation Measure 4.1.4.f Accommodate the housing needs of the existing residents of the City of Wilsonville. The future status of existing mobile home dwellers within the City is a particular concern in establishing this Measure.

Implementation Measure 4.1.4.g Coordinate housing development with the social and economic needs of the community.

Implementation Measure 4.1.4.h Require new housing developments to pay an equitable share of the cost of required capital improvements for public services.

Implementation Measure 4.1.4.i Restrict the number of housing starts to the capacities of public facilities and services.

Implementation Measure 4.1.4.j The City shall have a diverse range of housing types available within its City limits.

Implementation Measure 4.1.4.k The City shall adopt specific goals for low and moderate cost housing to ensure that sufficient and affordable housing is available to households of all income levels that live or have a member working within the City of Wilsonville.

Implementation Measure 4.1.4.l The City shall work to improve the balance of jobs and housing within its jurisdictional boundaries.

Implementation Measure 4.1.4.m The City will consider the use of the following tools identified by Metro to improve availability of sufficient housing affordable to households of all income levels and manufactured housing to assure a diverse range of available housing types.

1. Donation of buildable tax-foreclosed properties to nonprofit organizations or governments for development as mixed-market affordable housing.
2. Development of permitting process incentives for housing being developed to serve people at or below 80% of area median income.
3. Provision of fee waivers and property tax exemptions for projects developed by nonprofit organizations or governments serving people at or below 60% of area median income.
4. Creation of a land-banking program to enhance the availability of appropriate sites for permanently affordable housing.
5. Adoption of replacement ordinances that would require developers of high-income housing, commercial, industrial, recreational or government projects to replace any affordable housing destroyed by these projects.
6. Creation of linkage programs that require developers of job-producing development, particularly that which receives tax incentives, to contribute to an affordable housing fund.
7. Committing locally controlled funds, such as Community Development Block Grants, Strategic Investment Program tax abatement funds, or general fund dollars, to the development of permanently affordable housing for people at or below 60% of area median income.
8. Within the limits set by State law, consider inclusionary zoning requirements, particularly in tax incentive programs, for new development in transit zones and other areas where public investment has contributed to the value and developability of land.

Implementation Measure 4.1.4.n Amend the Development Code to permit manufactured homes configured as duplexes, triplexes, fourplexes, etc. outside manufactured dwelling parks, consistent with zoning densities.

Implementation Measure 4.1.4.o The City will encourage the development of housing of various types and densities. Guided by the urbanization, public facilities, and economic elements, the City will, however, manage residential growth to ensure adequate provision of public facilities and that proposed housing satisfies local need and desires, i.e., type, price and rent levels.

Implementation Measure 4.1.4.p In an effort to balance residential growth with the City's employment base, the City shall encourage the development of housing to meet the needs of the employees working in the City.

Implementation Measure 4.1.4.q The City will continue to allow for mobile homes and manufactured dwellings, subject to development review processes that are similar to those used for other forms of housing. Individual units will continue to be allowed on individual lots, subject to design standards. Mobile home parks and subdivisions shall be subject to the same procedures as other forms of planned developments.

Implementation Measure 4.1.4.r All development, except as indicated in the lowest density districts, will coincide with the provision of adequate streets, water, and sanitary sewerage and storm drainage facilities, as specified in the Public Facilities and Services Section of the Plan. These facilities shall be (a) capable of adequately serving all intervening properties as well as the proposed development and (b) designed to meet City standards.

Implementation Measure 4.1.4.s Residential subdivisions, including mobile home subdivisions, shall be developed with paved streets, curbs and gutters, street lights and walkways, according to City standards. All utilities, other than storm water facilities, will be placed underground.

Implementation Measure 4.1.4.t Site plans will provide for adequate open space to (a) protect adjacent properties; and (b) provide ample yard space and play areas for residents. The residential character of established neighborhoods, particularly low density developments, shall also be protected as surrounding development occurs. Site development standards shall continue to be applied to ensure compatibility with adjacent land uses. High design standards will be established for signage and appearance, including the landscaping of setback areas and the designation of access points.

Implementation Measure 4.1.4.u To provide variety and flexibility in site design and densities, residential lands shown on the Land Use Map and legislative Master Plans of the Comprehensive Plan have been divided into districts, with different density ranges for each district. In all residential developments, other than those that are so small that it is not mathematically feasible to achieve the prescribed minimum density, the 80% minimum shall apply. The following density ranges have been prescribed for each district:

Density:	0-1 units/acre
	2-3 units/acre
	4-5 units/acre
	6-7 units/acre
	10-12 units/acre
	16 -20 units/acre

Densities may also be defined for specific areas in legislative Master Plans.

Implementation Measure 4.1.4.v Site development standards and performance criteria have been developed for determining the approval of specific densities within each district. Densities may be increased through the Planned Development process to provide for meeting special needs (e.g., low/moderate income, elderly, or handicapped). Site development standards, performance criteria, density flexibility and other standards may be established for specific areas in legislative Master Plans.

Implementation Measure 4.1.4.w These Implementation Measures shall not be administered in such a manner as to violate other provisions of this Plan.

Implementation Measure 4.1.4.x Apartments and mobile homes are to be located to produce an optimum living environment for the occupants and surrounding residential areas. Development criteria includes:

1. Buffering by means of landscaping, fencing, and distance from conflicting uses.
2. Compatibility of design, recognizing the architectural differences between apartment buildings and houses.
3. On-site recreation space as well as pedestrian and bicycle access to parks, schools, mass transit stops and convenience shopping.
4. The siting of buildings to minimize the visual effects of parking areas and to increase the availability of privacy and natural surveillance for security.

Implementation Measure 4.1.4.y Housing units shall be designed, constructed, and maintained so that the community is assured of safe, sanitary, and convenient living conditions in dwellings that are sound, energy efficient, and attractive in their appearance. Conservation of housing resources shall be encouraged through code enforcement, renovation, and rehabilitation of the existing housing stock.

Implementation Measure 4.1.4.z The City shall continue to apply a minimum density standard to all zones allowing residential use, such that all development, including subdivisions, will result in the eventual build-out of 80 percent or more of the maximum number of dwelling units per net acre permitted by the zoning designation for a given development. The minimum density requirement does not apply inside areas designated by the City as open spaces or significant resource sites. The maximum-zoned density does not include the density bonus for zones that allow them.

Implementation Measure 4.1.4.aa The City will continue to allow partitioning or subdividing where existing lot sizes are two or more times that of the minimum lot size in the Development Code, and all other applicable requirements are met.

Implementation Measure 4.1.4.bb The City allows the construction of one accessory dwelling unit with any detached or attached single family dwelling that is permitted to be built in any zone, subject to standards in the Land Development Code or density and size standards in Neighborhood Plans, Stage II Development Plans or Final Development Plans. Regulations of such units include size, architectural design to match the primary unit on the site, and parking requirements. [Amended by Ord. 676, 3/3/10]

Implementation Measure 4.1.4.cc In order to encourage originality, flexibility, and innovation in land development, and minimize monotonous standardized subdivisions, all subdivisions over two acres in size require Planned Development review (P.D.R.). Multi-plexes and single-family attached units may also be approved as part of a planned development.

Implementation Measure 4.1.4.dd Continue the development of a renewal program to update/upgrade the "Old Town" area of Wilsonville.

RESIDENTIAL PLANNING DISTRICTS SHOWN ON THE LAND USE MAP OF THE COMPREHENSIVE PLAN

Density (0-1 du/ac)

The purpose of this district is to provide for very low density housing areas to satisfy individuals desiring to own a large lot within an urban setting. This district recognizes and protects existing and future large-lot developments within the City. ~~This density would generally fall under the PDR-1 zoning district category as outlined in the Development Code.~~

The following areas should be designated and developed at this density:

1. Areas which are currently developed at suburban densities and where little need exists for redevelopment.
2. Areas where transportation is limited to minor collector and local streets, and where high volume traffic would create safety problems.
3. Areas where sensitivity to the natural environment or natural hazards warrant a reduced density.

Density (2-3-or 4-5 du/ac)

The purpose of ~~this~~ these districts ~~is~~ are to provide for low density residential areas. ~~The 2-3 du/acre density would generally fall under the PDR-2 zoning district category as outlined in the Development Code. The 4-5 du/acre density would generally fall under the PDR-2 and PDR-3 (or other categories that could work out to this level of density) zoning district category as outlined in the Development Code.~~

The following areas should be designated and developed at this density:

1. Areas with access to a minor arterial, collector, or local streets. However, direct vehicular access from individual lots onto a minor arterial will be restricted.
2. Undeveloped areas adjacent to existing lower density developments, or near the fringe of the Urban Growth Boundary.
3. Areas where sensitivity to the natural environment or natural hazards warrant a reduced density.

Density (6-7 or 10-12 du/ac)

The purpose of ~~this~~these districts ~~is~~are to ensure an efficient use of urban land by providing for the development of medium density housing areas. ~~This density would generally fall under the PDR 3 and PDR 4 (or other categories that could work out to this level of density) zoning districts category as outlined in the Development Code.~~

The following areas should be designated and developed as urban medium density:

1. Areas with access to a major or minor arterial or collector street. Siting should not, however, result in significant traffic impacts through lower density residential areas.
2. Areas located near or adjacent to commercial areas, employment centers and/or mass transit routes.
3. Areas adjacent to urban lower density developments or planning districts.

Permitted uses in this district typically include single family dwellings, whether detached or attached, accessory dwelling units, multi-family dwellings, including duplexes and tri-plexes, and mobile home parks or subdivisions, multi-family developments, including duplexes and multi-plexes and mobile home parks or subdivisions, will be subject to Development Review approval.

Neighborhood or convenience commercial uses may be permitted as part of a Planned Development but should be integrated into the design of the surrounding residential development, i.e., first floor of multi-story structure or similar design as residential units. Such commercial developments shall be limited to locations where there is clearly demonstrated local need. All such uses shall be subject to Development Review approval.

Density (~~18~~16-20-du/ac)

The purpose of this district is to provide for efficient use of land near the major commercial or employment centers by providing for high-density residential development. It is a further purpose of this district to encourage mixed uses in commercial areas. ~~This density would generally fall under the PDR 6 and PDR 7 (or other categories that could work out to this level of density) zoning district categories as outlined in the Development Code.~~

The following areas may be designated urban high-density residential:

1. Areas located on major or minor arterials and where such development will not result in significant traffic impacts through low- or medium-density residential areas.
2. Areas located within or adjacent to major shopping centers, employment centers and/or adjacent to mass transit routes.

Because of the land use intensity allowable in this district, the zoning will be restricted to a Planned Development review.

All developments will be subject to Development Review Board approval, including lot sizes, setbacks, open space, and parking requirements. Where feasible, under-structure parking will be encouraged on structures over two (2) stories in height.

Residential – Village

See the Compact Urban Development section of this Plan for the description of the Residential Village designation.

Residential – Neighborhood

See the Residential Neighborhood section of this Plan for the description of the Residential Neighborhood designation.

ENVIRONMENTAL RESOURCES AND COMMUNITY DESIGN

At a glance, most land appears to be much the same as the lands surrounding it, with the exception of obvious differences such as topography and vegetation. However, a more detailed analysis can reveal distinct differences in the land composition and physical characteristics of nearly any two adjacent parcels of land. These differences can affect the overall suitability of a particular parcel of land for various types of land use. Each piece of land has a natural land use intensity potential which results from variations in its physical features and their interrelationships with natural processes, such as:

1. Underlying geological deposits and associated characteristics.
2. Types of surface soils and associated characteristics.
3. Water, the hydrologic cycle and natural drainage.
4. Slope of the land.
5. Vegetative cover (type, size, and location).
6. Weather conditions.
7. Character of adjoining natural features and developments.

Certain combinations of these natural features and processes can create inherently hazardous or unstable conditions which have special significance to humans and their land use activities. These conditions, referred to as natural hazards, are more appropriately labeled physical or natural limitations and occur in the form of:

1. Flood plains and wetlands
2. Runoff and erosion potentials.
3. Soil instability, including landslides, settlement, shrink/swell potential and earthquakes.

In addition to natural limitations, there are also natural potentials which can provide a more desirable living environment if given proper consideration in determining land use patterns and development design. The elements which offer these potentials are:

1. Existing vegetation.

Development Code Text Amendments: Definitions

Section 4.001 Definitions.

E. Cycle Track: A cycle track is a bike lane with a physical barrier between the bike and motor vehicle travel lanes, such as a curb or parking lanes. Cycle tracks must “rejoin” the motor vehicle travel lanes at signalized intersections. Cycle tracks may require a two stage left turn for bicyclists.

F. See also: Multipurpose Pathway or Path.

[Amended by Ord. #719, 6/17/13.]

32. Block: A tract of land bounded by streets, or bounded by such features as the City limits or barriers such as bodies of water or steep slopes.
33. Block Complex: An assemblage of buildings bounded entirely by intersecting streets so as to form a single, comprehensive group.
34. Block Perimeter: The outer boundary of a block.
35. Board: The Development Review Board established pursuant to Chapter 2 of the Wilsonville Code.
36. Buffers or Buffering: Distance, landscaping, walls, berms, or other measures used to separate one land use from another, and to mitigate or minimize the adverse effects of one land use on another.
- ~~37.~~ Build-To Line: A line shown on a final plat or other development plan indicating that buildings are required to be built to it, rather than set back from it.
- ~~37-38.~~ Buildable Gross Area: The total or entire area of land after subtracting out (1) land area within the City’s Significant Resource Overlay Zone and (2) land area encumbered by a Bonneville Power Administration power line easement.
- ~~38-39.~~ Building: Any structure built for the support, shelter or enclosure of any persons, animals, chattels, or property of any kind which requires location on the ground or is attached to something having a location on the ground.
- ~~39-40.~~ Building Façade: The exterior elevation(s) of a building; usually set parallel to the front lot line, often distinguished by elaboration of architectural characteristics.
- ~~40-41.~~ Building Façade, Primary: The main exterior elevation of a building; usually associated with its primary entrance and/or street address.
- ~~41-42.~~ Building Frontage Width, Minimum: A Development Standard that controls the degree of spatial definition of public open space. Described as a percentage, the Minimum Building Frontage Width is calculated as the ratio of the length of the primary building façade(s) to its corresponding lot line length, exclusive of required setbacks.
- ~~42-43.~~ Building Line: A line that is adjacent to the front side of a main building parallel to the front lot line.
- ~~43-44.~~ Building Official. The person holding the position of Building Official of the City of Wilsonville. [Added by Ord. 649, 6/2/08]
- ~~44-45.~~ Building or Structure Height: The term 'height of building or structure' shall be deemed to mean the perpendicular distance from the average elevation of the adjoining ground to the highest point of the coping of a flat roof or to the deck line of a mansard roof or to the middle height gable between the eaves and ridge of a pitch or hip roof. If

Development Code Text Amendments: Planned Development Residential (PDR) Zone Standards

Section 4.124. Standards Applying To All Planned Development Residential Zones.

- (.01) Examples of principal uses that are typically permitted:
- A. Open Space.
 - B. Single-Family Dwelling Units.
 - C. Duplexes. [Added by Ord. #825, 10/15/18]
 - D. Multiple-Family Dwelling Units. [Amended by Ord. #825, 10/15/18]
 - E. Public parks, playgrounds, recreational and community buildings and grounds, tennis courts, and similar recreational uses, all of a non-commercial nature, provided that any principal building or public swimming pool shall be located not less than forty-five (45) feet from any other lot.
 - F. Manufactured homes, subject to the standards of Section 4.115 (Manufactured Housing).
- (.02) Permitted accessory uses to single family and detached dwelling units: [Amended by Ord. #825, 10/15/18]
- A. Accessory uses, buildings and structures customarily incidental to any of the principal permitted uses listed above, and located on the same lot.
 - B. Living quarters without kitchen facilities for persons employed on the premises or for guests. Such facilities shall not be rented or otherwise used as a separate dwelling unless approved as an accessory dwelling unit or duplex.
 - C. Accessory dwelling units, subject to the standards of Section 4.113 (.11). [Amended by Ord. #825, 10/15/18]
 - D. Home occupations.
 - E. A private garage or parking area.
 - G. Temporary real estate signs, small announcement or professional signs, and subdivision signs, as provided in the provisions of Sections 4.156.05, 4.156.07, 4.156.09, and 4.156.10. [Amended by Ord. No. 704, 6/18/12]
 - H. Temporary buildings for uses incidental to construction work, which buildings shall be removed upon completion or abandonment of the construction work.
 - I. Accessory buildings and uses shall conform to front and side yard setback requirements. If the accessory buildings and uses do not exceed 120 square feet or ten (10) feet in height, and they are detached and located behind the rear-most line of the main buildings, the side and rear yard setbacks may be reduced to three (3) feet.
 - J. Livestock and farm animals, subject to the provisions of Section 4.162.
- (.03) Permitted accessory uses for duplexes and attached multiple-family dwelling units: [Amended by Ord. #825, 10/15/18]

Section 4.124. Standards Applying To All Planned Development Residential Zones.

- A. Accessory uses, buildings, and structures customarily incidental to any of the aforesaid principal permitted uses, located on the same lot therewith.
 - B. Home occupations.
 - C. A private garage or parking area.
 - D. Temporary buildings for uses incidental to construction work, which buildings shall be removed upon completion or abandonment of the construction work.
 - E. Accessory buildings and uses shall conform to front and side yard setback requirements. If the accessory buildings and uses do not exceed 120 square feet or ten (10) feet in height, and they are detached and located behind the rear-most line of the main buildings, the side and rear yard setbacks may be reduced to three (3) feet.
 - F. Livestock and farm animals, subject to the provisions of Section 4.162.
- (.04) Uses permitted subject to Conditional Use Permit requirements:
- A. Public and semi-public buildings and/or structures essential to the physical and economic welfare of an area, such as fire stations, sub-stations and pump stations.
 - B. Public or private clubs, lodges or meeting halls. Public or private parks, playground, golf courses, driving ranges, tennis clubs, community centers and similar recreational uses.
 - C. Churches, public, private and parochial schools, public libraries and public museums.
 - D. Neighborhood Commercial Centers limited to the provisions of goods and services primarily for the convenience of and supported by local residents, and not requiring a zone change to a commercial designation:
 - 1. The site of a Neighborhood Commercial Center was proposed at the time of the original application.
 - 2. Such centers are of a scale compatible with the surrounding residential structures.
 - 3. Such centers shall be compatible with the surrounding residential uses.
 - 4. The site of a Neighborhood Commercial Center shall be at least one-quarter (1/4) mile from any other sites zoned for commercial uses.
 - 5. The site of a Neighborhood Commercial Center shall not exceed five percent (5%) of the total area or one (1) acre, whichever is less.
 - 6. The site of a Neighborhood Commercial Center shall have direct access to a street of a collector classification and shall have direct pedestrian access to the residential areas.
 - 7. The site of a Neighborhood Commercial Center shall not include more than one quadrant of an intersection and shall not result in traffic of a nature which causes a substantial adverse impact on the residential character of the planned development.

Section 4.124. Standards Applying To All Planned Development Residential Zones.

E. Commercial Recreation which is compatible with the surrounding residential uses and promotes the creation of an attractive, healthful, efficient and stable environment for living, shopping or working. All such uses except golf courses and tennis courts shall conform to the requirements of subsection “D” (Neighborhood Commercial Centers), above.

F. Home businesses. [Added by Ord. #825, 10/15/18]

(.05) Appropriate PDR ~~zone~~Zoning Designation and Maximum and Minimum Density based on Comprehensive Plan Density Range District:

<u>Comprehensive Plan Density *</u>	<u>Zoning District</u>
<u>0-1 u/acre</u>	<u>PDR-1</u>
<u>2-3 u/acre</u>	<u>PDR-2</u>
<u>4-5 u/acre</u>	<u>PDR-3</u>
<u>6-7 u/acre</u>	<u>PDR-4</u>
<u>10-12 u/acre</u>	<u>PDR-5</u>
<u>16-20 u/acre</u>	<u>PDR-6</u>
<u>20+ u/acre</u>	<u>PDR-7</u>

<u>Zoning Designation</u>	<u>Comprehensive Plan Map Density Range District*</u>	<u>Max Density per Acre</u>	<u>Min Density per Acre</u>
<u>PDR-1</u>	<u>0-1</u>	<u>1</u>	<u>0.8</u>
<u>PDR-2</u>	<u>2-3</u>	<u>3</u>	<u>2.4</u>
<u>PDR-3</u>	<u>4-5</u>	<u>5</u>	<u>4</u>
<u>PDR-4</u>	<u>6-7</u>	<u>7.5</u>	<u>6</u>
<u>PDR-5</u>	<u>10-12</u>	<u>12</u>	<u>9.6</u>
<u>PDR-6</u>	<u>16-20</u>	<u>20</u>	<u>16</u>
<u>PDR-7</u>	<u>Over 20</u>	<u>As approved by Zoning Order/Stage 1 Master Plan, at least 20</u>	<u>80% of Max Density</u>

Table 1: PDR ~~Zone~~Zoning Designation and Maximum and Minimum Density based on Comprehensive Plan Density Range District

**All dwelling unit types, except accessory dwelling units, are included for calculating density.*

[Amended by Ord. #825, 10/15/18]

(.06) Unit count limitations. Unit count limitations are calculated by multiplying the density number in Table 1 by the buildable gross area of the Stage I Master Plan area (gross area minus SROZ area and BPA Easements) and rounding down to the nearest whole number. For example, any number greater than 4 and less than 5 shall be rounded down to 4. If the Stage I Master Plan area is subject to more than one Comprehensive Plan Map Density Range District and Zoning Designation, calculations for areas of differing densities

Section 4.124. Standards Applying To All Planned Development Residential Zones.

shall be done separately and then summed together, and the final summed number rounded down to the nearest whole number.

- A. Maximum unit count at build out of Stage I Master Plan area: Gross buildable area (gross area minus SROZ and BPA Easements) multiplied by Maximum Density per Acre number in Table 1 above.
- B. Minimum unit count at build out of Stage I Master Plan area: 80% of maximum unit count described in A. above.

(.07) Lot Standards

<u>Zoning Designation</u>	<u>Minimum Lot Size (square feet)</u>	<u>Setbacks</u>	<u>Maximum Lot Coverage (percent of lot area) Largest Building/All Buildings^C</u>	<u>Minimum Lot Width at Building Line/Minimum Street Frontage of Lot^A (feet)</u>	<u>Minimum Lot Depth (feet)</u>	<u>Maximum Building Height (feet)</u>
<u>PDR-1</u>	<u>20,000</u>	<u>Per Section 4.113 (.03)</u>	<u>20/25</u>	<u>80/80</u>	<u>100</u>	<u>35</u>
<u>PDR-2</u>	<u>7,000</u>		<u>25/30 (more than 12000 and less than 20000 sf lot)</u> <u>40/50 (more than 8000 up to 12000 sf lot)</u> <u>45/55 (7000 to 8000 sf lot)</u>	<u>60/30</u>	<u>70</u>	
<u>PDR-3</u>	<u>4,500</u>		<u>50/60</u>	<u>40/40^B</u>	<u>60</u>	
<u>PDR-4</u>	<u>3,000</u>		<u>75/75</u>	<u>35/35^B</u>	<u>60</u>	
<u>PDR-5</u>	<u>2,000</u>		<u>75/75</u>	<u>30/30</u>	<u>60</u>	
<u>PDR-6</u>	<u>NA</u>		<u>75/75</u>	<u>30/30</u>	<u>60</u>	
<u>PDR-7</u>	<u>NA</u>		<u>75/75</u>	<u>30/30</u>	<u>60</u>	

A. Lot frontage may be on a public street or approved, platted private drive.

B. Lot frontage may be reduced to 24 feet when the lot fronts a cul-de-sac.

C. A building must be completely detached from the largest building to be considered a separate building for the purpose of lot coverage calculations

Table 2: Lot Standards for All PDR Zoned Lots

(.08) Adjustments to Ensure Minimum Density is Met. In development not involving Multi-Family Dwelling Units, if demonstrated by the applicant that it is not physically possible to accommodate the minimum number of units at the required minimum lot size and the minimum open space the following adjustments shall be made to the minimum extent necessary to enable minimum density to be met plus any SROZ density transfer pursuant to Subsection 4.139.11 (.02). Adjustments to minimum lot size, width, and depth shall be used to the extent allowed prior to any adjustment to minimum open space requirements.

Section 4.124. Standards Applying To All Planned Development Residential Zones.

- A. Adjustments to Minimum Lot Size, Width, Depth: Up to 20% of the lots rounded down to the nearest whole number, or a minimum of 1 for subdivisions of 4 lots, can be reduced below the minimum lot size by 20%. For example, the maximum allowed, as necessary, adjustment for a 100 lot subdivision in the PDR-5 zone would be to reduce 20 lots to as low as 4,000 square feet (20% of 5,000 square foot minimum lot size). The minimum lot width and minimum lot depth can also be adjusted by up to 20% as necessary to allow the reduction of lot size by up to 20%.
- B. Adjustment to Open Space Area: Non-SROZ open space may be reduced to the extent necessary following maximizing the allowed reduction of lot size. However, all subdivisions with 10 or more lots shall require a minimum of one individual usable, programmed open space of at least 2,000 square feet meeting the requirements of Subsection 4.113 (.01) C. 1.-2. and subdivisions with 4-10 lots shall require one individual usable open space of at least 1,000 square feet meeting the same requirements.

(.0609) Block and access standards:

1. Maximum block perimeter in new land divisions: 1,800 feet.
2. Maximum spacing between streets or private drives for local access: 530 feet, unless waived by the Development Review Board upon finding that barriers such as railroads, freeways, existing buildings, topographic variations, or designated Significant Resource Overlay Zone areas will prevent street extensions meeting this standard. [Amended by Ord. 682, 9/9/10]
3. Maximum block length without pedestrian and bicycle crossing: 330 feet, unless waived by the Development Review Board upon finding that barriers such as railroads, freeways, existing buildings, topographic variations, or designated Significant Resource Overlay Zone areas will prevent pedestrian and bicycle facility extensions meeting this standard.

[Section 4.124(.06) amended by Ordinance No. 538, 2/21/02.]

(.0710) Signs. Per the requirements of Sections 4.156.01 through 4.156.11.

[Amended by Ord. No. 704, 6/18/12]

(.0811) Parking. Per the requirements of Section 4.155.**(.0912) Corner Vision Clearance.** Per the requirements of Section 4.177.**Section 4.124.1.— PDR-1:**

~~The following standards shall apply in PDR-1 zones. It should be noted that lot size requirements do not specify the number of units that may be constructed per lot:~~

~~(.01) Average lot size: 30,000 square feet.~~

~~(.02) Minimum lot size: 25,000 square feet.~~

~~(.03) Minimum density at build out: One unit per 37,500 square feet.~~

Section 4.124. Standards Applying To All Planned Development Residential Zones.~~(.04) — Other standards:~~

- ~~A. Minimum lot width at building line: Eighty (80) feet.~~
- ~~B. Minimum street frontage of lot: Eighty (80) feet.~~
- ~~C. Minimum lot depth: One hundred (100) feet.~~
- ~~D. Setbacks: per Section 4.113(.03)~~
- ~~E. Maximum building or structure height: Thirty-five (35) feet.~~
- ~~F. Maximum lot coverage: Twenty percent (20%) for all residential dwelling units; twenty-five percent (25%) for all buildings.~~

~~(.05) — Examples of development that is typically permitted (hypothetical 10-acre site):~~

- ~~A. Ten single-family dwellings on individual lots, or~~
- ~~B. Fourteen dwelling units (any combination of multiple family or single family units).~~

[Section 4.124.1 (.05) A & B Amended by Ord. #825, 10/15/18]

Section 4.124.2. PDR-2:

The following standards shall apply in PDR-2 zones. It should be noted that lot size requirements do not specify the number of units that may be constructed per lot:

- ~~(.01) — Average lot size: _____ 16,000 square feet.~~
- ~~(.02) — Minimum lot size: _____ 12,000 square feet.~~
- ~~(.03) — Minimum density at build out: One unit per 20,000 square feet.~~
- ~~(.04) — Other Standards:~~
 - ~~A. Minimum lot width at building line: Sixty (60) feet.~~
 - ~~B. Minimum street frontage of lot: Thirty (30) feet; however, no street frontage is required when the lot fronts on an approved, platted private drive. [Amended by Ord. 682, 9/9/10]~~
 - ~~C. Minimum lot depth: Seventy (70) feet.~~
 - ~~D. Setbacks: per Section 4.113(.03).~~
 - ~~E. Maximum building or structure height: Thirty-five (35) feet.~~
 - ~~F. Maximum lot coverage: Twenty-five percent (25%) for all residential dwelling units; thirty percent (30%) for all buildings.~~
- ~~(.05) — Examples of development that is typically permitted (hypothetical 10-acre site):~~
 - ~~A. Twenty single-family dwellings (with or without accessory dwelling units) on individual lots, or~~
 - ~~B. Twenty-nine dwelling units (any combination of multiple family or single family units with or without accessory dwelling units).~~

Section 4.124. Standards Applying To All Planned Development Residential Zones.**Section 4.124.3. PDR-3:**

The following standards shall apply in PDR-3 zones. It should be noted that lot size requirements do not specify the number of units that may be constructed per lot:

- ~~(.01) Average lot size: 7,000 square feet.~~
- ~~(.02) Minimum lot size: 5,000 square feet.~~
- ~~(.03) Minimum density at build-out: One unit per 8,000 square feet.~~
- ~~(.04) Other standards:~~
 - ~~A. Minimum lot width at building line: Forty (40) feet.~~
 - ~~B. Minimum street frontage of lot: Forty (40) feet; however, street frontage may be reduced to twenty-four (24) feet when the lot fronts a cul-de-sac. No street frontage is required when the lot fronts on an approved, platted private drive. [Amended by Ord. 682, 9/9/10]~~
 - ~~C. Minimum lot depth: Sixty (60) feet.~~
 - ~~D. Setbacks: per Section 4.113(.03).~~
 - ~~E. Maximum building or structure height: Thirty-five (35) feet.~~
 - ~~F. Maximum lot coverage: Fifty percent (50%) for lots containing less than 7000 square feet. Forty-five percent (45%) for lots between 7000 and 8000 square feet. Forty percent (40%) for lots exceeding 8000 square feet.~~
- ~~(.05) Examples of development that is typically permitted (hypothetical 10-acre site):~~
 - ~~A. Fifty-four single-family dwellings) on individual lots, or~~
 - ~~B. Sixty-two dwelling units (any combination of multiple-family or single-family units).~~

Section 4.124.4. PDR-4:

The following standards shall apply in PDR-4 zones. It should be noted that lot size requirements do not specify the number of units that may be constructed per lot:

- ~~(.01) Average lot size: 5,000 square feet.~~
- ~~(.02) Minimum lot size: 4,000 square feet.~~
- ~~(.03) Minimum density at build-out: One unit per 6,000 square feet.~~
- ~~(.04) Other standards:~~
 - ~~A. Minimum lot width at building line: Thirty-five (35) feet.~~
 - ~~B. Minimum street frontage of lot: Thirty-five (35) feet; however, street frontage may be reduced to twenty-four (24) feet when the lot fronts a cul-de-sac. No street frontage is required when the lot fronts on an approved, platted private drive. [Amended by Ord. 682, 9/9/10]~~
 - ~~C. Minimum lot depth: Sixty (60) feet.~~

Section 4.124. Standards Applying To All Planned Development Residential Zones.

~~D. Setbacks: per Section 4.113(.03).~~

~~E. Maximum building height: Thirty-five (35) feet.~~

~~F. Maximum lot coverage: Seventy-five percent (75%) for all buildings.~~

~~(.05) Examples of development that is typically permitted (hypothetical 10-acre site):~~

~~A. Seventy-two single-family dwellings (with or without accessory dwelling units) on individual lots, or~~

~~B. Eighty-seven dwelling units (any combination of multiple-family or single-family units with or without accessory dwelling units).~~

Section 4.124.5. PDR-5:

The following standards shall apply in PDR-5 zones. It should be noted that lot size requirements do not specify the number of units that may be constructed per lot:

~~(.01) Average lot area per unit: 3,000 square feet.~~

~~(.02) Minimum lot size: 2,500 square feet.~~

~~(.03) Minimum density at build out: One unit per 4,000 square feet.~~

~~(.04) Other Standards:~~

~~A. Minimum lot width at building line: Thirty (30) feet.~~

~~B. Minimum street frontage of lot: Thirty (30) feet.~~

~~C. Minimum Lot Depth: Sixty (60) feet.~~

~~D. Setbacks: per Section 4.113(.03).~~

~~E. Maximum height: Thirty-five (35) feet.~~

~~F. Maximum lot coverage: Seventy-five percent (75%) for all buildings.~~

~~(.05) Examples of development that is typically permitted (hypothetical 10-acre site):~~

~~A. 108 town-house units on individual lots, or~~

~~B. 145 dwelling units (any combination of multiple-family or single-family units).~~

Section 4.124.6. PDR-6:

The following standards shall apply in PDR-6 zones. It should be noted that lot size requirements do not specify the number of units that may be constructed per lot:

~~(.01) Average lot area per unit: 2,000 to 2,500 square feet.~~

~~(.02) Minimum lot size: None.~~

~~(.03) Minimum density at build out: One unit per 2,500 square feet.~~

~~(.04) Other standards:~~

~~A. Minimum lot width at building line: Thirty (30) feet.~~

Section 4.124. Standards Applying To All Planned Development Residential Zones.

- ~~B. Minimum street frontage of lot: Thirty (30) feet.~~
- ~~C. Minimum lot depth: Sixty (60) feet.~~
- ~~D. Setbacks: per Section 4.113(.03).~~
- ~~E. Maximum height: Thirty-five (35) feet.~~
- ~~F. Maximum lot coverage: Seventy-five percent (75%) for all buildings.~~

~~(.05) Examples of development that is typically permitted (hypothetical 10-acre site):~~

- ~~A. 174 condominium units, or~~
- ~~B. 217 multiple family units.~~

Section 4.124.7. PDR-7:

~~The following standards shall apply in PDR-7 zones. It should be noted that lot size requirements do not specify the number of units that may be constructed per lot:~~

- ~~(.01) Average lot area per unit: 2,000 square feet.~~
- ~~(.02) Minimum lot size: 1,500 square feet.~~
- ~~(.03) Minimum density at build-out: One unit per 2,400 square feet.~~
- ~~(.04) Other standards:~~

- ~~A. Minimum lot width at building line: Thirty (30) feet.~~
- ~~B. Minimum street frontage of lot: Thirty (30) feet.~~
- ~~C. Minimum lot depth: Sixty (60) feet.~~
- ~~D. Setbacks: per Section 4.113(.03).~~
- ~~E. Maximum building height: Thirty-five (35) feet.~~
- ~~F. Maximum lot coverage: Seventy-five percent (75%) for all buildings.~~

~~(.05) Examples of development that is typically permitted (hypothetical 10-acre site):~~

- ~~A. 174 condominium units, or~~
- ~~B. 217 multiple family units.~~

Development Code Text Amendments: Open Space Standards

Section 4.113. Standards Applying To Residential Developments In Any Zone.

~~(.01) Outdoor Recreational Area in Residential Developments.~~

~~A. Purpose. The purposes of the following standards for outdoor recreational area are to provide adequate light, air, open space and usable recreational facilities to occupants of each residential development. Outdoor recreational area shall be:~~

- ~~1. Designed with a reasonable amount of privacy balanced between indoor and outdoor living areas. Such outdoor recreational area shall be provided consistent with the requirements of this Section.~~
- ~~2. Recreational areas shall be provided in keeping with the needs of the prospective tenants and shall not be located in required yards, parking, or maneuvering areas, or areas that are inaccessible. Standards for outdoor recreational areas may be waived by the Development Review Board upon finding that the recreational needs of the residents will be adequately met through the use of other recreational facilities that are available in the area.~~
- ~~3. In mixed-use developments containing residential uses, the Development Review Board shall establish appropriate requirements for outdoor recreational area, consistent with this Section.~~
- ~~4. The Development Review Board may establish conditions of approval to alter the amount of required outdoor recreation area, based on findings of projected need for the development. Multi-family developments shall provide at least the following minimum recreational area:

 - ~~a. For ten (10) or fewer dwelling units, 1000 square feet of usable recreation area;~~
 - ~~b. For eleven (11) through nineteen (19) units, 200 square feet per unit;~~
 - ~~c. For twenty (20) or more units, 300 square feet per unit.~~~~
- ~~5. Outdoor recreational area shall be considered to be part of the open space required in the following subsection.~~

~~(.0201) Open Space~~

~~A. Purpose. The purposes of the following standards for open space are to provide adequate light, air, open space and usable recreational facilities to occupants of each residential development.~~

~~A. Area shall be provided in the following manner Required. :~~

~~B. A. At least 25% of the net developable area shall be preserved in open space. For developments with 10 or more units (excluding ADU's) an open space area must be at least 2,000 square feet to~~

be counted towards the open space requirement. For developments with 4-10 units (excluding ADU's) an open space are must be at least 1,000 square feet to be counted towards the open space requirement.

1. Calculation of the required open space area shall be based on the acreage of the Stage I Master Plan area or if no Stage I is required, the gross acreage the area covered by a tentative plat.
 2. The open space requirement may be met by the following areas if they are or will be publically owned or owned by a homeowners' association or similar joint ownership entity (except for i. below), or the property owner for Multi-family Development.
 - a. Preserved natural areas, including those within the SROZ
 - b. New natural/wildlife habitat areas
 - c. Non-fenced vegetated stormwater features
 - d. Play areas and play structures
 - e. Open grass area for recreational play
 - f. Swimming and wading areas
 - g. Other areas publically accessible areas similar to a. through f.
 - h. Walking paths besides required sidewalks in the public right-of-way or along a private drive.
 - i. 10% of each single-family or duplex lot 6,000 sf or larger.
- C. Usable, programmed Open Space Requirement. Half of non-SROZ open space must be usable and programmed for active recreational use. The minimum amount of usable open space, regardless of the amount of non-SROZ open space, in a subdivision of 10 or more lots is 2,000 square feet, or a subdivision of 4-10 lots is 1,000 square feet.
1. Such usable, programmed open space shall be designed by a registered professional landscape architect with experience designing residential park areas. An affidavit of such professional's credentials shall be included in the application material.
 2. The area shall be designed and programmed for a variety of age groups or other user groups.
 3. The minimum open space size requirements in Subsection B above apply.
- D. Enhancing Existing Wildlife Habitat through Design of Open Space.
1. Open space designed as wildlife habitat shall be placed adjacent to and connect to existing, preserved wildlife habitat to the extent feasible.

2. To the extent feasible, open space shall be designed to connect preserved wildlife habitat to other preserved wildlife habitat where a lack of connection exists.

~~In all residential subdivisions including subdivision portions of mixed use developments where (1) the majority of the developed square footage is to be in residential use or (2) the density of residential units is equal or greater than 3 units per acre, at least twenty-five percent (25%) of the area shall be in open space excluding streets and private drives. Open space must include, as a minimum natural areas that are preserved under the City's SROZ regulations and usable open space such as public park area, tot lots, swimming and wading pools, grass area for picnics and recreational play, walking paths, and other like space. For subdivisions with less than 25% SROZ lands and those with no SROZ lands, the minimum requirement shall be ¼ acre of usable park area for 50 or less lots, ½ acre of usable park area for 51 to 100 lots, and pro rata amounts based on this formula for subdivisions exceeding 100 lots. Front, side and rear yards of individual residential lots shall not be counted towards the 25% open space.~~

~~Provided, however, where SROZ is greater than 25% of the developable area for any development, the development must also provide ¼ acre of usable park area for a development of less than 100 lots, and ½ acre of usable park area for a development of 100 lots, and pro rata amounts based on this formula for subdivisions exceeding 100 lots. The Development Review Board may waive the usable open space requirement if there is substantial evidence in the record to support a finding that the intent and purpose of the requirement will be met in alternative ways. Irrespective of the amount of SROZ, a development may not use phasing to avoid the minimum usable space requirement.~~

~~Multi-family developments shall provide a minimum of 25% open space excluding streets and private drives. Open space must include, as a minimum natural areas that are preserved under the City's SROZ regulations, and outdoor recreational area as provided in 4.113(.01)(A)(1) through (5) [Amended by Ord. 589 8/15/05, Ord. 682, 9/9/10]~~

BD. Open space area required by this Section may, at the discretion of the Development Review Board, be protected by a conservation easement or dedicated to the City, either rights in fee or easement, without altering the density or other development standards of the proposed development. Provided that, if the dedication is for public park purposes, the size and amount of the proposed dedication shall meet the criteria of the City parks standards. The square footage of any land, whether dedicated or not, which is used for open space shall be deemed a part of the

development site for the purpose of computing density or allowable lot coverage.

CE. The Development Review Board may specify the method of assuring the long-term protection and maintenance of open space and/or recreational areas. Where such protection or maintenance are the responsibility of a private party or homeowners' association, the City Attorney shall review any pertinent bylaws, covenants, or agreements prior to recordation.

F. The open space requirements of this subsection are subject to adjustments in PDR zones pursuant to Subsection 4.124 (.08).



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: March 2, 2020	Subject: Equitable Housing Strategic Plan Staff Member: Kimberly Rybold, AICP, Senior Planner Department: Community Development	
Action Required	Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda	<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable	
Comments: N/A		
Staff Recommendation: N/A		
Recommended Language for Motion: N/A		
Project / Issue Relates To:		
<input checked="" type="checkbox"/> Council Goals/Priorities: Housing Affordability Study and Policy Development	<input type="checkbox"/> Adopted Master Plan(s)	<input type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL:

The project team will present the draft Equitable Housing Strategic Plan and solicit input on performance measures and new actions added to the Strategic Plan.

EXECUTIVE SUMMARY:

In 2016, Wilsonville applied for and received a Metro Community Planning and Development Grant to develop an Equitable Housing Strategic Plan. The primary goal of this project is to identify gaps that are currently present in Wilsonville's housing market and develop a plan with prioritized strategies to fill these gaps, providing Wilsonville residents and employees housing opportunities for different household compositions, ages, and income ranges.

Since the last City Council work session in October 2019, the project team engaged in additional stakeholder outreach efforts to ensure all community members, particularly renters, had an opportunity to offer feedback on housing experiences and needs. The project received additional grant funding from Metro to conduct this outreach, which included a survey distributed to the City's subsidized affordable housing complexes to better understand experiences in finding housing and perceptions of housing cost and quality. In December the project team posted an information board and poll at the Library to inform patrons about the project and gather input on what types of housing are needed in Wilsonville. A summary of this additional outreach and the results of surveys and a quick poll conducted on Let's Talk, Wilsonville! are included within Appendix B of the draft Plan (Attachment 1, PDF page 38).

Feedback received through this additional outreach, along with previous City Council direction on the actions, shaped the development of the draft Equitable Housing Strategic Plan (Attachment 1). In response to this feedback, the list of actions included with the draft Plan expanded to include additional actions for exploration around the topics of homeownership assistance, reducing displacement, and aging in place. Additionally, an action around Metro's Affordable Housing Bond implementation was removed as more information on Clackamas County's Local Implementation Strategy for distributing the funds, which is geared primarily towards developers of affordable housing, has become available. At the work session, the project team seeks any additional feedback the City Council may have on the Plan's actions and confirmation of the new actions added to the Plan.

The final chapter of the draft Plan, Steps for Implementation, notes the importance of performance measures in tracking the City's progress towards implementing the Strategic Plan. At the last Equitable Housing work session, City Council expressed a desire for examples of specific and relevant measures to help measure the long-term success of the Plan. On January 29, the project task force held its third and final meeting, where the group engaged in a brainstorming exercise to generate ideas for measures related to each of the project's policy objectives (Attachment 2). At their meeting on February 12, the Planning Commission confirmed these measures warranted further analysis by the project team. Based on this analysis, which will be shared by the project team at the work session, the City Council will be asked to identify specific performance measures for inclusion in the final Strategic Plan.

EXPECTED RESULTS:

The finalized list of performance measures and additional feedback on actions will be incorporated into the draft Equitable Housing Strategic Plan.

TIMELINE:

The project team will refine the discussion of performance measures and update the actions based on Task Force, Planning Commission, and City Council feedback for the final Equitable Housing Strategic Plan. Public hearings for the final Plan will be scheduled before the Planning Commission in April 2020 and City Council in May 2020.

CURRENT YEAR BUDGET IMPACTS:

The Professional Services Agreement has a budget of \$62,500 included within the CD Fund in the adopted budget, which is funded through a Metro Community Planning and Development grant with a \$10,000 City match. Staff estimates spending approximately \$50,000 of the remaining Professional Services Agreement contract amount during this fiscal year.

FINANCIAL REVIEW / COMMENT:

Reviewed by: CAR Date: 2/21/2020

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 2/26/2020

COMMUNITY INVOLVEMENT PROCESS:

There have been multiple opportunities for the community to participate in the project. Participation opportunities included an advisory task force, stakeholder interviews, focus groups, and online surveys, in addition to work sessions and public hearings before the Planning Commission and City Council. The project team seeks to provide meaningful stakeholder engagement and will work with stakeholders to make available fair and equitable opportunities to voice needs and opinions for the future of equitable housing development in Wilsonville.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

As a result of this project, the City will have a better understanding of the specific housing gaps that exist within Wilsonville, with a list of policy strategies for the City to pursue aimed at filling these gaps. Pursuit of these strategies will strive to make housing more affordable and attainable for City residents and employees, ensuring Wilsonville provides housing opportunity for different household compositions, ages, and income ranges.

ALTERNATIVES:

The City Council may recommend strategies to be removed from consideration or additional strategies to be included within the Equitable Housing Strategic Plan.

CITY MANAGER COMMENT:

N/A

ATTACHMENT:

1. Draft Equitable Housing Strategic Plan – January 2020
2. Summary of Task Force Input on Performance Measures – January 29, 2020

Wilsonville Equitable Housing Strategic Plan

January 2020

Note to reviewers:

This document compiles nine months of stakeholder engagement and technical analysis in a draft Equitable Housing Strategic Plan intended to support stakeholder and City leadership review. As such, we expect that its content will evolve with your feedback. In some places, we have intentionally called out areas that need additional internal conversations or discussions with the project Task Force, City Council, and Planning Commission to advance to a final document that will carry the weight of the city's commitment to action.

Thank you for your time and attention in reviewing and providing feedback on this important document.

Review Draft



Acknowledgements

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1. A Call for Action

Rising housing prices affect every community in the Portland metropolitan region in different ways, and each community is searching for solutions that match their unique challenges.

Wilsonville experiences many of the same challenges as other communities in the region: affordable rental and homeownership options are increasingly out of reach for current residents as well as for those seeking a new life in the community, construction costs are rising, and there is a limited supply of new land.

At the same time, Wilsonville has unique challenges that require targeted solutions. For example, while multifamily housing comprises over half of Wilsonville's housing stock, the City's supply of low-cost market rate housing units is limited. And, at the same time that the City is planning for new housing in urban growth areas, there are limited opportunities for near-term new development opportunities in established residential neighborhoods. The City also has no dedicated City staff or local housing authority focused on lower-cost housing.

Residents have expressed concern about being displaced or having to move out of the City in search of more affordable rental and homeownership opportunities. Residents have also expressed an interest in encouraging a broader range of housing types to be built, including more single-level homes with accessibility or adaptability features, accessory dwelling units and entry-level homes.

In the midst of this regional housing crisis, Wilsonville seeks to expand opportunities and access for more people to enjoy the City's quality of life. To address the community's housing needs now and in the future, the City of Wilsonville has committed to establishing a roadmap toward a more *equitable* housing system. While housing affordability is a key component of housing equity, providing more rent-restricted affordable housing without also taking other actions will not achieve the full potential of an equitable housing approach. As a frame for action, equitable housing means that all people are able to find a home that meets their needs for location, price, and household needs. It requires a strategy that not only account for new units and price points, but also other features needed by the people who will occupy them.

With this Strategic Plan (Plan), the City commits to a set of actions that it will take in the next two years and beyond to move toward more equitable housing outcomes. The Plan's actions encourage the production of more diverse housing types with access to services, improve

What is equitable housing?

Equitable housing goes beyond simple affordability. It aims to ensure all people have housing choices that are diverse, high quality, physically accessible, and reasonably priced, with access to opportunities, services, and amenities.

This broad definition includes choices for homes to buy or rent that are accessible across all ages, abilities, and incomes and convenient to everyday needs, such as transit, schools, childcare, food, and parks.

Equitable housing also represents a system that accounts for the needs of households with low income and communities of color, recognizes a history of housing discrimination, and complies with current state and federal fair housing policy.

Source: Metro

partnerships with housing providers, expand homeownership opportunities, and reduce displacement risk for Wilsonville residents.

How can this Plan advance housing equity?

Access to housing is foundational to family success and helps to achieve broader equity goals. Affordable, stable housing can help families meet their basic needs and build reserves for unforeseen expenses. Providing a diverse set of housing sizes and types can help to accommodate the many different households that might wish to locate in Wilsonville in the future. Furthermore, locating those units close to services, transit, parks, civic buildings, and retail opportunities can increase quality of life.

Housing affordability is a key component of housing equity. Research for Metro’s 2018 Affordable Housing Bond found that access to stable, accessible housing that people can afford contributes to a wide range of equitable outcomes:

- **Better outcomes for schoolkids:** Studies have shown that children from low-income families earn more as young adults when they spend more of their childhood in an affordable home.²
- **Increased access to jobs:** A TriMet analysis suggests high housing costs are playing a role in pushing low-income workers to the edge of urban areas where there are more dispersed street networks, low population densities, and a lack of safe walking routes.
- **Better outcomes for people of color:** While renters saw their household incomes increase about 12 percent between 2010 and 2015, Native Americans and African-Americans saw gains of only three and four percent over that same time period, respectively.³ ****Will add info on Latinx household income trends****
- **Better quality of life for seniors and people with disabilities:** Research shows that low-income seniors who pay less than half of their income on rent have up to \$150 more per month, or \$1,800 more per year, available to spend on health care or other basic necessities than their cost-burdened peers.⁴
- **A more stable economy:** Analysis shows that the economy of greater Portland is being held back because of the growing imbalance between housing costs and wages—one estimate predicts this imbalance will result in 50,000 fewer jobs over the next 10 years.⁵ Workforce housing supply is a critical component to Wilsonville’s ability to remain a desirable place to do business.

What is equity?

There are many working definitions and visions of what an equitable world would look like. One definition, from the Stanford Social Innovation Review, describes equity this way:

“It is about each of us getting what we need to survive or succeed—access to opportunity, networks, resources, and supports—based on where we are and where we want to go.”¹

“For many of our patients, a safe, decent, affordable home is like a vaccine—it literally keeps children healthy.”

-Megan Sandel, M.D., M.P.H. and Deborah Frank, M.D.

Prospective employers are weighing this factor more heavily than they have in past when making decisions on relocation and expansion.

- **Lower medical expenses:** A Providence Health study in the Portland region showed that once lower income families moved into affordable housing, they had fewer emergency room visits and accumulated lower medical expenditures than in the year before they moved in.⁶
- **More stable employment:** Housing stability affects worker performance. For low-income workers who experienced an eviction or forced move, the likelihood of being laid off increases between 11 and 22 percentage points, compared to similar workers who were not forced to move.⁷

Starting a conversation about equity with an intentional focus on housing can lead to meaningful change toward better outcomes for all Wilsonville residents. Housing equity – a world in which all people have housing choices that meet their unique needs without racial and economic disparities – is a key component of a larger strategy of achieving greater equity.

What changes with implementation of this Plan?

This Plan is the first step in a change from business as usual. Recognizing the complex, interrelated conditions that result in social and economic inequities, and the critical urgency of housing access, **this Plan intentionally focuses on a set of housing actions that the City can begin to advance in the two years following the Plan’s adoption.** These actions range from identifying site-specific development opportunities, to code-based strategies, to tax abatements.

At the same time, the Plan also identifies a set of actions that have promise but that will require more exploration and definition to advance. These actions include revisiting parking requirements, exploring a land acquisition strategy, and reducing or waiving permit fees. **This structure allows the city to make immediate progress on pressing issues while clarifying its next steps. It recognizes that achieving housing equity will require sustained action over time, and that the City has more to learn as it goes.**

Much of what the city needs to learn about housing equity will require careful listening, especially to those who understand housing inequities first-hand. Success will build from ongoing engagement with housing and service providers, regional and state housing funders, and the citizens of the City of Wilsonville, especially Wilsonville’s communities of color, renters, those seeking to become homeowners, and other residents that are experiencing the worst effects of income disparities. The research and conversations conducted as part of this Plan revealed that there are currently few Wilsonville community-based organizations working on housing and equity questions; in that context, authentic, community conversations that expand the collective imagination about equitable outcomes are an even more necessary starting place.

In the meantime, the City’s commitment to the actions proposed in this Plan will begin its journey.

2. Context

This Plan draws from many sources to identify priorities, including technical analysis of the housing market, stakeholder interviews, public outreach, and discussions with a project task force, Planning Commission, and City Council.

Overview of Housing Needs

The project team completed a Housing Market Research Report to document existing and projected future housing conditions. The purpose of this Housing Market Research Report is to synthesize background information on the current housing market to support development of focused actions. In particular, the report focuses on housing affordability issues and identifies the types of housing that the city should plan for in the future. The data source for the following summary is predominantly the United States Census American Community Survey, with additional data from Metro's Regional Land Information System.

This section summarizes the research conducted as part of the Housing Market Research Report, which is included in Appendix A.

Who lives in Wilsonville today?

- Wilsonville has a relatively young population. Millennials make up 32% of the population in the city, compared to 24% in Clackamas County. Aging Baby Boomers (ages 60+) make up 20% of the population in the city, compared to 23% in the county. The majority of households are family households.
- Median household income in 2016 was \$105,000 for homeowners and \$50,000 for renters. The majority (56%) of Wilsonville householders are renters.
- The Latinx community is expanding quickly. Between 2000 and 2016, the Latinx population in Wilsonville grew by about 2,000 people, from 6% to 11% of the population. This growth rate was greater than the growth rate of any other population in Wilsonville or the growth rate of Latinx population in the county.

What will Wilsonville's future population look like?

- Wilsonville's population is projected to grow by 14% over 20 years. About half of the new households are expected to be low income (earning less than 80% of MFI).
- Countywide, Middle-aged Millennials (ages 40 to 60) will grow to 28% of the population, and, the share of people over age 60 is expected to stay relatively constant. While city-level projections are not available, Wilsonville will be affected by these countywide trends.
- Latinx residents in the metropolitan region will more than double by 2040 because 46% of all new residents are expected to be Latinx. Again, Wilsonville is expected to be affected by this broader trend.

What are the current housing conditions in Wilsonville?

- Wilsonville has an even mix of multifamily and single-family homes, while a greater proportion of homes in Clackamas County are single-family. Single-family and multifamily homes are well-distributed across the city and close to services. Market trends for multifamily rental housing in Wilsonville mirror those of the Portland region, but the city's multifamily housing stock is relatively new and high-quality compared to that of the region.
- One in ten Wilsonville households live in a subsidized unit, most of which are for families and seniors. However, despite Wilsonville's subsidized housing stock, almost a quarter of all households in the city are housing cost-burdened, spending more than 30% of their income on housing. Eight of ten Wilsonville households earning less than \$50,000 per year are cost-burdened.
- Homeownership is out of reach for many residents. Entry-level homes and most other homes cost much more than what the average household can afford. A median renter household could afford homes valued between \$221,000 and \$252,000 if they had sufficient down payment resources, but the median housing price in Wilsonville was \$454,500 as of February 2019.

What types of housing will future residents need?

- The city will need a wider range of housing types and at more affordable costs. Baby Boomers, Millennials, and Latinx families will be increasingly important groups seeking affordable housing options, but they will have different preferences for unit types and sizes. Attached single-family and multifamily units will likely be the most affordable choices people seeking less expensive options.
- Key growth areas are the Frog Pond and Town Center planning areas. Most of the housing needs can be met by the new homes built in these areas. While these areas are projected to meet most of the numerical demand for new units, additional actions are needed to generate the full range of types and price points of housing needed by future Wilsonville households.

Stakeholder and Public Engagement

The team conducted stakeholder and public engagement to understand housing challenges and possible solutions. The team conducted a process that included:

- One-on-one interviews with 10 key stakeholders. Participants included community-based organizations, real estate professionals, etc. Some of these organizations currently address the needs of underrepresented groups in Wilsonville.
- A survey of 15 community members who rent units in existing subsidized buildings.
- An online survey on Let's Talk, Wilsonville! with 80 participants.

- Three focus groups with nonprofit affordable housing developers, local employers, and community-based organizations that serve Wilsonville residents, including underrepresented populations.
- A kiosk at the Wilsonville Public Library that featured an interactive poll available in English and Spanish that was available during December 2019.
- A survey of employers with nine responses that indicated workforce housing costs were a concern.

A summary of feedback and themes emerging from the project's stakeholder and public engagement process is included as Appendix B.

Develop Investment Framework and Project list

The outcome of the technical analysis and public outreach described above resulted in a list of possible implementation actions. The project team developed and vetted (with the project Task Force, City Council, and Planning Commission) a framework for prioritizing those projects and moving toward implementation together in concert the other public and private partners in the community. The project team worked with City Council and Planning Commission to develop and vet the list of possible implementation actions.

Final Plan

This Strategic Plan documents the plan process, key findings from the outreach and technical analysis, the City's framework action, and details the list of specific actions the City will take to advance its equitable housing goals.

3. Framework for Action

This Plan moves the City toward a comprehensive approach to achieving equitable housing outcomes. It focuses on a set of housing actions that can be initiated in the two years after Plan adoption and completed in the short-term. At the same time, the Plan also identifies a set of potential actions that have promise but that will require more exploration and stakeholder discussions before the city can advance them. This structure allows the City to make immediate progress on pressing issues while clarifying its next steps.

Policy Objectives

Drawing from adopted policies and priorities, stakeholder input, and feedback from the Planning Commission and Equitable Housing Task Force, the Wilsonville City Council developed policy objectives to guide development of the Equitable Housing Strategic Plan. These objectives set the course for the city's approach to improving equitable access to a range of housing in Wilsonville.

1. Greater availability of a diversity of housing types for a full range of price points to serve the community.
2. Increased partnerships with nonprofit and for-profit housing developers.
3. New and expanded affordable homeownership opportunities, especially for first-time homebuyers.
4. Reduced risk of housing displacement.
5. Targeted housing opportunities in areas with access to services and public transit.
6. Maintenance and expansion of quality subsidized affordable housing stock.
7. Implementation of all housing policies through a lens of social equity and inclusion.

The actions described in the following sections advance these policy objectives.

Funding Sources

One of the key limitations implementing the actions in this plan is the availability of funding. Funding is needed not just to increase or preserve affordability and access to equitable housing, but also to cover staff time. Identifying a set of realistic funding sources will be necessary for achieving the vision of equitable housing in Wilsonville.

Locally-Controlled Funding Sources

Beyond the funding tools available at the state and regional levels, the City will need to explore a range of locally-controlled funding options to generate additional resources for affordable housing development and associated programs.

- **Additional General Fund Revenue** can support equitable housing preservation and development programs in the City of Wilsonville. General fund dollars are generally in short supply; housing projects and programs must compete with other key City services for funding. However, as a source of one-time funds for important projects, to support outreach efforts and fund staff time, or for other smaller-scale funding needs, general fund can be a critical contributor to a comprehensive equitable housing implementation.
- A **Construction Excise Tax**¹ consistent with recent changes to state law can generate funding for housing development incentives and programs in the City of Wilsonville. Many communities around Oregon are in the process of exploring the application of CET for housing projects. The City should explore implementation of a CET in the near-term, including assessing potential revenue generation (using 10 to 15 years of past development activity as a case study), studying impacts on development activity and business recruitment, outlining funding objectives needed to advance the equitable housing strategy, and coordinating the process for CET adoption by ordinance.
- **Tax Increment Financing (TIF) Revenue** from Wilsonville's urban renewal areas (as applicable). TIF (also commonly referred to as urban renewal) is a financing tool for local governments to use property taxes generated from new development in a specific area to fund capital improvements in that same area. The state's statutes, Oregon Revised Statutes chapter 457, allow for TIF to fund the development of affordable housing, mixed-use housing, housing that meets other public goals, and / or infrastructure. Some communities choose to include funding for affordable housing as a project in their urban renewal area plans; some have even used their urban renewal plans to identify a portion of all TIF dollars that should be used for affordable housing. Wilsonville should review its current TIF districts to determine if there is potential project funding available for housing development (that would comply with the district plan) and the legal capacity for the City to expand or establish new TIF districts that could include allowances for housing assistance.

Partner Funding Sources

Funding sources available at the regional and state levels can be used to fund several projects and programs, such as new construction of subsidized units, renter supports, weatherization programs, and home ownership support programs. These partner funds will be an important

¹ A CET is a percentage-based fee on new residential or commercial construction charged at the time of permitting. In 2016, the Oregon Legislature passed Senate Bill 1533 which permits cities to adopt a construction excise tax (CET) on the value of new construction projects to raise funds for affordable housing projects. If adopted, the tax would be 1% of the permit value on residential construction and at an uncapped rate on commercial and industrial construction.

part of how the City will advance its equitable housing priorities. As such, the City should seek to develop closer ties with its regional and state partners, track funding cycles, and understand gaps in funding availability.

- **Clackamas County**, through its Department of Health Housing and Human Services (H3S), manages a wide array of federal, state and local resources for housing and social services that are available in Wilsonville. For example, the Community Development Department administers federal Community Development Block Grant and HOME funds that represent potential funding sources for housing development and rehabilitation programs. The Housing Authority of Clackamas County administers housing vouchers that help lower income households afford rental housing. One way to capture these and other housing and human services resources is through collaboration with affordable housing providers and Clackamas County.
- **Metro's General Obligation Bond** will fund regional affordable housing development through a new region-wide property tax. In the near-term, this funding source creates the most likely opportunity for funding construction of new affordable housing units or rehabilitation of existing units in the City of Wilsonville. The Housing Authority of Clackamas County is responsible for creating and administering the countywide Local Implementation Strategy for deploying these funds. One of the key actions in the coming year is to work more closely with Clackamas County to determine which properties and projects in the City of Wilsonville are eligible for these resources. In addition, **Metro's TOD Program** provides support to create public-private partnerships that produce transit oriented development projects, which would complement City's potential land acquisition activities.
- The **State of Oregon** can serve as a partner in several ways.
 - **Oregon Housing and Community Services (OHCS)** funds low-interest loan programs, grants, and tax credits for affordable multifamily rental housing developments through its Multifamily Housing Finance Section. The Section works with local jurisdictions and affordable housing developers to provide financing packages to carry out the department's mission to develop and preserve affordable housing, linked with appropriate services, throughout Oregon. In addition, OHCS has a variety of programs that support tenants, including home weatherization and emergency rent supports. One way to better access these resources for Wilsonville is through partnering with affordable housing providers and Clackamas County.
 - In 2019 the Oregon Legislature passed two bills that support housing development in urban areas – referred to as House Bills 2001 and 2003 (HB 2001 and HB 2003). The new laws seek to expand housing choice in cities across the state by requiring cities within the Metro area to allow duplexes on lands zoned for single dwellings and to develop new methodologies for calculating the amount of land and types of housing needed to meet growth expectations. To support local government efforts in implementing HB 2001 and HB 2003, the Legislature appropriated \$4.5 million to **the Department of Land Conservation and Development (DLCD)** for technical

assistance grants. In late 2019, Wilsonville applied for and received a grant from DLCD through this program, which will support a portion of the work outlined in one of this Plan's implementation actions.

- Many **private organizations** in the region provide services and housing that can support a more equitable community in Wilsonville. Partnerships with these organizations will be necessary to secure and create equitable housing as envisioned in this strategy. These partners have their own sources of funding that can be matched to one another and to public sources noted above. Funding partnerships for equitable housing could include: public/private development agreements, foundation grants, down-payment assistance, rent assistance, land trusts, transportation or in-home care for disabled and elderly residents, and employer-based housing assistance.

Other Partners

An effective strategy will require ongoing outreach, support, and coordination with organizations in the community that may or may not include funding. Other partners could include local and regional foundations, community-based organizations (including Heart of the City and Wilsonville Community Sharing), large employers, the West Linn-Wilsonville School District, and Habitat for Humanity.

4. Implementation Actions

Community stakeholders and market research have provided insights to the greatest needs and opportunities for equitable housing in Wilsonville. Throughout the process, the City asked its leaders and partners: What is the best step we can take in the next few years?

The Wilsonville City Council took the information gathered and created a discrete list of **implementation actions** that have been prioritized for near-term implementation. (See the following pages for details.) While many strategic approaches and actions were considered, these actions arose as the best opportunities for responding to immediate needs while also establishing a system for the City to continue its work for the long term. Council also identified a set of **actions requiring further exploration** that require further research and community discussions and were not prioritized for immediate implementation, may be considered again in future years as more equitable housing is achieved and new needs arise. *Please refer to Appendix C for a complete list of actions considered in the process.*

1. Implementation Actions <i>High-priority actions the City plans to initiate within two years of strategic plan adoption.</i>	2. Actions Requiring Further Exploration <i>High-priority actions that require further research and community discussions for the City to determine how or if it will pursue in the near-term.</i>
1A: Explore Implementation of Transit-Oriented Development (TOD) at City-owned Wilsonville Transit Center Property 1B: Incorporate Equitable Housing Needs into Middle Housing Planning 1C: Define Equitable Housing Approaches in New Urban Growth Areas 1D: Create Housing Tax Abatement Programs to Achieve Housing Diversity and Affordability 1E: Facilitate Connections to Partners and Housing Resources through City Liaison	2A: Secure Land for Development of Affordable and Equitable Housing 2B: Reduce Housing Costs by Modifying Parking Requirements 2C: Explore Tactics to Reduce the Impact of Systems Development Charges on Affordable Housing 2D: Partner with Community Land Trusts 2E: Explore Homeownership Support Programs 2F: Explore Housing Preservation Tax Abatement 2G: Assess Accessibility and Visitability Standards or Incentives

Exhibit 1 cross-references the Plan's policy objectives and actions.

Exhibit 1. Actions by Policy Objective

		1. Diverse Housing Types	2. Partnerships	3. Homeownership	4. Reduced Displacement	5. Accessible Locations	6. Expand Subsidized Housing Stock	7. Social Equity
1A	Explore Implementation of Transit-Oriented Development (TOD) at City-owned Wilsonville Transit Center Property	■	■			■	■	■
1B	Incorporate Equitable Housing Needs into Middle Housing Planning	■		■		■		
1C	Define Equitable Housing Approaches in New Urban Growth Areas	■	■			■	■	■
1D	Create Housing Tax Abatement Programs to Achieve Housing Diversity and Affordability	■	■			■		
1E	Facilitate Connections to Partners and Housing Resources through City Liaison		■	■	■			■
2A	Secure Land for Development of Affordable and Equitable Housing		■	■		■		
2B	Reduce Housing Costs by Modifying Parking Requirements	■	■			■		
2C	Explore Tactics to Reduce the Impact of Systems Development Charges on Affordable Housing		■				■	
2D	Partner with Community Land Trusts		■	■			■	■
2E	Explore Homeownership Support Programs			■				■
2F	Explore Housing Preservation Tax Abatement		■		■			
2G	Assess Accessibility and Visitability Standards or Incentives	■						■

The following section details the six key actions for the first year after adoption of the Strategic Plan, providing information about why the action is important and what stakeholders said about the action. It also includes an order-of-magnitude assessment of each action's potential impact and administrative requirement, referencing the following key.

Key:	Potential Impact	Administrative Requirements
	◆◆◆ High	◆◆◆ Relatively low administrative requirements, mostly policy setup
	◆◆ Medium	◆◆ Moderate administrative effort
	◆ Low	◆ Substantial staff time and program setup required

1A: Explore Implementation of Transit-Oriented Development (TOD) at City-owned Wilsonville Transit Center Property

Summary

The City-owned property at the Wilsonville Transit Center is the City’s main opportunity to promote TOD with affordable and/or workforce housing. Potential support could include development/permitting incentives or a public-private partnership that would provide development or infrastructure subsidies in exchange for fulfillment of community goals. The parking lot adjacent to the development site currently has 399 spaces. Many of those spaces are not utilized throughout the day, overnight parking is permitted but rare, so one important opportunity in the development program is the ability to share parking between the park and ride and the development.

The City is interested in completing a Development Opportunities Study and Prospectus to understand development possibilities and constraints and compile materials that the City can use as it conducts outreach with potential developers.



Source: City of Wilsonville

Rationale	The Wilsonville Transit Center is one of the City’s limited opportunities to provide true transit-oriented development within the community. Given City ownership of the site, it is also an opportunity to provide affordable housing through land write downs for nonprofit affordable housing development.
Policy Objectives	1 (Diversity of Unit Types), 2 (Partnerships), 5 (Accessible Locations), 6 (Expand Subsidized Housing Stock), 7 (Social Equity)
Summary of Stakeholder Feedback	Near-term opportunity with potential high-impact. Affordable housing developers are interested in exploring this opportunity. Planning Commission and Task Force supported this tool.
Potential Impact	◆◆◆ Control of land is one of the key sources of local government leverage for housing development. The Wilsonville Transit Center property presents an opportunity for transit-oriented affordable housing.

Administrative Effort	◆◆ Requires development of partnership agreement with developer
Applicable Geographies	Single-site
Partners	• Nonprofit developers, Tri-Met, State of Oregon, Metro, Clackamas County
Potential Funding Sources	Land write-down, Metro Bond, Federal Transit Administration (FTA) funding, Metro TOD Grant Program. If the City is interested in pursuing Metro Affordable Housing Bond funding for this project, any technical work will need to be expedited to match up to the release of bond funds through the Notice of Funding Available. **confirm dates for NOFAs in next draft**
Next Steps	<p>1. Complete Development Opportunities Study (DOS)</p> <p>The DOS will explore the following questions:</p> <ul style="list-style-type: none"> • What are Council's goals for development on the site? How can the City balance its financial and housing goals? • What are the market conditions for development at this site? • What are the constraints for the site, including any considerations related to environmental, transportation impacts, utility connections, etc. • How many housing units could the site accommodate under existing zoning? • How can the City best position the site for Metro Bond funding? Does that include confirming desired income tiers and unit types (e.g. two bedroom units) that conform with the Clackamas County Housing Authority's Local Implementation Strategy for the site? **Provide additional direction pending conversations with Metro and Task Force on how to best market this publicly controlled site not just to developers but to the HACC and Metro leadership who will ultimately approve funding.** • Given current market conditions and the site's context, should the development program include ground-floor retail? • What disposition alternatives should the City explore? <p>2. Outreach</p> <p>The outcome of the DOS exercise will be a site prospectus that will provide potential development partners and funders with information about the site and the City's objectives for development. The City should consider convening a mix of affordable housing developers and for-profit developers to (1) help understand opportunities and barriers and (2) build interest. Questions for outreach include:</p> <ul style="list-style-type: none"> • What are possible funding sources for development, including regional, state, and federal sources? • What can the City do to make this site more attractive for those funding sources? <p>3. Solicitation Process</p> <p>The final near-term implementation step will be to define a process for soliciting interest from affordable housing developers.</p> <ul style="list-style-type: none"> • Determine funding resources or incentives that could be applied. • Refine Council goals for the site, based on feedback from outreach. • Market and Release RFP for the site.

1B: Incorporate Equitable Housing Needs in Middle Housing Planning

Summary

Oregon House Bill 2001 requires that local jurisdictions adopt zoning code regulations or comprehensive plan amendments to permit middle housing types (e.g., duplexes, triplexes, etc.) in all areas that are zoned for residential use and allow for detached single-family dwellings. These changes will allow for a diversity of unit types throughout Wilsonville, but the City will need to assess its own plans for future planning areas for Frog Pond as well as the restrictions in each of its existing neighborhoods that have HOAs. The City could explore implementation actions beyond HB2001's requirements, such as code changes to encourage accessibility, design options to promote affordability, etc. The City plans to address many barriers to expand housing variety while implementing key equitable housing strategies related to quality design standards, community support, and adequate infrastructure.

The City of Wilsonville has a unique set of circumstances that demand a creative approach to implementing the HB 2001 requirements. Most of the City's established neighborhoods are in planned unit developments, and a majority of planned housing units are located in large master plan areas with a variety of housing types, some of which already have completed master plans. The City of Wilsonville is spearheading a project that will ensure that tools are in place to support the development of a wider range of housing types. As part of this project, the City will complete the following activities:

1. Public outreach and education: public events, a public engagement website, and a memo for duplex and middle housing design based on community inputs.
2. Updating plans and codes: review of density limits and other codes, revision of Frog Pond West master plan, and updated zoning code amendments. This will include an analysis of how zoning code requirements may affect the affordability of housing.
3. Developing architectural standards: research of architectural standards and architectural renderings.
4. Reviewing and updating infrastructure plans: projection of infrastructure needs, revision of Frog Pond West infrastructure plan, and citywide infrastructure update recommendations.
5. Funding infrastructure: analysis of various public service charge and permitting process options.

This action will intersect with **Action 1C**, which includes approaches for equitable development in newly master planned areas.

Rationale	The City will explore design standards and incentives to further expand the housing variety in Wilsonville. Not all residential communities have explicitly considered housing variety in previous planning efforts. Now there is an opportunity to address equitable housing concerns related to HB2001.
Policy Objectives	1 (Diversity of Unit Types), 3 (Homeownership), 5 (Accessible Locations)
Summary of Stakeholder Feedback	There is interest in a broader variety of housing types, including starter homes and middle housing types, but the ability for those housing types to be incorporated into existing neighborhoods requires further study.

Potential Impact	◆◆ Changes are likely to happen incrementally over time. Some neighborhoods will likely see more of a diversity of development proposals than other neighborhoods, depending on location and other factors. When combined with financial incentives, these changes could have a greater impact on development feasibility for middle housing types.
Administrative Effort	◆◆ The City will explore potential amendments to the Development Code through a public process, adopt any Development Code changes that emerge from that process, and then review proposals through the existing development review process.
Applicable Geographies	Citywide, with a focus on Frog Pond
Partners	DLCD, Metro
Potential Funding Sources	DLCD grant, other regional funding sources, General Fund
Next Steps	<ul style="list-style-type: none"> • Understand state rulemaking around HB 2001 and implications for current master plans. • Assess to what degree the statewide requirements affect an area that has a master plan • Identify regulatory barriers to duplex and middle housing development and needed updates for regulatory compliance. • Discuss possible financial, design, or other regulatory incentives for missing middle housing, and whether to target to specific geographies.

1C: Define Equitable Housing Approaches in New Urban Growth Areas

Summary	As part of the master planning requirements for Frog Pond East and South, the City will establish goals or targets for accessibility to services/amenities, unit types, and unit affordability levels. The targets for affordability levels (number of units and depth of affordability for those units) should be reasonably achievable, allowing for sufficient market rate development to support key infrastructure investments. The City can explore applying these methodologies and unit targets in future urban growth areas beyond Frog Pond.
Rationale	Integrating housing units for low-income and public housing residents into market rate development buildings can encourage greater community stability, safety, and access to opportunity for vulnerable populations. **add sidebar information on Villebois history**
Policy Objectives	1 (Diversity of Unit Types), 2 (Partnerships), 5 (Accessible Locations), 6 (Expand Subsidized Housing Stock), 7 (Social Equity)
Summary of Stakeholder Feedback	The City has already developed broad goals for housing types in the Frog Pond Area Plan. Developing additional policies for affordability may require additional technical analysis.
Potential Impact	◆◆ By establishing targets ahead of master planning efforts, the City can work with developers to achieve those targets.
Administrative Effort	◆ Requires staff time and stakeholder engagement to establish goals/targets.
Applicable Geographies	Frog Pond East and South, other future urban growth areas
Partners	Metro
Potential Funding Sources	N/A
Next Steps	<p>Prior to Master Planning Process: Develop policy guidance to guide master planning. The City can consider the following:</p> <ul style="list-style-type: none"> • Determine range of units affected by the policy, including rent-restricted units, ownership units, accessory dwelling units, and units by size. • Determine a range for depth of affordability for those units. • Provide guidance on how the City should further refine these policies, including stakeholder engagement with property owners, developers, renters, communities of color, and potential funders and composition of any oversight or advisory committees. • Understand community design implications, including providing a specific focus on maintaining access to amenities for affordable units and integrating those units into the overall master plan design. <p>During Master Planning Process:</p> <ul style="list-style-type: none"> • Define policies: Identify the City's targets for affordability levels and number of units that meet those affordability levels. The target should be provided in a range to allow flexibility to be responsive to changing market dynamics, funding sources, and partner interests.

- Identify specific properties that could play a role in achieving the Master Plan targets.
 - Explore how the affordability targets interact with the master plan use mix, the location of amenities, infrastructure provision, and the implementation and funding plan.
 - Determine potential changes to impact fee assessments and conduct infrastructure funding analysis.
 - Directly engage nonprofit and for profit affordable housing developers
-

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1D: Create Housing Tax Abatement Programs to Achieve Housing Diversity and Affordability

Summary

Tools that support housing production and encourage preservation of housing affordability by providing a partial property tax exemption on increased property value for qualified developments.

The City will conduct an analysis of the available options to determine which are most appropriate to and viable in Wilsonville. Through a multifamily tax exemption, a jurisdiction can incent diverse housing options in urban centers lacking in housing choices or workforce housing units. There are several additional abatement programs authorized at the state level that could be added. Each targets a slightly different type or market rate and/or affordable housing unit. Potential programs include:

Vertical Housing Development Zones (VHDZ):

While ground floor retail is desirable in high-density, amenity-rich areas, the additional expense and regulatory requirements that result often make projects infeasible. Providing ground floor retail can help to increase access to services and amenities in a neighborhood. VHDZ incents multi-story mixed-use development by offering a partial property tax exemption for 10 years to developments that include housing as well as non-residential use (e.g. retail on the ground floor), with a larger tax exemption for higher density developments. A tax exemption can help to increase development feasibility for projects that might not otherwise pencil. *Key Takeaway: This program could be useful in specific, geographically-limited areas like Villebois and Town Center.*

Multiple Unit Property Tax Exemption (MUPTe, sometimes called MULTE):

A flexible program that can be used to incent multifamily housing with particular features or at particular price points by offering qualifying developments a partial property tax exemption for 10 years. Though the state enables the programs, each city has an opportunity to shape the program to achieve its goals by controlling the geography of where the exemption is available, application process and fees, program requirements, criteria, and program cap. One important implementation consideration is the need to monitor compliance over the course of the abatement. The City could implement one or more of the following program types:

- **Encouraging middle housing rental development** by establishing eligibility criteria related to tenure, units on site, and unit size but not requiring detailed income reporting.
- **Supporting rent-regulated affordable projects** that are not eligible for the City's existing nonprofit exemption (e.g. projects developed by for profit developers) but still have monitoring required by state or federal funds.
- **Supporting workforce housing projects.** The City could offer a citywide program for housing that is affordable to households making up to some specific income level (e.g., 80% or 100% of AMI). If the affordability threshold is relatively close to current market rents, the City could limit the rent the developer could charge but not require income certification for tenants.
- **Preserving the affordability of existing housing** (see Action 2F).

Key Takeaway: A citywide program with multiple uses would likely be the most effective program in encouraging affordable housing at multiple scales.

Temporary exemption for newly rehabilitated or constructed multiunit rental housing:

Incentivizes development or rehabilitation of multifamily rental housing with rents affordable to households with an annual income at or below 120% of the area median income (AMI) citywide through a full property tax abatement for no more than 10 years. This abatement program is most useful when a city is interested in encouraging all multifamily development, even above the median income. *Key Takeaway: Given the City's interest in prioritizing affordable development, the MUPTE program is a more suitable program unless the City is interested in providing an abatement to almost any new multifamily housing development project.*

Nonprofit Low-Income Rental Housing Exemption:

Provides a simplified way for affordable housing owned and operated by a nonprofit to qualify for a property tax exemption. *Key Takeaway: The City already provides an abatement to non-profit affordable housing developers.*

A more detailed comparison of the available programs is included in Appendix D.

Rationale	Tax abatements can substantially contribute to the feasibility of both market-rate and regulated units. Saving on operational costs contributes to greater net operating income, which is important in determining project value and subsequently the development feasibility. By reducing ongoing operating costs for housing through a housing tax abatement, the City could help to incentivize developers to include affordable units as part of larger development projects.
Policy Objectives	1 (Diversity of Unit Types), 2 (Partnerships), 5 (Accessible Locations)
Summary of Stakeholder Feedback	Developers consider this tool most impactful. Requires more research about which abatements to explore.
Potential Impact	◆◆ Or ◆◆◆ An abatement can be an important incentive to enable new development; more research into the abatements that work best for Wilsonville is needed (see next steps).
Administrative Effort	◆ Market and policy analysis plus stakeholder outreach (including outreach to overlapping taxing districts) required to evaluate and adopt options.
Applicable Geographies	Vertical Housing: zone-specific (Villebois, Town Center) MULTE program: City-wide
Partners	Other taxing jurisdictions
Funding Required	N/A. Foregone revenue
Next Steps	<ul style="list-style-type: none"> • Explore the following implementation considerations: <ul style="list-style-type: none"> ○ How much revenue would the City be willing to forgo on an annual basis? Does the City want to limit the number of abatements provided? ○ How can the City best assess the benefit it receives in exchange for the abatement? Does this include a financial analysis of the expected cost to the City and other taxing jurisdictions in exchange for other benefits? ○ How would the City evaluate and select projects that would receive the abatement? ○ Would the City be interested in leading an effort to abating its own taxes plus working with other taxing jurisdictions to seek abatement of their taxes as well, to encourage deeper levels of affordability? ○ Determine City goals for how many units can receive an abatement. ○ How would the City accommodate reporting requirements?

- How does the City weigh the temporary (up to 10 years) loss of tax revenue against the potential attraction of new investment to targeted areas?
- Is there a threshold at which the City would end the program, such as after certain number of units receive the abatement?
- Identify specific geographies where specific abatements would be most effective.
- Reach out to overlapping taxing districts to gauge support for the City's priority program(s). To extend the exemption to all taxing districts, the City must secure support (in the form of a resolution) from governing boards representing at least 51% of the total combined rate of taxation levied on the property.
- The City should also track multifamily housing production and whether recently permitted projects move to construction to determine whether MUPTE is appropriate for market-rate multifamily housing.
 - If the City ultimately decides to implement MUPTE, the City must adopt the provisions of ORS 307.600 to 307.637. The City must designate a specific area if MUPTE will be applied to market-rate housing; for housing subject to affordability restrictions, the City can designate the entire city for the exemption.
 - Prior to passing an ordinance or resolution to adopt MUPTE, the City must hold a public hearing to determine whether qualifying housing would otherwise be built or preserved without the benefit of the exemption. The City must also establish standards and guidelines to consider applications and make decisions, including setting eligibility criteria.
- Adopt the selected tax abatement(s) by resolution, including specifying any local parameters and definitions required for the abatement in question.

1E: Facilitate Connections to Partners and Housing Resources through City Liaison

Summary	<p>The City would designate a point person to serve as a resource for community members and interested housing stakeholders for housing in the City. That staff person would:</p> <ul style="list-style-type: none"> • Conduct ongoing outreach with the County, Metro, development community, community-based organizations, and service providers. • Fully understand the array of resources available for prospective homeowners and current renters. • Help to implement Strategic Plan implementation actions. • Create and maintain the online One Stop Shop that would include a directory of housing-related resources on the City's website for community members, key stakeholders, and interested developers. See City of Milwaukie's One Stop Shop for an example: https://www.milwaukieoregon.gov/housingaffordability).
Rationale	Achieving lasting implementation of the Strategic Plan requires focused attention. The Housing Liaison would be able to track current conditions, build relationships with local stakeholders, support renters, maintain information on the website, and help to implement the Plan.
Policy Objectives	2 (Partnerships), 3 (Homeownership), 4 (Prevent Displacement), 7 (Social Equity)
Summary of Stakeholder Feedback	The City could play a better role in providing resource referrals, but it is not necessarily the City's role to provide the resources themselves (i.e. renter support, landlord counseling). The City does not currently have a resource for interested housing developers nor someone who is solely focused on implementing housing-related actions.
Potential Impact	◆ to ◆◆ Focused attention on plan implementation can help to advance Council's priorities. In addition, this staff person could increase the City's exposure to potential funding partners, including regional, state, and private players.
Administrative Effort	◆ to ◆◆ Requires staff allocation.
Applicable Geographies	Citywide
Partners	Clackamas County, Metro, State, nonprofit and for profit developers, nonprofit organizations
Funding Required	General fund
Next Steps	<ul style="list-style-type: none"> • Determine needed staffing levels and designate staff person. • Develop work plan, which includes the creation of online one stop shop, stakeholder engagement, and Plan implementation. • Monitor engagement and partnership development.

5. Tools Requiring Further Exploration

2A: Secure Land for Development of Affordable and Equitable Housing

Summary	City-led program to buy and hold land for future development opportunities. This supports affordable housing by reducing or eliminating land cost from development. The City has a number of properties in its portfolio that could serve as housing opportunity sites, including the Public Works/Police/Community Center property and the Wilsonville Transit Center.
Policy Objectives	2 (Partnerships), 3 (Homeownership), 5 (Accessible Locations)
Summary of Stakeholder Feedback:	Overall favorable opinion, especially among potential developers who were concerned about lack of available land for infill development. Requires more research about potential funding sources, strategy execution, and target properties.
Potential Impact	◆◆◆ Control of land is one of the key sources of local government leverage for housing development.
Administrative Effort	◆◆ Requires development of a land banking or acquisition strategy that includes a funding source. For properties the City already owns, the administrative effort is minimal.
Possible Next Steps	<ul style="list-style-type: none"> • Inventory City or publicly-owned property. • Determine the viability of a policy that prioritizes surplus property for housing development. Such a policy would not stipulate that all surplus property will or can be development for housing, but that the City must at least evaluate a parcel's potential for housing before selling the property or using it for another purpose • Explore feasibility of a City-led effort to work with partners, including regional land banks, to optimize the use of City-owned land. This could include a parcel-by-parcel development opportunity study or a set of conversations with potential development partners about the opportunities and challenges for each parcel. • Identify the sources of funding the City has to deploy, and how the City could leverage those funds with outside funding. • Conduct an analysis of potential acquisition opportunities. • Consider role of Metro housing bond in helping to fund affordable housing projects on City-owned parcels.

2B: Reduce Housing Costs by Modifying Parking Requirements

Summary

Parking requirements can have an adverse impact on land and development costs, leading to an increase in housing costs. In some communities, there are areas where the required parking is considerably more excessive than the need. This is especially true as areas transition to support more people traveling by transit, carpool, bicycle and walking/rolling. Parking that is developed but rarely used consumes a lot of land and resources. Some communities have found great savings by looking more closely at their parking policies, including shared parking policies, minimum parking requirements, and comprehensive parking plans and strategies for commercial districts such as the Town Center. Additionally, developments providing equitable housing for people who are disabled or elderly, and those that are close to regional transit, typically have lower levels of car ownership and needs for parking. Potential to limit to subsidized units, areas with better transit access, or provide a case-by-case review depending on the project parameters.

Policy Objectives	1 (Diversity of Unit Types), 2 (Partnerships), 5 (Accessible Locations)
Summary of Stakeholder Feedback	Split agreement – some stakeholders in favor, others oppose. Requires more research and discussion for potential applications.
Potential Impact	◆◆ For some projects, especially affordable housing projects, a reduction in parking requirements can mean greater feasibility.
Administrative Effort	◆ Requires staff time to develop standards.
Next Steps	<ul style="list-style-type: none"> • Which parking requirements may be affecting housing costs? • How much of a parking reduction would be appropriate for affordable housing units? Does location and surrounding amenities influence this? • Would affordable developments only be eligible if they met certain criteria? • How would the City mitigate any concern from surrounding neighborhoods?

2C: Explore Tactics to Reduce the Impact of Systems Development Charges on Affordable Housing

Summary	<p>Systems Development Chargers (SDCs) can have a big impact on the feasibility of a housing project. Some cities make changes to their SDC schedules to incent more affordable housing types, while others provide reductions or waivers to projects that meet specific program criteria. Many programs have specific requirements that eligible projects must include a share of affordable units. This reduces the cost to build affordable housing and can allow affordable housing developers to produce units more cost-effectively. Potential avenues for the City to explore include:</p> <ul style="list-style-type: none"> • Tie SDCs to overall size of housing unit (potentially regardless of number of fixtures or size of infrastructure) • Delaying collection of SDCs and/or time of investment. • Offer reductions or waivers on a project's system development charges or permit fees, which reduces the cost to build those types of housing.
Policy Objectives	2 (Partnerships), 6 (Expand subsidized housing stock)
Summary of Stakeholder Feedback	Effective tool to bridge feasibility gap; Developers consider these tools most impactful.
Potential Impact	◆◆◆ Developers working in Wilsonville have stated that SDCs have a big impact on project costs, even though Wilsonville's SDCs are comparable to the regional average. This make waivers a valuable incentive; however, the City cannot waive SDCs collected by the County or special districts without prior approval. The City must balance its affordable housing goals with its ability to pay for infrastructure to support new housing.
Administrative Effort	◆ to ◆◆ Depends on program criteria and ongoing monitoring required.
Key Considerations	<ul style="list-style-type: none"> • Would the City want to offer exemptions or fee reductions to projects that are not already subject to monitoring and compliance regulations, or limit it to projects with state or federal funding and projects to be owned/operated by non-profits? • How long an affordability restriction would the City want to impose? • If the City were to subsidize SDCs or permit fees from another source, how much would the City need to allocate towards such a program in order to fund a meaningful number of units and projects? • If the City were to exempt affordable housing from SDCs or permit fees and not subsidize from another source, how big a reduction to permit and/or SDC revenue can the City sustain? • Are there other funding sources the City could identify to fill the gap? CET funds? Other?
Next Steps	<ul style="list-style-type: none"> • Coordinate among City staff and policymakers to identify desired project eligibility. • Determine funding implications and what revenue sources are needed to subsidize foregone revenues from reducing or waiving SDCs.

2D: Explore Partnerships with Community Land Trusts

Summary	Community organizations that own land can provide a long-term ground lease to affordable housing developers or low-income households to create opportunities for stable housing and homeownership. The terms on purchase prices, resale prices, and equity capture ensure that the homes remain affordable for future residents. The City of Wilsonville can support Community Land Trusts (CLTs) by providing them City-owned land, grants, or low-interest loans and incentivizing developers to work with CLTs.
Policy Objectives	2 (Partnerships), 3 (Homeownership), 4 (Prevent Displacement), 6 (Affordable Housing Stock)
Summary of Stakeholder Feedback	There are few entry-level homes that would be affordable to first-time homebuyers in Wilsonville. The City should do more to support potential homebuyers.
Potential Impact	◆◆◆ Land is a key factor in development of affordable units. Donated land can significantly reduce the size of the loan for the developer. Local, community-based organizations could be willing to partner in Wilsonville's vision for equitable housing if they see that the vision is aligned with their mission.
Administrative Effort	◆ Will require staff time to meet with representatives from CLTs and coordinate possible partnerships. The time for implementation will take longer if land needs to be acquired or transferred.
Key Considerations	<ul style="list-style-type: none"> • Is the CLT-owned land in an area with concentrated poverty or low transit access? • How can the City require or incentivize developers to work with CLTs? • What funding sources are available to assist CLTs.
Next Steps	<ul style="list-style-type: none"> • Research community organizations that may have excess land and interest in forming a CLT. • Identify funding opportunities for partnering with CLTs.

2E: Explore Homeownership Support Programs

Summary

The City could provide the following:

- **Education on Home Ownership Preparation.** Help first-time homebuyers learn the basics about the home buying process in classes taught by experienced professionals who specialize in helping first-time homebuyers. Special topics on HOAs can be included. The City could coordinate with existing organizations such as the Portland Housing Center to facilitate this training or develop its own program.
- **Alternative Funding Sources for Down Payment and Mortgage Assistance.** Expand financing options to low-income and middle-income households who plan to purchase a home.
- **Partnership with local nonprofits.** Work with Proud Ground or Habitat for Humanity to develop affordable homeownership projects on City-owned land. Connect renters interested in home ownership to these local nonprofits for assistance with the home purchasing process.

Policy Objectives	3 (Homeownership), 7 (Social Equity)
Summary of Stakeholder Feedback	There are few entry-level homes that would be affordable to first-time homebuyers in Wilsonville. The City should do more to support potential homebuyers.
Potential Impact	◆ to ◆◆ Depends on program parameters and City involvement.
Administrative Effort	◆ to ◆◆ Depends on program parameters and City involvement.
Key Considerations	<ul style="list-style-type: none"> • Does the City have funding capacity available to support homeownership programs? • How can the City best develop a partnership with other entities working to encourage affordable homeownership opportunities?
Next Steps	<ul style="list-style-type: none"> • Conduct outreach with potential partners to determine the City's role.

2F: Explore Housing Preservation Tax Abatement

Summary

As suggested in Action 1D, the City could explore the creation of a tax abatement program specifically targeted toward existing low-cost market rate rental properties to reduce potential displacement of tenants living in those properties. The City would use the Multiple Unit Property Tax Exemption Program (MUPTe) with a set of program parameters targeted toward preservation.

MUPTe is a flexible program that can be used to incent multifamily housing with particular features or at particular price points by offering qualifying developments a partial property tax exemption for 10 years. Though the state enables the programs, Wilsonville shape the program to achieve its preservation goals by controlling the geography of where the exemption is available, application process and fees, program requirements, criteria, and program cap. One important implementation consideration is the need to monitor compliance over the course of the abatement.

Statute allows for MUPTe to be used for existing multiple-unit housing that is or becomes subject to an affordability agreement with a public agency. This means that the City could offer the tax abatement authorized under MUPTe in exchange for signing an agreement with a public agency (such as the local Housing Authority or another affordable housing provider) to regulate rents. Because the statute is flexible about the nature of the affordability agreement, it could be structured to limit the annual increase in rents or to require a reduction based on the value of the tax abatement. The City could require that participating property owners invest in renovations in order to qualify, but this is not required under statute. ECONorthwest has been exploring a similar preservation-focused tax abatement in the City of Scappoose. Possible options include:

- **Rehabilitation emphasis:** Make renovations an eligibility requirement, with a required investment amount that is proportional to (and less than) the value of the tax abatement to the property owner. Require that participating property owners prioritize investments in health and safety improvements first, and then improvements for energy efficiency, universal accessibility, etc. Limit the rate of rent increases for the duration of the tax abatement (e.g., 2% or less).
- **Rent reduction emphasis:** Do not require renovations, but require that rents be reduced in proportion to the tax abatement, with a limit on the rate of increase year-to-year.

Policy Objectives	2 (Partnerships), 4 (Reduce Displacement)
Summary of Stakeholder Feedback	Residents are concerned about the potential for displacement, given rising rents in the community.
Potential Impact	◆◆ Or ◆◆◆ An abatement can be an important incentive to ensure affordability; more research into the abatements that work best for Wilsonville is needed.
Administrative Effort	◆ Policy analysis plus outreach with overlapping taxing districts and existing property owners required to evaluate and adopt options.
Key Considerations	<ul style="list-style-type: none"> • For either option described above, the affordability agreement should require rent restrictions but not income qualification in order to avoid creating administrative burden for the property owner and to ensure that existing residents would be able to remain.

- For enforcement, participating property owners could be required to submit current rent rolls and provide written notice to all tenants of the affordability agreement with contact information to report any potential violations.
- Since income qualification would not be necessary, the City could in theory establish affordability contracts directly with property owners. This would require some additional administrative effort, but much less than income certification.

Next Steps

- Explore the following implementation considerations:
 - How much revenue would the City be willing to forgo on an annual basis? Does the City want to limit the number of abatements provided? How does the City weigh the temporary (up to 10 years) loss of tax revenue against the potential attraction of new investment to targeted areas?
 - How can the City best assess the benefit it receives in exchange for the abatement? Does this include a financial analysis of the expected cost to the City and other taxing jurisdictions in exchange for other benefits?
 - How would the City evaluate and select projects that would receive the abatement?
 - Would the City be interested in leading an effort to abating its own taxes plus working with other taxing jurisdictions to seek abatement of their taxes as well, to encourage deeper levels of affordability?
 - How would the City accommodate reporting requirements?
 - Is there a threshold at which the City would end the program, such as after certain number of units receive the abatement?
 - Are affordable housing providers willing to partner on implementation of affordability restrictions for preservation projects? If providers are unwilling to take this role on, consider whether City staff can administer a preservation program like the one described above. If the City is willing to take this on, staff may need additional support to create the program.

2G: Assess Accessibility and Visitability Standards or Incentives

Summary	“Visitability” describes a set of home design standards that address accessibility needs of visitors with mobility impairments. The three principles of visitability are: at least one zero-step entrance, wide doorways and hallways for clear passage, and at least one bathroom with wheelchair access on the main floor. The City of Wilsonville can adopt new design codes or grant incentives for developments with visitability standards.
Policy Objectives	1 (Diverse Housing Types), 7 (Social Equity)
Summary of Stakeholder Feedback	Through the library kiosk, Let’s Talk Wilsonville, and renter survey, many residents expressed a desire to see more one-level homes. This speaks to the need for more accessible homes that can accommodate people with mobility challenges.
Potential Impact	◆ The City’s proactive initiative to consider the needs of all ages and abilities could be a welcomed change for the residents. The new standards would apply only to new construction.
Administrative Effort	◆◆ or ◆◆◆ The City Council can propose and adopt the three principles of the visitability standards relatively quickly. More staff time will be required for creating incentives associated with visibility standards.
Key Considerations	<ul style="list-style-type: none"> • Is visitability a concern for current and future residents? • Are there existing design or space limitations for enhancing visitability (i.e., on-site stormwater mitigation, narrow lots)?
Next Steps	<ul style="list-style-type: none"> • Disseminate information on visitability standards among policymakers. • Identify Development code sections that need to be amended.

6. Steps for Implementation

Over the coming years, implementing the plan will require the City to balance and coordinate its pursuit of actions, funding, and partnerships with its many other public priorities. Below is a set of implementation steps that will improve success with advancing this Plan's near-term actions while building momentum toward the larger goal of achieving housing equity.

Develop staff work programs and budget for implementation: After the Plan's adoption, the City will move towards implementing the Plan's actions. This will include developing work programs, assigning staff to complete analysis and follow up conversations, and meeting with the county and other partners to identify potential partnership opportunities. Implementation of some actions may require dedicated staff time and budget.

Involve the Community: The City will continue engaging the community in this work, seeking their input regarding the nature of the housing challenges. The City will pay particular attention to those community members who experience housing inequities, including renters, communities of color, and representatives of disabled communities. These community members will be best positioned to inform the City's next set of actions beyond those identified in this Plan.

As implementation activity continues, the City may realize efficiencies through establishing an ongoing community housing advisory committee. Through the proposed housing liaison identified in Action 1E, the City should maintain an open line of communication to understand evolving needs and how the City can best respond to those needs.

Build Partnerships: Many partners and funders are active in the Portland metro region; Wilsonville can better leverage their skills, connections, and resources with a focused attention to understanding their roles, communicating the needs and opportunities in Wilsonville, and finding joint funding opportunities. Stakeholders include nonprofit housing developers, Metro, Clackamas County, community-based organizations, school districts, tenant's rights organizations, land trusts and other non-profits focused on increasing access to home ownership, the State of Oregon (especially Oregon Housing and Community Services), and others.

Develop Performance Measures: Priorities for implementation will evolve over time, as actions are completed and Wilsonville's needs change. Tracking the City's progress towards implementing its Plan is important to hold the City accountable to its residents and to determine whether the activities the City is implementing are having the desired impacts. To keep the effort on track, the City should identify a set of performance measures for equitable housing objectives. The performance measures should be quantifiable based on

Performance measures are based on data, and tell a story about whether progress is being made toward attaining an organization's policy goals.

available data, limited in number, and focused enough to tell a story about progress toward goals.

The most logical location for tracking such information is the City's annual housing report, which could include a section that describes the City's equitable housing activities and information about these measures.

Proposed performance measures will require additional discussion to confirm, along with planning to integrate data collection and analysis into ongoing staff work flow. They are:

****Pending further conversation with the Task Force/Planning Commission/City Council****

- Number, location, and type of new homes produced
- Number and location of regulated affordable units produced
- Accessibility to services and transit for new homes
- Documentation of conversations with property owners, home owners' associations and developers about the importance of equitable housing
- Share of rent-burdened residents
- Change in workforce and worker incomes over time (to support assessment of needs for workforce housing)
- Mortgage applications and denials, including by race and ethnicity (publicly available for download as a result of the Home Mortgage Disclosure Act)

Process for assessing and updating strategies / priorities: As conditions change and the City makes progress towards its goals, the City Council may want to revisit and update the Plan on a periodic basis, such as every two to three years. ****Pending further conversation with Council and Planning Commission****

Appendix

- A. Housing Market Research Report (previously furnished, not included with this draft)
- B. Stakeholder Outreach Process and Themes
- C. All Actions Evaluated (previously furnished, not included with this draft)
- D. Property Tax Abatements for Housing in Oregon

¹ Walkerly and Russel, September 2016, accessed online at:

https://ssir.org/articles/entry/what_the_heck_does_equity_mean

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³ "A Snapshot of Housing Affordability in Greater Portland." Metro

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⁴ Fernald, Marcia, Ed., "The State of the Nation's Housing 2013," Joint Center for Housing Studies of Harvard University, 2013, <http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/son2013.pdf>.

⁵ ECONorthwest analysis using methodology from the following paper: Chakrabarti, Ritashree, and Junfu Zhang. *Unaffordable housing and local employment growth*. No. 10-3. Federal Reserve Bank of Boston, 2010.

⁶ Wright, Bill, Keri Vartanian, Grace Li, and Maggie Weller, "Health in Housing: Exploring the Intersection Between Housing & Health Care," The Center for Outcomes Research & Education, Providence Health & Services, 2016, https://oregon.providence.org/~media/Files/Providence%20OR%20PDF/core_health_in_housing_full_report_feb_2016.pdf.

⁷ Desmond, Matthew and Gershenson, Carl, "Housing and Employment Insecurity among the Working Poor." *Social Problems*, Volume 63, Issue 1, 1 2016, Pages 46–67, <https://doi.org/10.1093/socpro/spv025>

Appendix B: Stakeholder Outreach Process and Themes - *DRAFT*

This document provides an overview of key themes the project team heard in outreach with stakeholders. To understand the housing challenges in Wilsonville and possible solutions to them, the team conducted a stakeholder engagement process with the following activities:

1. Focus groups and interviews during summer 2019.
2. An informational kiosk at the Wilsonville Public Library in December 2019.
3. A set of online surveys and feedback forms on Let's Talk Wilsonville, the City's online public engagement platform from August to December 2019.
4. A survey of people living in rent-regulated affordable housing in December 2019.

1 Focus Groups and Interviews

The project team conducted three focus groups with employers, nonprofit service providers in Wilsonville, and nonprofit affordable housing providers. The team also conducted ten interviews with for-profit developers and a representative from the real estate industry.

Key Findings

- **Wilsonville's rental market is perceived as having newer, higher quality, more expensive developments with longer waitlists.** The market is perceived as being more similar to Lake Oswego and West Linn than to Milwaukie or Oregon City. The County gets fewer calls on discrimination/repairs/landlord-tenant issues from residents in Wilsonville. The City has a lot of amenities that make it an attractive place to build housing.
- **There is ongoing concern about HOA fees and property taxes driving up housing costs.**
- **Some see isolation among some residents.** More social connections are needed for residents who do not have a community gathering space. The city's parks are a wonderful asset and people feel safe there.
- **Needed housing types:** Single-story units; smaller homes; triplex/duplexes; houses with ADUs; low-cost, single-room occupancy units for people transitioning into the area; roommate matching/homeshare.
- **Who needs help with housing:** single parents, single working adults, people with disabilities, seniors (people cannot age in place easily in Wilsonville).
- **There are not a lot of services for homeless people available locally.**

- **Like affordable rental housing, affordable homeownership projects require subsidy.** About \$100,000 to \$120,000 in subsidy is needed to build a new home affordable at 60% to 80% AMI; if purchasing an existing home, a buyer needs about 20% of value of home. The subsidy can come from several sources: land write-downs, permit fee/SDC waivers, outright subsidy, etc.
- **Affordability is a key issue for employers.** In a recent survey of the city's employers, approximately 30% identified housing costs as a problem for local businesses.
- **The cost of housing presents challenges for those relocating from out of state.** Employers are challenged to find affordable, temporary housing for employees moving to the area. Those arriving in the area find housing costs to be out of line with their previous location. Many employers have to increase wages as a result.
- **Workers commuting to Wilsonville face increasing congestion** (especially shift workers). Some businesses mentioned having a difficult time retaining employees, partly due to transportation costs. Many would like to see increased transportation options for workers, such as regional transit connections and bike/walk options.
- **Employers do not have capacity to offer housing assistance** because they are increasing wages. Instead, employees (particularly lower-wage employees) are finding lower-cost housing in places like Salem, Keizer, Woodburn, Oregon City, Tualatin, and Canby.
- **Additional workforce housing and affordable student housing is needed** to help accommodate growing employment and student populations.
- **Developers working in Wilsonville find some of the City's regulations to be onerous,** including the stormwater regulations and high SDC fees (though these are comparable to other areas). Many were complimentary of City staff but would like to see a less discretionary, streamlined review process. There has been public pushback on infill development due to density and parking concerns, which has led to increased carrying costs.
- **There is the perception that there is not a lot of land to accommodate new development and some missed opportunities** for (1) including residential in new planning areas and (2) encouraging new housing types (like homes with ADUs in new residential neighborhoods) with incentives (e.g. Vertical Housing Program) and an easier/clearer path for small and medium infill development.
- **Capacity for ADUs and infill development in most neighborhoods is unknown:** The majority of Wilsonville's residential areas are covered under covenants and restrictions (CC&Rs) established by the original developers. The capacity for existing homes to add ADUs or infill on a large lot is unknown by the City and many property owners. New developments could add provisions for ADU development in the future, but there is no incentive for developers to deviate from writing CC&Rs to match the original plans.

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- **Some developers referenced incentives that other communities provide:** SDC waivers for ADUs (Wilsonville has this provision in policy), Tigard's Lean Code, tools for preserving affordability, and tools to reduce carrying costs.
 - **The list of developers working in Wilsonville is short.** Developers who might be a good fit for infill development in the Town Center or other areas are not familiar with the City's opportunities or potential incentives. While many developers are focusing attention on suburban markets, they remain interested in opportunities near good transit and existing services and retail. Infill developers are looking to partner with a city and would be open to an array of incentives. Supports could include land write-downs, SDC waivers, tax abatements, urban renewal support for infrastructure development, etc.
 - **The City and County could have a closer working relationship, potentially through information sharing, relationship-building and formal agreements on County and other housing resources.** Information and referral linkages between the City and County regarding services for older adults are strong; what is needed is more actual onsite (in Wilsonville) delivery of County programs. More ongoing information sharing is needed about plans for the Metro Housing Bond, assistance for renters, housing authority programs, use and availability of federal housing assistance, and homelessness funding.
 - **Wilsonville has a strong and positive history of working with affordable housing developers in the past.** For example, the City made land available, championed projects, and cleared a pathway toward a tax exemption for affordable units. This has solidified the City's good reputation among affordable housing developers.
 - **A city's advocacy and support for affordable housing is key in making a project work.** Projects need champions on City Council, the Planning Commission, and among City staff to problem-solve development review projects and provide support for these projects at neighborhood meetings.
 - **The Metro Affordable Housing Bond is a near-term opportunity to help fund affordable housing.** The City is receiving calls from affordable housing developers who might be interested in working in the city.
 - **The City-owned site near the WES station could be a desirable Transit-Oriented Development site.** To make property near WES station viable, the City needs to: provide a clear path for land use review, write down land cost, provide goals for the project, and make site issues known.
 - **Affordable housing developers like being involved early in process.** They are happy to share expertise and can even bring development team to talk about ideas for potential sites. Possible opportunities for tours and additional engagement.

2 Library Kiosk

In December 2019, the project team placed a kiosk survey board in the Wilsonville Public Library to gather resident input on what kind of housing Wilsonville needs most. The board was presented in English and Spanish to gather input from a wider range of residents who live in Wilsonville, focusing on residents who have not provided project feedback through other venues such as Let's Talk, Wilsonville!

In total there were over 320 votes, which ranked eight different potential housing types for Wilsonville (participants could choose to place as many votes as they wanted). Every housing option received votes, and the top three choices were single-level homes where people can live their whole lives, smaller single-family homes, and homes with an accessory dwelling unit (ADU). Smaller homes were preferred more often than bigger single-family homes at a ratio of two to one. Co-housing, which ranked fifth, received higher interest than smaller apartments or live-work spaces; both of these options ranked last, with fewer votes overall.

Most popular responses

- Single-level homes/accessibility was the most popular response
- Smaller homes (but not as much interest in smaller apartments)
- Homes with an accessory dwelling unit

3 Let's Talk Wilsonville Survey and Submitted Stories

The City of Wilsonville released a survey about equitable housing on its online open house platform, Let's Talk Wilsonville, in August 2019, and a quick poll in December 2019. In addition, website visitors could submit stories about their housing experiences in the city.

Key Findings

- A total of 80 residents took the online survey. Respondents tended to be longtime residents (10+ years, 36%) or fairly new to the City (1-5 years, 39%). Renters were highly underrepresented, with 76% of respondents stating they owned their home.
- General takeaways from people who rent their homes:
 - Properties are seen as fairly well-maintained.
 - All but one respondent was at least somewhat stressed about the possibility of rent increases (79% responded yes).
 - The biggest challenge respondents identified to buying a home in Wilsonville is finding a home they can afford (68% of respondents).
- General takeaways from people who own their homes:
 - Affording maintenance needs is not generally a problem, but 88% of owners are at least somewhat stressed about affording overall monthly housing costs.

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- There is close to a 50/50 split on whether homes are suitable for aging in place. Multiple floors seem to be the biggest factor in this perception.
 - Less than half of owners (41%) think they could afford to buy a home in Wilsonville in today's market.
 - Commute and schools were the top two choices of why people chose Wilsonville.
 - Respondents were split on whether there is an adequate variety of housing types in Wilsonville.
 - Housing concerns are mixed:
 - Just under half of respondents indicated concerns about cost of housing and expressed a need for more affordable housing.
 - About one-third of respondents shared concerns around themes of quick growth, density, too many apartments, etc.
 - Other comments indicated that more unit types are needed in the City.
 - A separate "quick poll" asked "Which of these ideas would most help ensure that people from different backgrounds, ages, ethnicities, incomes, and physical abilities have an opportunity to enjoy Wilsonville?" (a total of 31 responses were recorded as of January 13, 2020)
 - The most popular response was "encourage builders to construct more single-level homes with features that make independent living easier." (31% of responses)
 - Other responses that garnered interest were:
 - Work with apartment owners to maintain housing for the long term and keep rents from increasing too rapidly (all types of apartments, not only "affordable housing") (21% of responses)
 - Make it easier to build different types of homes – single detached homes, cohousing, townhomes, cottage clusters, apartments, mobile home parks (17% of responses)
 - Themes of stories shared on Let's Talk, Wilsonville!: (14 total submitted)
 - Lack of starter homes affordable for first time homebuyers
 - Increased cost of rent over time
 - More housing types needed
 - Little housing for working class
 - Need for more outreach and education on available services
 - Good quality of life – parks and schools
 - Need to plan for infrastructure to support increased growth

4 Renter Survey

In order to improve the project's engagement of underrepresented groups, including renters and communities of color, housing surveys were distributed to residents living in Wilsonville's subsidized affordable apartment complexes in December 2019. A total of 14 responses were returned to the project team.

Key Findings

Residents surveyed seem to be connected to the community of Wilsonville:

- Most of the respondents do not plan to leave Wilsonville in the next five years.
- Around 36% of respondents only looked in Wilsonville for housing.
- Most respondents were somewhat long-term residents, five years or more.
- Around 40% of respondents would contact friends of family in times of need, which suggests they have a strong network nearby.

Survey respondents feel secure and satisfied with their housing:

- Compared to the national averages, respondents found affordable housing very quickly.
- The majority also did not feel that they are at risk of losing their housing or not being able to afford their current home in the future.
- While many of the responses to the quick poll and library kiosk indicated a need for more housing suitable to aging in place, all but one respondent to this survey felt they are able to age in their current home without issue.

Survey respondents may not feel it is possible to be homeowners or are just not interested:

- The most picked answer for the last question, which asked about strategies that would help ensure that people from different backgrounds, ages, ethnicities, incomes, and physical abilities can live in Wilsonville was "working with apartment owners to maintain housing for the long term and keep rents from increasing too rapidly."
- Very few respondents aspired to buy a home. This could be due to how satisfied they are with their current living situation. However, it is interesting to note that they believe the biggest barrier for anyone to buy a home in Wilsonville would be finding a home they could afford. This suggests that, if they did aspire to own a home, they see it being a big challenge to stay in their community.

Detailed Results

Question 1: How long have you lived in Wilsonville?

Twelve survey respondents have lived in Wilsonville for more than five years.

Question 2: Why did you choose to live in Wilsonville?

Housing cost was at least one of the reasons 10 survey respondents choose to live in Wilsonville. For half of the respondents, parks and open space was one of the reasons they choose Wilsonville. Only one survey respondent chose Wilsonville because of the proximity to work. No respondents choose to live in Wilsonville for the school system or because they liked the home.

Question 3: When you were looking for your current home, how long did it take before you found it in Wilsonville?

Ten respondents only looked for housing for between zero to six months before finding housing in Wilsonville. The other respondents found housing between six months and two years. No respondents waited more than two years to find housing.

Question 4: When you were looking for your current home, what other areas were you considering?

Five respondents were looking for housing in only Wilsonville. The two other cities most commonly chosen were Tualatin and Oregon City.

Question 5: Do you feel your home is suitable for aging in place?

All but one respondent felt that their home is suitable for aging in place.

Question 6: Is your home big enough to meet the needs of your family?

Twelve respondents felt their home is big enough to meet their needs.

Question 7: If you could improve one thing about your housing now, what would it be?

The majority of respondents chose other. There did not appear to be any trend for the other responses. The second highest response for this question was more bedrooms.

Question 8: How well do you feel the property owner is maintaining your home?

Ten respondents feel their property is well maintained. No respondents felt their home is poorly maintained.

Question 9: Do you feel stressed about your ability to afford monthly housing costs?

Nine respondents indicated they are not stressed about affording monthly housing costs. Only one respondent felt stressed with two feeling somewhat stressed.

10. Do you plan to stay in your current home for at least the next 5 years?

Ten respondents planned to stay in their current home for the next five years. Three were unsure.

11. Do you aspire one day to buy a home?

Ten respondents do not aspire to buy a home.

12. What do you think would be the biggest challenge to buying a home in Wilsonville?

Ten respondents believed that finding a home that they could afford would be the biggest barrier to buying a home (some respondents chose more than one response).

13. If you had an issue with your living situation or needed assistance, who would you go to for help?

Seven respondents indicated they would go to County or State services for help, and seven indicated they would go to family or friends (some respondents chose more than one response).

14. Which of these ideas would help ensure that people from different backgrounds, ages, ethnicities, incomes, and physical abilities can live in Wilsonville?

Nine respondents thought that working with apartment owners to maintain housing for the long term and keep rents from increasing too rapidly would help the most (some respondents chose more than one response).

Appendix D: Property Tax Abatement Programs for Housing in Oregon

Oregon has several property tax abatement programs that can be used support development of affordable housing or to leverage private housing development to provide benefits (e.g. a portion of units at reduced rents, or ground floor retail in key areas) that the market may not deliver on its own. Each program differs in the type of housing it incents, the geographic specificity, and other policy parameters. Cities can use one or more of the following programs to achieve different housing goals:

- **Vertical Housing Development Zones (VHDZ):** Incents multi-story mixed-use development by offering a partial property tax exemption for 10 years to developments that include housing as well as non-residential use (e.g. retail on the ground floor), with a larger tax exemption for higher density developments.
- **Multiple Unit Property Tax Exemption (MUPTE, sometimes called MULTE):** A flexible program that can be used to incent multifamily housing with particular features or at particular price points by offering qualifying developments a partial property tax exemption for 10 years.
- **Temporary exemption for newly rehabilitated or constructed multiunit rental housing:** Incents development or rehabilitation of multifamily rental housing with rents affordable to households with an annual income at or below 120% of the area median income (AMI) citywide through a full property tax abatement for no more than 10 years.
- **Nonprofit Low-Income Rental Housing Exemption:** Provides a simplified way for affordable housing owned and operated by a nonprofit to qualify for a property tax exemption.

Each tax abatement varies in its eligibility criteria, implementation processes, and abatement allowances. The following sections describe each program and its pros and cons. To facilitate comparison between programs, key features and differences of the programs are summarized in Exhibit 1 on page 9.

Vertical Housing Development Zones (VHDZ)

How it Works

This program incentivizes mixed-use development and affordable housing by partially exempting property taxes for qualifying projects. The exemption varies in accordance with the number of residential floors in a mixed-use project; the maximum property tax exemption is 80 percent of the residential improvement value over 10 years. An additional property tax exemption on the land may be given if some or all of the housing is for low-income persons (80 percent of area median income or below). There is no tax exemption on the non-residential component.

Before a city or county can grant an exemption for an eligible development project, they must establish a VHDZ. Per state statute, jurisdictions must consider the potential for displacement¹ of households within a proposed vertical housing development zone before designating the zone. Once the VHDZ is established, the developer may apply for the city's Vertical Housing Tax Abatement Program.

Pros and Cons

Pros:

- Targeted tool to support mixed-use development in places with locational advantages.
- Overlapping taxing districts must take action to opt out, rather than having to take affirmative action to approve zone designations and project applications.
- Offers incentives for market rate, mixed income, and affordable housing, with greater incentives for affordable/mixed income housing.
- Incentivizes higher density development as well as mixed-income development.

Cons:

- May provide insufficient incentive to lead to affordability unless paired with other tools.
- Requires retail space, which may not be viable or appropriate for all projects.
- Can't qualify until project is under construction—creates uncertainty for developer & lenders

¹ According to the relevant statute (ORS 307.841(2)): "Displacement" means a situation in which a household is forced to move from its current residence due to conditions that affect the residence or the immediate surroundings of the residence and that: (a) A reasonable person would consider to be beyond the household's ability to prevent or control; (b) Occur despite the household's having met all previously imposed conditions of occupancy; and (c) Make continued occupancy of the residence by the household unaffordable, hazardous or impossible.

In evaluating this issue for other communities, ECONorthwest has considered the potential for displacement because of redevelopment of existing housing with new development using the VHDZ program ("direct displacement"), and the potential that the presence of new development that uses the VHDZ program could encourage property owners to increase rents in existing housing to a degree that the households can no longer afford them ("indirect displacement").

- Reduces general fund revenues for all overlapping taxing districts (unless they opt out).

Best for:

Encouraging mixed use development in locations where ground floor commercial uses are essential to the vision and mixed use is not economically feasible yet.

Implementation Considerations

- Both ground-floor retail and multifamily rental housing must be allowed, appropriate, and potentially desirable to tenants for the program to be effective.
- The program works better for taller development (at least 4 stories tall) since the incentive is very limited for lower-scale development. It should be applied in places where this is allowed, desirable, and close to being feasible, given the higher cost of such development relative to 2- to 3-story housing or single-story retail.
- Expect market-rate development through this program, if any development occurs because of it—there is little or no history of it being used for affordable housing in Oregon. Also consider how affordability restrictions will be monitored and enforced.

Multiple Unit Property Tax Exemption (MUPTE)

How it Works

Through a multiple unit property tax exemption, a jurisdiction can encourage multifamily and attached housing in specific locations lacking in housing choices, or inclusion of units with below-market rents. The abatement applies to improvement value only and lasts for 10 years, except for affordable housing, which lasts as long as the affordability restriction lasts. Though the state enables the program, each City has an opportunity to shape the program to achieve its goals by controlling the geography of where the exemption is available, application process and fees, program requirements, criteria, and program cap.

Though the state enables the programs, each City has an opportunity to shape the program to achieve its goals by controlling the geography of where the exemption is available, application process and fees, program requirements, criteria, and program cap. The City can select projects on a case-by-case basis through a competitive process. Those applicants must show that the housing would not be feasible without the abatement.

To implement the exemption, the City would take the following steps:

- (1) Determine desired eligibility criteria (percentage affordable or workforce housing or other public benefits, where the program applies, etc.).
- (2) Seek agreement from taxing districts representing 51 percent or more of the combined levying authority on the property to include all of the taxing jurisdictions in the abatement. If the City is unable to get agreement from other taxing districts, the abatement will only apply to the City's portion of property taxes.

(3) Establish annual reporting procedures and administration.

Pros and Cons

Pros:

- City sets eligibility criteria and controls application process and project selection.
- Program is flexible to support various objectives related to encouraging housing.
- Tax abatements can contribute to the feasibility of both market-rate and regulated units. Saving on operational costs contributes to greater net operating income, which is important in determining project value and subsequently the development feasibility.
- The City can use the abatement program to incent private development to include some affordable units, or to incent higher density housing or other specific types of housing not being delivered by the market.
- Since applicants need to prove that the project would not be feasible without the exemption, the funding only goes to developments that would not have otherwise occurred.
- Property owner can apply by the February before first assessment year of requested exemption. Construction need not be complete.
- The City can set an annual cap on the total amount of tax exemptions in any given year for all projects.

Cons:

- May provide insufficient incentive to lead to affordability unless paired with other tools.
- Discretionary application process creates uncertainty during the development stage and more work for applicants. Some developers will be discouraged from applying.
- City must weigh the temporary (up to 10 years) loss of tax revenue against the potential attraction of new investment to targeted areas.
- Reduces general fund revenues for all overlapping taxing districts, which could make it harder to promote the tool to partner jurisdictions that do not perceive the same project benefits.
- Depending on the project criteria, can be a highly competitive process among development projects.
- Must get affirmative support from enough overlapping taxing districts to apply to their tax collections.

Best for:

Encouraging multifamily housing in strategic locations and with specific features (with or without ground floor commercial uses), or supporting development of housing affordable to

moderate-income households (e.g. around 80% AMI where the rent discount relative to market rates is limited).

Implementation Considerations

There are multiple ways a City could implement this tool, which will require additional staff and stakeholder conversations to determine which application is most appropriate.

- The City could offer a citywide program for housing that is affordable to households making up to some specific income level (e.g., 80% or 100% of AMI). If the City were to require income certification of tenants, this would require a lot of paperwork for developers. If the affordability threshold is relatively close to current market rents, the City could limit the rent the developer could charge but not require income certification for tenants. This would be less burdensome for all involved but would not guarantee that the units would go to those that need them most, and would offer little discount relative to market-rate development. Also consider how affordability restrictions will be monitored and enforced—whether City staff has capacity for this, or whether there is an appropriate and willing partner to assist.
- The City could offer abatements for market rate apartments that meet public goals and are not being produced by the market today. This could include higher density development adjacent to transit or downtown, development that meets certain green building or sustainability goals, etc. In some markets, any multifamily rental housing development at scale is a challenge due to low market rents and difficult financing, and the program may be appropriate with minimal eligibility criteria.
- The abatement could be applied to certain middle housing types like duplexes, triplexes, cottage clusters on a common lot, etc. in neighborhoods close to transit or services. It will be most effective for rental properties, and should not be tied to affordability requirements without careful consideration of whether those will work for middle housing.
- Regardless of how the City chooses to apply the program, it could set a limit on the total amount of abatement granted per year or at any given time in order to limit fiscal impacts to the City and other taxing districts.

Nonprofit Low Income Rental Housing Exemption

How it Works

This tax exemption program would apply to rental housing for low income persons² that is owned, being purchased, and/or operated by a nonprofit. It would also apply to land held for affordable housing development. Land and improvements are exempt for as long as the property meets the criteria, but developers must reapply every year to show that they continue to meet the program criteria.

To enact this program, the City would need to adopt standards and guidelines for applications, and enforcement mechanisms. Rents within the eligible properties must reflect the full value of the property tax abatement.

This program would provide an opportunity to assist nonprofits providing affordable housing in the community by lowering operating costs. Affordable housing provided by a public agency is already exempt, and nonprofits have the option to apply for an exemption through the state; however, the state process is cumbersome and is not always successful. This tax exemption offers a streamlined path, and the ability to obtain a tax abatement on land held for future affordable housing.

Pros and Cons

Pros:

- The affordable housing tax abatement can be used for any non-profit affordable housing development.
- No requirement that construction be complete prior to application.
- Works well in tandem with other incentives, such as land banking.
- Reduces carrying costs before development occurs (tax exemption available for land being held for development of affordable units), and offsets operational costs once the development is complete.

Cons:

- Reduces general fund revenues for all overlapping taxing districts if properties that would not otherwise have received an exemption are approved through the program.
- Must get affirmative support from enough overlapping taxing districts to apply to their tax collections.
- Limited applicability / eligibility, since it does not apply to mixed-income housing or affordable housing built by for-profit developers.

² Incomes must be at or below 60% of area median income (AMI) to start, and up to 80% AMI in subsequent years.

- The requirement for the property owner to resubmit eligibility documentation every year may be burdensome.

Best for:

Reducing operating costs for regulated affordable housing developed by nonprofits and affordable at 60% AMI or below.

Implementation Considerations

- The non-profit developments eligible for this program may already be finding ways to achieve tax exempt status. If this is the case, the impact will primarily be a simpler path to tax exemption, rather than getting affordable housing that would not have otherwise occurred. This also means the additional property tax impact is likely to be limited.
- Little or no additional monitoring or enforcement is likely needed for this program, since eligibility is limited to non-profit affordable housing providers.

Temporary exemption for newly rehabilitated or constructed multiunit rental housing

How It Works

Provides a maximum 10-year tax abatement for newly rehabilitated or constructed multiunit rental housing that is affordable to households with an annual income at or below 120% of AMI. The tax abatement applies to the full property tax amount—land and improvements.

A city must establish a schedule that provides longer exemptions for projects with more qualifying units, with a maximum of 10 years. To establish this tax abatement, a City adopts an ordinance or resolution, the city must establish definitions of affordability and duration of exemption, and overlapping taxing districts must agree. Specifically, the city must:

- (1) Create an ordinance to adopt a schedule establishing the length and percentage of the exemption based on the number of affordable units.
- (2) Define the terms “area median income” and “affordable” for families of varying sizes.
- (3) Seek agreement from taxing districts representing 51 percent or more of the combined levying authority on the property. If the City is unable to get agreement from other taxing districts, the abatement cannot take effect.

Pros

- Properties must re-apply every year, which provides a built-in enforcement mechanism. This is not overly burdensome since they only need to show that they continue to meet the criteria, which are non-discretionary.
- All properties that meet eligibility criteria must be granted the exemption, reducing uncertainty for developers.

Cons

- Little ability to tailor the program to offer greater benefits to projects that are more desirable, and all eligible projects get the exemption.
- With market rents even for new construction generally already affordable at or below 120% of AMI, this would offer as much of an incentive for market-rate development as for affordable housing development.

Best for:

Incenting market rate / moderate-income multifamily housing development city-wide.

Implementation Considerations

- The City may run into more concerns among local tax jurisdictions with this program due to the temporary loss of tax revenue (because land value is exempted in addition to improvement value) and because there are so few limits on the program.
- In markets where any multifamily rental housing is needed, and market rents are already affordable at or below 120% of AMI, this program may make sense as a developer-friendly and streamlined alternative to MUPTE. The sliding scale for number of years of abatement for the percent of units affordable at or below 120% AMI will be irrelevant in this case.
- In markets where typical rents for new construction are well above 120% of AMI, this program could potentially make sense as a way to incent lower rents for market-rate housing or inclusion of some below-market units, but without income qualification (which the program does not require), there is no guarantee they would go to those that need them most.
- While income qualification is not required, consider whether staff has capacity to review annual submittals detailing rents for compliance with program requirements.

Exhibit 1. Housing Tax Exemption Program Comparison

Program	Vertical Housing Development Zones (VHDZs)	Multiple-Unit Property Tax Exemption (MUPTEx)	Nonprofit Low Income Rental Housing Exemption ⁱ	Temporary Exemption for Newly Rehabilitated or Constructed Multiunit Rental Housing
Authorizing Statute	ORS 307.841 to 307.867	ORS 307.600 to 307.637	ORS 307.515 to 307.523 / ORS 307.540 to 307.548	House Bill 2377 / chapter 624, Oregon Laws 2017 ⁱⁱ
Adoption / Designation Process	City designates via ordinance or resolution. Notice to overlapping taxing districts required. Must consider potential for displacement of households in the zone.	City designates via ordinance or resolution. Public hearing required to determine whether qualifying housing would or would not be built without the benefit of the program. City must establish standards and guidelines with requirements for eligibility.	City adopts standards and guidelines for applications and enforcement mechanisms.	City adopts an ordinance or resolution. City must establish definitions of affordability and duration of exemption. Overlapping taxing districts must agree (see below).
Eligible Areas	Within designated areas. City may designate any area it chooses. ⁱⁱⁱ	Within designated areas such as core areas, ^{iv} light rail station areas, transit-oriented areas (within a quarter-mile of fixed-route transit service per a local transportation plan), or Urban Renewal Areas. Alternatively, the city can designate the entire City and limit the program to affordable housing.	Anywhere in a city	Anywhere in a city
Eligible Projects / Properties	Must include at least one "equalized floor" of residential; at least 50% of the street-facing ground floor area must be committed to non-residential use. Can be new construction or rehabilitation. City can add other criteria.	Housing subject to a housing assistance contract with a public agency (must show that the exemption is necessary to preserve or establish the low-income units, but the statute does not define an income threshold); OR housing that meets City-established criteria for design elements benefitting the general public and number of units. If transit-oriented, must support the transit system. May be new construction, addition of units, or conversion of an existing building to residential use.	New rental housing exclusively for low-income households (at or below 60% AMI); rental housing for low-income persons (at or below 60% AMI) that is owned, being purchased, and/or operated by a nonprofit; ^v or land held for affordable housing development. Rents must reflect the full value of the property tax abatement. City can add other criteria.	Newly rehabilitated or constructed multiunit rental housing. Rental units affordable to households with an annual income at or below 120% of AMI.

Program	Vertical Housing Development Zones (VHDZs)	Multiple-Unit Property Tax Exemption (MUPTEx)	Nonprofit Low Income Rental Housing Exemption ⁱ	Temporary Exemption for Newly Rehabilitated or Constructed Multiunit Rental Housing
Extent of Tax Exemption / Abatement	Improvements exempt based on number of “equalized floors” of residential use: 20% for 1 floor, 40% for 2 floors, 60% for 3 floors, 80% for 4 floors. Land partially exempt for low-income housing (up to 80% AMI) – same % per floor as above.	Improvements exempt. Exemption does not apply to commercial components unless required as a public benefit element.	Land and improvements exempt.	Full property tax levy of all taxing districts.
Duration of Tax Exemption / Abatement	Exemption is for 10 years (this is set in statute, not by the City).	Exemption is for up to 10 years (this is set by statute, not by the City), except that for low-income housing, exemption can be extended for as long as the housing is subject to the public assistance contract.	For the low-income rental housing program, exemption lasts 20 years. For the nonprofit corporation low-income housing program, the exemption must be applied for every year, but can continue as long as the property meets the criteria.	City must establish a schedule that provides longer exemptions for projects with more qualifying units, with a maximum of 10 years.
Participation by Other Taxing Districts	Can elect not to participate within 30 days from City notice	None, unless districts representing at least 51% of combined levy agree by board resolution to participate, in which case all districts are included.	None, unless the boards of districts representing at least 51% of combined levy agree to the exemption for a given property, in which case all districts are included.	Exemption cannot take effect unless governing bodies representing at least 51% of the total combined tax rate (when combined with the City’s tax rate) agree to grant the exemption.
Where in use^{vi}	Program Established and Tax Abatements Granted: Tigard, Hillsboro, Beaverton, Milwaukie, Gresham	Portland, Eugene, Salem, Newport	Bend, Newport, Beaverton, Portland, Eugene, Tigard, Forest Grove, Cornelius	None identified to date

Program	Vertical Housing Development Zones (VHDZs)	Multiple-Unit Property Tax Exemption (MUPTEx)	Nonprofit Low Income Rental Housing Exemption ⁱ	Temporary Exemption for Newly Rehabilitated or Constructed Multiunit Rental Housing
	Program Adopted: Oregon City, Wood Village, Forest Grove, Stayton, Springfield, Cottage Grove, Monmouth, La Grande, The Dalles, Canby, Central Point, Klamath Falls, Roseburg, Grants Pass, Medford, Eugene			

ⁱ There are two separate tax exemptions available under the statute, but they are quite similar, and are grouped together with notes about any important differences. While it may seem strange that a local government would need to adopt a program to exempt a non-profit from paying property taxes on low-income housing that it owns and operates, the process for non-profits to qualify for a statutory exemption under ORS 310.130 is apparently fairly challenging and uncertain. Review and decisions are handled by the county tax assessor based on Department of Revenue administrative rules, which have unclear criteria for affordable housing. These programs offer an option for local government elected officials to bypass this process and affirmatively grant a property tax exemption for qualifying affordable housing. They also offer the potential to add local criteria as long as those criteria do not conflict with those in statute.

ⁱⁱ The text is included following ORS 307.867 in the online version of ORS Chapter 307, but is not numbered to match the rest of the statute.

ⁱⁱⁱ The prior statutes governing the VHDZ program specified certain types of areas where VHDZs could be designated. The current version of the statute leaves this decision entirely up to the City. However, logically, the zoning would need to allow both residential and non-residential uses in order to allow development that could be eligible for VHDZ tax abatement.

^{iv} “Core areas” is not defined in the statute. The legislative findings in ORS 307.600 suggest that the intent is for areas around a downtown, but there seems to be discretion for the City to interpret this broadly if desired.

^v For the nonprofit corporation low-income housing program, eligibility is housing owned by a nonprofit that is occupied by low-income persons (at or below 60% AMI to start, and up to 80% AMI in subsequent years).

^{vi} This list is based on the best information currently available in February 2019, but it may not be exhaustive.

Attachment 2

Summary of Task Force Input on Performance Measures – January 29, 2020

At its third and final meeting, the City's Equitable Housing Strategic Plan Task Force participated in a brainstorming activity to provide input on performance measures the Plan should include to track effectiveness of the Plan's proposed actions over time in meeting its policy objectives. The following summary list contains ideas for measures generated by the Task Force, organized by each of the Plan's policy objectives.

Greater Availability of a Diversity of Housing Types for a Full Range of Price Points to Serve the Community:

Suggested measure from draft Plan - Number, location, and type of new homes produced

Additional Task Force suggestions

- Track unit size and price points for new homes
- Number and cost of property rehabilitations
- Number of condos created
- Availability of mobile homes
- Number of cottage cluster projects
- Number of visitable units (housing designed in such a way that it can be lived in or visited by people with disabilities)

Increased Partnerships with Nonprofit and for-Profit Housing Developers:

Suggested measure from draft Plan - Change in workforce and worker incomes over time (to support assessment of needs for workforce housing)

Additional Task Force suggestions

- Measure permits issued to non-profits
- Create a target number of nonprofit units as part of annual number of units developed

New and Expanded Affordable Homeownership Opportunities, Especially for First-Time Homebuyers:

Suggested measure from draft Plan - Mortgage applications and denials, including by race and ethnicity (publicly available for download as a result of the Home Mortgage Disclosure Act)

Additional Task Force suggestions

- Create a down payment assistance program and track homes assisted
- Track ratio of median family income to median new and resale housing prices/apartment rent/square footage
- Collect data from local lenders on percent of FHA, VA, etc. loans issued vs conventional loans in city

Reduced Risk of Displacement

Suggested measure from draft Plan - Share of rent-burdened residents

Additional Task Force suggestions

- Number of new building permits vs. demolition permits
- Track school data and the extent that kids move because they are priced out
- Population in Wilsonville spending greater than 50% of income in rent
- Number of multifamily property owners who have applied for tax abatements of number of units protected
- Number of liens for down payment assistance issued
- Track displaced residents vs. those moving for other reasons
- Inventory existing affordable housing vs. what is needed

Housing Opportunities with Access to Services and Transit

Suggested measure from draft Plan - Accessibility to services and transit for new homes

Additional Task Force suggestions

- Number of new of affordable units located within ¼-mile of transit
- Number of new or affordable units within ¼- ½ mile of social services
- Inventory opportunities within a walkable distance to transit/services
- Track partnerships with services and transit agencies

Maintenance and Expansion of Quality Affordable Housing Stock

Suggested measure from draft Plan - Number and location of regulated affordable units produced

Additional Task Force suggestions

- Number of home demolitions
- Number of regulated affordable housing units
- Number of units that are affordable to people making below median family income
- Establish a policy prioritizing surplus public land for affordable housing – track number of sites and units produced

Implementation of All Housing Policies through a Lens of Social Equality and Inclusion

Suggested measure from draft Plan - Documentation of conversations with property owners, homeowners' associations and developers about the importance of equitable housing

Additional Task Force suggestions

- Track communities/neighborhoods that are integrated by income and other demographic factors, based on metropolitan demographics
- Using American housing survey or Regional Land Information Survey, track over time, percentage change in homeownership by families of color/disability relative to percentage of population with families of color/disability
- Percentage of people who are cost burdened/severely cost burdened by race, ethnicity and disability

PROCLAMATION

LEAGUE OF WOMEN VOTERS MONTH

WHEREAS, the League of Women Voters of Clackamas County has, since its beginnings in the 1940s, made significant contributions to good local government through its non-partisan community services activities and voter information programs; and

WHEREAS, the year 2020 marks the 100th Anniversary of the League in our nation and in the State of Oregon; and

WHEREAS, the City Council of the City of Wilsonville appreciates and commends the League membership for outstanding public service in our community and urges broad public support of the League of Women Voters and its program objectives; and

NOW, THEREFORE, I, Tim Knapp, Mayor of the City of Wilsonville, do proclaim

March 2020

as

LEAGUE OF WOMEN VOTERS MONTH

and call upon the people of Wilsonville to recognize and participate in this special observance.

Signed this 3rd day of March, 2020

Mayor Tim Knapp



CITY COUNCIL ROLLING SCHEDULE Board and Commission Meetings 2020

Items known as of 02/26/20

March

DATE	DAY	TIME	EVENT	LOCATION
3/2	Monday	7:00 p.m.	City Council Meeting & State of the City Address	Council Chambers
3/9	Monday	6:30 p.m.	DRB Panel A - Cancelled	Council Chambers
3/11	Wednesday	6:00 p.m.	Planning Commission	Council Chambers
3/11	Wednesday	6:00 p.m.	Budget Committee Mid-Year Review	City Hall
3/16	Monday	7:00 p.m.	City Council Meeting	Council Chambers
3/19	Thursday	6:00 p.m.	Tourism Promotion Committee	Council Chambers
3/23	Monday	6:30 p.m.	DRB Panel B	Council Chambers
3/24	Tuesday	6:00 p.m.	Metro Community Enhancement Committee Meeting	City Hall
3/25	Wednesday	6:30 p.m.	Library Board	Library
3/30	Monday	6:00 p.m.	Metro Community Enhancement Committee Meeting	City Hall

April

DATE	DAY	TIME	EVENT	LOCATION
4/6	Monday	7:00 p.m.	City Council Meeting	Council Chambers
4/7	Tuesday	6:00 p.m.	Metro Community Enhancement Committee Meeting	City Hall
4/8	Wednesday	6:00 p.m.	Planning Commission	Council Chambers
4/9	Thursday	6:00 p.m.	Parks and Recreation Advisory Board Meeting	Council Chambers
4/9	Thursday	6:00 p.m.	URA Taskforce Meeting	City Hall
4/13	Monday	6:30 p.m.	DRB Panel A	Council Chambers
4/20	Monday	7:00 p.m.	City Council Meeting	Council Chambers
4/22	Wednesday	6:30 p.m.	Library Board	Library
4/27	Monday	6:30 p.m.	DRB Panel B	Council Chambers

Community Events:

3/24 Long Term Care 101 at the Community Center, 10:00 a.m. – 11:30 a.m.

3/31 History Pub at McMenamin's Old Church, 6:30 p.m. – 8:00 p.m.

4/4 State Rep. Neron Wilsonville Town Hall at the Library, 10:30 am. – 1:00 p.m.

All dates and times are tentative; check the City's online calendar for schedule changes at www.ci.wilsonville.or.us.



**CITY COUNCIL MEETING
STAFF REPORT**

<p>Meeting Date: March 2, 2020</p>	<p>Subject: Resolution No. 2793, Resolution No. 2794, Resolution No. 2795, Resolution No. 2796 and Resolution No. 2797</p> <p>Property Tax Exemptions Requests For Low-Income Housing Held by Charitable, Nonprofit organizations including Autumn Park Apartments, Charleston Apartments, Creekside Woods, Rain Garden Apartments, and Wiedemann Apartments.</p> <p>Staff Member: Keith Katko, Assistant Finance Director</p> <p>Department: Finance</p>
<p>Action Required</p>	<p>Advisory Board/Commission Recommendation</p>
<p><input checked="" type="checkbox"/> Motion</p> <p><input type="checkbox"/> Public Hearing Date:</p> <p><input type="checkbox"/> Ordinance 1st Reading Date:</p> <p><input type="checkbox"/> Ordinance 2nd Reading Date:</p> <p><input checked="" type="checkbox"/> Resolution</p> <p><input type="checkbox"/> Information or Direction</p> <p><input type="checkbox"/> Information Only</p> <p><input type="checkbox"/> Council Direction</p> <p><input checked="" type="checkbox"/> Consent Agenda</p>	<p><input type="checkbox"/> Approval</p> <p><input type="checkbox"/> Denial</p> <p><input type="checkbox"/> None Forwarded</p> <p><input checked="" type="checkbox"/> Not Applicable</p> <p>Comments: N/A</p>
<p>Staff Recommendation: Staff recommends that Council adopt the Consent Agenda.</p>	
<p>Recommended Language for Motion: I move to approve the Consent Agenda.</p>	
<p>Project / Issue Relates To:</p>	
<p><input checked="" type="checkbox"/> Council Goals/Priorities: Affordable Housing</p>	<p><input type="checkbox"/> Adopted Master Plan(s)</p>
<p><input type="checkbox"/> Not Applicable</p>	

ISSUE BEFORE COUNCIL:

Whether to approve property tax exemptions for various properties in the City.

Property Tax Exemptions Requests Staff Report

EXECUTIVE SUMMARY:

Each year property tax exemptions are requested for the properties located within the city limits that offer lower rent to families, seniors and individuals meeting the low-income requirement. This requirement, set by the Federal Government, is 60% of the estimated state median income. The five complexes noted above have received property tax exemption status in previous years and are in compliance with the requirements stated in ORS 307.540-307.548 (*Nonprofit Corporation, Low Income Housing*).

Providing affordable housing in Wilsonville has been a long-standing goal with City Council. Current and past Council have authorized five apartment complexes with a property tax exemption status. In total, 366 units are currently available for a low-income housing. All properties are required to meet State and Federal funding requirements, which include annual physical inspections, an annual audit of financial activity, and programmatic compliance.

The rate reduction per apartment varies from complex to complex as the reduction is based on the property's tax exemption the property receives and the number of reduced rate units in the complex. The complex passes the tax exemption savings onto their renters and most complexes provide additional services including monthly activities. The properties requesting continuance of the property tax exemption status for low-income housing include:

Apartment	501(c) Corp. Name	Address	No. of Residential Units	Assessed Value	Estimated City Tax Abate
Autumn Park	NW Housing Alternative	10920 SW Wilsonville Rd	144	\$8,375,449	\$39,483
Charleston	NW Housing Alternative	11609 SW Toulouse St	51	\$1,572,614	\$7,413
Creekside Woods	NW Housing Alternative	7825 SW Wilsonville Rd	84	\$1,917,015	\$9,037
Rain Garden	Caritas Community	29197 SW Orleans Ave	29	\$888,970	\$4,191
Wiedemann	Accessible Living Inc.	29940 SW Brown Rd	58	\$2,749,552	\$12,962
TOTALS			366	\$15,503,600	\$73,086

While the State sets the required threshold for low-income housing rental rates, credits such as the Property Tax Abatement allows these organizations to offer rates that are lower than required to qualified tenants. In total, the amount of credit directly related to the property tax exemption from all taxing districts is approximately \$290,364.

EXPECTED RESULTS:

Council approval of consent agenda resolutions for the property tax exemption requests for Autumn Apartments, Charleston Apartments, Creekside Woods, Rain Garden Apartments and Wiedemann Apartments

TIMELINE:

Applications for renewal requests were due February 7, 2020. Initial property tax exemption requests are required to pay a \$250 application fee for each property. Renewal requests require a \$50 application fee. The City certifies the property tax exemption with the Assessor's office at Clackamas County immediately following Council's approval. The deadline to certify to the Assessor's office is April 1, 2020.

CURRENT YEAR BUDGET IMPACTS:

The assessed value of the all exempt properties totals \$15,503,600. Based on property estimation methodology including the effects of the division of taxes, under Urban Renewal, the total amount of forgone property tax revenue for the City is approximately \$73,086. This amount is built into the City's financial planning.

FINANCIAL REVIEW / COMMENT:

Reviewed by: CAR Date: 2/21/2020

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 2/21/2020

COMMUNITY INVOLVEMENT PROCESS:

N/A

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

Property tax exemptions assist in the availability of housing for low-income families and individuals.

ALTERNATIVES:

1. Discontinue property tax exemption program.
2. Reduce the number of qualifying units.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 2793
 - A. Property Tax Exemption Application
2. Resolution No. 2794
 - A. Property Tax Exemption Application
3. Resolution No. 2795
 - A. Property Tax Exemption Application
4. Resolution No. 2796
 - A. Property Tax Exemption Application
5. Resolution No. 2797
 - A. Property Tax Exemption Application

RESOLUTION NO. 2793

A RESOLUTION GRANTING AN EXEMPTION FROM PROPERTY TAXES UNDER ORS 307.540 TO ORS 307.548 FOR AUTUMN PARK 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, has owned and maintained Autumn Park, an affordable housing development located at 10920 S.W. Wilsonville Road; and

WHEREAS, Autumn Park includes 144 residential units, for people with low income; and

WHEREAS, NHA is currently seeking to preserve Autumn Park as affordable housing; and

WHEREAS, a property tax exemption is essential to Autumn Park'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 Autumn Park development, pursuant to ORS 307.543(2); and

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

WHEREAS, NHA has received that the West Linn-Wilsonville School District exempt Autumn Park 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: NHA and its affordable housing development, Autumn Park, 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, 2020.
- Section 4: This resolution is effective upon adoption for the upcoming 2020/2021 tax year.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of March 2020 and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp
Council President Akervall
Councilor Lehan
Councilor West
Councilor Linville

Attachment:

- A. Property Tax Exemption Application



2316 SE Willard, Milwaukie, Oregon 97222
p: 503.654.1007 • f: 503.654.1319 • www.nwhousing.org

Keith Katko, Assistant Director of Finance
City of Wilsonville
29799 SW Town Center Loop East
Wilsonville, OR 97070

January 21, 2020

Dear Mr. Katko:

At the time of submission of our application for property tax exemption, NHA's Wilsonville properties have the following vacancy statistics:

- Autumn Park Apartments – 1 unit vacant, 99% occupancy
- The Charleston Apartments – 1 unit vacant, 98% occupancy
- Creekside Woods Apartments – 1 unit vacant, 99% occupancy

These units are intended to be occupied within the year. Like all other units at the properties, they will be available exclusively to eligible low-income persons.

Thank you for your consideration of our application.

Kind Regards,

A handwritten signature in blue ink that reads "Trell Anderson".

Trell Anderson, Executive Director

Internal Revenue Service
District Director
P O BOX 486
LOS ANGELES, CA 900530486

Department of the Treasury ^{Attachment A}

AUG 24 1985

Date:

NORTHWEST HOUSING ALTERNATIVES INC
2316 SOUTH EAST WILLARD STREET
MILWAUKIE, OR 97222

Employer Identification Number:
93-0814473
Case Number:
958131104
Contact Person:
TERRY IZUMI
Contact Telephone Number:
(213) 894-4170

Our Letter Dated:
Dec.17, 1985
Caveat Applies:
no

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code, because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi). Your exempt status under section 501(c)(3) of the code is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes a notice to the contrary. However, a grantor or a contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If the heading of this letter indicates that a caveat applies, the caveat below or on the enclosure is an integral part of this letter.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,


Frederick C. Nielsen
District Director

Letter 1050(CG)

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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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

Address: 2316 SE Willard Street, Milwaukie, OR 97222

Telephone: (503) 654-1007
Business

_____ Residence (Optional)

Email Address: neufeld@nwhousing.org

Chief Executive Officer: Trell Anderson

Contact Person: Ray Hackworth

Telephone: (503) 654-1007 x101

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: Autumn Park Apartments

Property Address: 10920 SW Wilsonville Road, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 00818388

(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: 144

Number of residential units occupied by very low-income people: 144

Total square feet in building: 116,928

Total square feet used to house very low-income people:⁴ 116,928

Section C – Leasehold Interest in Eligible Property

Do you own the property in question? X 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? \$90/unit/month
2. Provide greater services to your very low 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: NHA provides a robust Resident Services program that directly benefits the residents.

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 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: The Charleston Apartments

Property Address: 11609 SW Toulouse Road, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 05021215, 05021232

(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 people⁵ 35,493

Section C – Leasehold Interest in Eligible Property

Do you own the property in question? X 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.

⁵ 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? X Yes No If so, by approximately how much? \$47/unit/month
2. Provide greater services to your very low income residential tenants? X Yes No.
3. If yes, in what way(s)? All cost savings are passed directly through to the residents in the form of reduced rents.
4. Provide any other benefit to your very low-income residential tenants? X Yes No. If yes, please explain: NHA provides a robust Resident Services program that directly benefits the residents.

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 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: Creekside Woods Limited Partnership

Property Address: 7825 SW Wilsonville Road, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 05022666

(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: 84

Number of residential units occupied by very low-income people: 84

Total square feet in building: 73,042

Total square feet used to house very low-income people:⁶ 73,042

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.

⁶ 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? X Yes No If so, by approximately how much? \$35/unit/month
2. Provide greater services to your very low income residential tenants? X Yes No.
3. If yes, in what way(s)? All cost savings are passed directly through to the residents in the form of reduced rents.
4. Provide any other benefit to your very low-income residential tenants? Yes No.

If yes, please explain: NHA provides a robust Resident Services program that directly

benefits the residents.



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: Trell Anderson
Agency Chief Executive Officer (Signature)

Trell Anderson
Agency Chief Executive officer (Print or typed)



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

Subscribed and sworn to before me this 21 day of January, 2020.

Theresa Lynne Neufeld
Notary Public For Oregon
My Commission Expires: 7/24/2023

CITY OF WILSONVILLE

Instructions and Application for Property Tax Exemption For Low-Income Housing Held by Charitable, Nonprofit Organizations

Please note that the City requires a copy of the IRS declaration of the status of application as a tax exempt corporation under 26 U.S.C. Section 501(c)(3) or (4) for each application.

Instructions and Application for property Tax Exemption For Very Low-Income Housing Held by Charitable, Nonprofit Organizations

What is It?

The 1985 Oregon legislature authorized a property tax exemption for low-income housing held by charitable, non-profit organizations.¹ The tax exemption is intended to benefit low-income renters and is available for qualifying property located within the City of Wilsonville.

Who is Eligible?

- Charitable, non-profit organizations that provide housing to low-income persons² are eligible.
- The organization must be certified by the Internal Revenue Services as 501(c) (3) or (4).
- Organizations must own or have a leasehold interest in the property or participate in a partnership so long as the non-profit organization is responsible for the day-to-day management of the property. The site must be occupy-able during the upcoming tax year by income eligible households, although vacant land intended to be developed as low-income housing is eligible for the exemption provided under this program.
- Applicants who are leaseholders must have a sign leasehold agreement by the April 1st application deadline. *Applicants may also apply for the exemption for properties expected to be acquired by July 1 of the tax year but the application form must be submitted by the February th deadline.*

Note: You may already be exempted from taxation under the statutory provision for qualifying benevolent, charitable and scientific institutions or for nonprofit organizations providing housing and *care* to the elderly. These two programs are administered by Clackamas County.

If you qualify for these other programs, please do not complete this application. Questions concerning these exemptions should be directed to the Clackamas County Division of Assessment and Taxation at 503-655-8671

What is Eligible?

Only the residential portion of a property located within the City of Wilsonville, which is used to house low-income people, is eligible for a property tax exemption. For example, the commercial space in a mixed-use building would not be eligible for tax exemption. Application for the exemption must be made *annually*.

Who Administers the Program?

The City of Wilsonville's Finance Department administers this program. Please call Keith Katko, Assistant Finance Director at (503) 570-1516 if you have questions.

¹ SB 503 Chapter 660 Oregon's Laws 1985 and chapter 108 Oregon Laws 1993 amending Oregon Revised Statutes 307.540-.548.

² "Low-income persons" are individuals earning 60% or less of the area median income. See Income Eligibility Schedule (Attachment A) [U.S.C. Section 1437(a)(b)(2)].

How to Apply?

Submit a completed application, which includes the following:

1. A complete application – complete Section A and E for your organization. Complete Sections B, C, and D for *each* building for which a property tax exemption is being requested.
2. All applications must be signed and notarized – Section E is required to be notarized for each organization and application only, *not for each building*.
3. New applications must include a copy of IRS 501(c)(3) or (4) letter certifying your organization's eligible charitable nonprofit status.
4. Application fee – Attach a check or money order payable to the City of Wilsonville in the amount of \$250 for new applications and \$50 for renewal applications. Application fee is for each organization, not each building, however the renewal fee is per building. Applicants who apply for exemptions by the April 1 deadline do not need to pay an additional fee to apply for exemption for property acquired before the July 1 purchase deadline.
5. **Applications must be received at the City of Wilsonville Finance Department no later than February 7th. Applications received after this date will not be accepted.** Submit applications to the address below: City of Wilsonville, Attn: Finance Department, 29799 SW Town Center Loop East, Wilsonville, OR 97070.
6. If you have any questions about the application, please call Keith Katko, Assistant Finance Director at (503) 570-1516 if you have questions.

ATTACHMENT A**2019 INCOME ELIGIBILITY SCHEDULE**

The following income eligibility schedule is to be used in determining the amount of eligible property. Only units which are intended for occupancy by households with incomes at or below these income guidelines are eligible for the exemption.

Household Size	Household Income Not To Exceed³
1	\$25,983
2	33,978
3	41,973
4	49,967
5	57,962
6	65,957

Note: Unoccupied housing units at the time of application may be included in the total eligible units if the applicant meets the following conditions:

1. The units will be available exclusively to eligible low-income persons;
2. The units are intended to be occupied within the year;
3. The applicant must provide a written statement to the effect of 1 and 2 above, and attach it to the application.

(source: <https://www.oregon.gov/ohcs/Pages/low-income-energy-assistance-oregon.aspx> Oregon Low Income Energy Assistance Program)

RESOLUTION NO. 2794

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 year beginning July 1, 2020.
- Section 4: This resolution is effective upon adoption for the upcoming 2020/2021 tax year.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of March 2020 and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:
Mayor Knapp
Council President Akervall
Councilor Lehan
Councilor West
Councilor Linville

Attachment:

- A. Property Tax Exemption Application



2316 SE Willard, Milwaukie, Oregon 97222
p: 503.654.1007 • f: 503.654.1319 • www.nwhousing.org

Keith Katko, Assistant Director of Finance
City of Wilsonville
29799 SW Town Center Loop East
Wilsonville, OR 97070

January 21, 2020

Dear Mr. Katko:

At the time of submission of our application for property tax exemption, NHA's Wilsonville properties have the following vacancy statistics:

- Autumn Park Apartments – 1 unit vacant, 99% occupancy
- The Charleston Apartments – 1 unit vacant, 98% occupancy
- Creekside Woods Apartments – 1 unit vacant, 99% occupancy

These units are intended to be occupied within the year. Like all other units at the properties, they will be available exclusively to eligible low-income persons.

Thank you for your consideration of our application.

Kind Regards,

A handwritten signature in blue ink that reads "Trell Anderson".

Trell Anderson, Executive Director

Internal Revenue Service
District Director
P O BOX 486
LOS ANGELES, CA 900530486

Department of the Treasury ^{Attachment A}

AUG 24 1985

Date:

NORTHWEST HOUSING ALTERNATIVES INC
2316 SOUTH EAST WILLARD STREET
MILWAUKIE, OR 97222

Employer Identification Number:
93-0814473
Case Number:
958131104
Contact Person:
TERRY IZUMI
Contact Telephone Number:
(213) 894-4170

Our Letter Dated:
Dec.17, 1985
Caveat Applies:
no

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code, because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi). Your exempt status under section 501(c)(3) of the code is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes a notice to the contrary. However, a grantor or a contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If the heading of this letter indicates that a caveat applies, the caveat below or on the enclosure is an integral part of this letter.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,


Frederick C. Nielsen
District Director

Letter 1050 (CG)

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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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

Address: 2316 SE Willard Street, Milwaukie, OR 97222

Telephone: (503) 654-1007
Business

Residence (Optional)

Email Address: neufeld@nwhousing.org

Chief Executive Officer: Trell Anderson

Contact Person: Ray Hackworth

Telephone: (503) 654-1007 x101

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: Autumn Park Apartments

Property Address: 10920 SW Wilsonville Road, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 00818388

(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: 144

Number of residential units occupied by very low-income people: 144

Total square feet in building: 116,928

Total square feet used to house very low-income people:⁴ 116,928

Section C – Leasehold Interest in Eligible Property

Do you own the property in question? X 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? X Yes No If so, by approximately how much? \$90/unit/month
2. Provide greater services to your very low income residential tenants? X 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? X Yes No.
If yes, please explain: NHA provides a robust Resident Services program that directly benefits the residents.

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 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: The Charleston Apartments

Property Address: 11609 SW Toulouse Road, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 05021215, 05021232

(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 people⁵ 35,493

Section C – Leasehold Interest in Eligible Property

Do you own the property in question? X 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.

⁵ 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? X Yes _____ No If so, by approximately how much?
 \$47/unit/month
2. Provide greater services to your very low income residential tenants? X Yes _____ No.
3. If yes, in what way(s)? All cost savings are passed directly through to the residents in the form of reduced rents.
4. Provide any other benefit to your very low-income residential tenants? X Yes _____ No.
If yes, please explain: NHA provides a robust Resident Services program that directly benefits the residents.

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 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: Creekside Woods Limited Partnership

Property Address: 7825 SW Wilsonville Road, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 05022666

(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: 84

Number of residential units occupied by very low-income people: 84

Total square feet in building: 73,042

Total square feet used to house very low-income people:⁶ 73,042

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.

⁶ 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? X Yes No If so, by approximately how much? \$35/unit/month
2. Provide greater services to your very low income residential tenants? X Yes No.
3. If yes, in what way(s)? All cost savings are passed directly through to the residents in the form of reduced rents.
4. Provide any other benefit to your very low-income residential tenants? Yes No.

If yes, please explain: NHA provides a robust Resident Services program that directly

benefits the residents.

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:

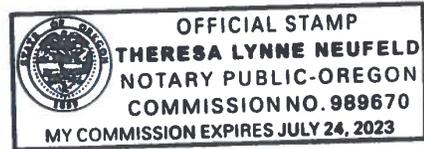
Section E- Declarations

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: Trell Anderson
Agency Chief Executive Officer (Signature)

Trell Anderson
Agency Chief Executive officer (Print or typed)



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

Subscribed and sworn to before me this 21 day of January, 2020.

Theresa Lynne Neufeld
Notary Public For Oregon
My Commission Expires: 7/24/2023

CITY OF WILSONVILLE

Instructions and Application for Property Tax Exemption For Low-Income Housing Held by Charitable, Nonprofit Organizations

Please note that the City requires a copy of the IRS declaration of the status of application as a tax exempt corporation under 26 U.S.C. Section 501(c)(3) or (4) for each application.

Instructions and Application for property Tax Exemption For Very Low-Income Housing Held by Charitable, Nonprofit Organizations

What is It?

The 1985 Oregon legislature authorized a property tax exemption for low-income housing held by charitable, non-profit organizations.¹ The tax exemption is intended to benefit low-income renters and is available for qualifying property located within the City of Wilsonville.

Who is Eligible?

- Charitable, non-profit organizations that provide housing to low-income persons² are eligible.
- The organization must be certified by the Internal Revenue Services as 501(c) (3) or (4).
- Organizations must own or have a leasehold interest in the property or participate in a partnership so long as the non-profit organization is responsible for the day-to-day management of the property. The site must be occupy-able during the upcoming tax year by income eligible households, although vacant land intended to be developed as low-income housing is eligible for the exemption provided under this program.
- Applicants who are leaseholders must have a sign leasehold agreement by the April 1st application deadline. *Applicants may also apply for the exemption for properties expected to be acquired by July 1 of the tax year but the application form must be submitted by the February th deadline.*

Note: You may already be exempted from taxation under the statutory provision for qualifying benevolent, charitable and scientific institutions or for nonprofit organizations providing housing and *care* to the elderly. These two programs are administered by Clackamas County.

If you qualify for these other programs, please do not complete this application. Questions concerning these exemptions should be directed to the Clackamas County Division of Assessment and Taxation at 503-655-8671

What is Eligible?

Only the residential portion of a property located within the City of Wilsonville, which is used to house low-income people, is eligible for a property tax exemption. For example, the commercial space in a mixed-use building would not be eligible for tax exemption. Application for the exemption must be made *annually*.

Who Administers the Program?

The City of Wilsonville's Finance Department administers this program. Please call Keith Katko, Assistant Finance Director at (503) 570-1516 if you have questions.

¹ SB 503 Chapter 660 Oregon's Laws 1985 and chapter 108 Oregon Laws 1993 amending Oregon Revised Statutes 307.540-.548.

² "Low-income persons" are individuals earning 60% or less of the area median income. See Income Eligibility Schedule (Attachment A) [U.S.C. Section 1437(a)(b)(2)].

How to Apply?

Submit a completed application, which includes the following:

1. A complete application – complete Section A and E for your organization. Complete Sections B, C, and D for *each* building for which a property tax exemption is being requested.
2. All applications must be signed and notarized – Section E is required to be notarized for each organization and application only, *not for each building*.
3. New applications must include a copy of IRS 501(c)(3) or (4) letter certifying your organization's eligible charitable nonprofit status.
4. Application fee – Attach a check or money order payable to the City of Wilsonville in the amount of \$250 for new applications and \$50 for renewal applications. Application fee is for each organization, not each building, however the renewal fee is per building. Applicants who apply for exemptions by the April 1 deadline do not need to pay an additional fee to apply for exemption for property acquired before the July 1 purchase deadline.
5. **Applications must be received at the City of Wilsonville Finance Department no later than February 7th. Applications received after this date will not be accepted.** Submit applications to the address below: City of Wilsonville, Attn: Finance Department, 29799 SW Town Center Loop East, Wilsonville, OR 97070.
6. If you have any questions about the application, please call Keith Katko, Assistant Finance Director at (503) 570-1516 if you have questions.

ATTACHMENT A**2019 INCOME ELIGIBILITY SCHEDULE**

The following income eligibility schedule is to be used in determining the amount of eligible property. Only units which are intended for occupancy by households with incomes at or below these income guidelines are eligible for the exemption.

Household Size	Household Income Not To Exceed³
1	\$25,983
2	33,978
3	41,973
4	49,967
5	57,962
6	65,957

Note: Unoccupied housing units at the time of application may be included in the total eligible units if the applicant meets the following conditions:

1. The units will be available exclusively to eligible low-income persons;
2. The units are intended to be occupied within the year;
3. The applicant must provide a written statement to the effect of 1 and 2 above, and attach it to the application.

(source: <https://www.oregon.gov/ohcs/Pages/low-income-energy-assistance-oregon.aspx> Oregon Low Income Energy Assistance Program)

RESOLUTION NO. 2795

A RESOLUTION GRANTING AN EXEMPTION FROM PROPERTY TAXES UNDER ORS 307.540 TO ORS 307.548 FOR CREEKSIDE WOODS LP, 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 Creekside Woods LP, an affordable housing development located at 8725 SW Wilsonville Road, Wilsonville OR; and

WHEREAS, the Creekside Woods LP includes 84 residential units, for people with low income; and

WHEREAS, NHA is currently seeking to preserve Creekside Woods LP as affordable housing; and

WHEREAS, a property tax exemption is essential to Creekside Woods LP'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 Creekside Woods LP development, pursuant to ORS 307.543(2); and

WHEREAS, the property was formally owned by 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 Creekside Woods, LP; and

WHEREAS, NHA has received an exempt status from the West Linn-Wilsonville School District for the Creekside Woods LP 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, Creekside Woods LP, 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, 2020.
- Section 4: This resolution is effective upon adoption for the upcoming 2020/2021 tax year.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of March 2020 and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:
Mayor Knapp
Council President Akervall
Councilor Lehan
Councilor West
Councilor Linville

Attachment:

- A. Property Tax Exemption Application



2316 SE Willard, Milwaukie, Oregon 97222
p: 503.654.1007 • f: 503.654.1319 • www.nwhousing.org

Keith Katko, Assistant Director of Finance
City of Wilsonville
29799 SW Town Center Loop East
Wilsonville, OR 97070

January 21, 2020

Dear Mr. Katko:

At the time of submission of our application for property tax exemption, NHA's Wilsonville properties have the following vacancy statistics:

- Autumn Park Apartments – 1 unit vacant, 99% occupancy
- The Charleston Apartments – 1 unit vacant, 98% occupancy
- Creekside Woods Apartments – 1 unit vacant, 99% occupancy

These units are intended to be occupied within the year. Like all other units at the properties, they will be available exclusively to eligible low-income persons.

Thank you for your consideration of our application.

Kind Regards,

A handwritten signature in blue ink that reads "Trell Anderson".

Trell Anderson, Executive Director

Internal Revenue Service
District Director
P O BOX 486
LOS ANGELES, CA 900530486

Department of the Treasury ^{Attachment A}

AUG 24 1985

Date:

NORTHWEST HOUSING ALTERNATIVES INC
2316 SOUTH EAST WILLARD STREET
MILWAUKIE, OR 97222

Employer Identification Number:
93-0814473
Case Number:
958131104
Contact Person:
TERRY IZUMI
Contact Telephone Number:
(213) 894-4170

Our Letter Dated:
Dec.17, 1985
Caveat Applies:
no

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code, because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi). Your exempt status under section 501(c)(3) of the code is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes a notice to the contrary. However, a grantor or a contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If the heading of this letter indicates that a caveat applies, the caveat below or on the enclosure is an integral part of this letter.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,


Frederick C. Nielsen
District Director

Letter 1050(CG)

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. _____

CONTENTS

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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

Address: 2316 SE Willard Street, Milwaukie, OR 97222

Telephone: (503) 654-1007
Business

Residence (Optional)

Email Address: neufeld@nwhousing.org

Chief Executive Officer: Trell Anderson

Contact Person: Ray Hackworth

Telephone: (503) 654-1007 x101

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: Autumn Park Apartments

Property Address: 10920 SW Wilsonville Road, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 00818388

(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: 144

Number of residential units occupied by very low-income people: 144

Total square feet in building: 116,928

Total square feet used to house very low-income people:⁴ 116,928

Section C – Leasehold Interest in Eligible Property

Do you own the property in question? X 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? X Yes No If so, by approximately how much? \$90/unit/month
2. Provide greater services to your very low income residential tenants? X 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? X Yes No.
If yes, please explain: NHA provides a robust Resident Services program that directly benefits the residents.

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 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: The Charleston Apartments

Property Address: 11609 SW Toulouse Road, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 05021215, 05021232

(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 people⁵ 35,493

Section C – Leasehold Interest in Eligible Property

Do you own the property in question? X 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.

⁵ 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? X Yes _____ No If so, by approximately how much? \$47/unit/month
2. Provide greater services to your very low income residential tenants? X Yes _____ No.
3. If yes, in what way(s)? All cost savings are passed directly through to the residents in the form of reduced rents.
4. Provide any other benefit to your very low-income residential tenants? X Yes _____ No.
If yes, please explain: NHA provides a robust Resident Services program that directly benefits the residents.

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 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: Creekside Woods Limited Partnership

Property Address: 7825 SW Wilsonville Road, Wilsonville, OR 97070

Assessor’s Property Tax Account Number(s): 05022666

(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: 84

Number of residential units occupied by very low-income people: 84

Total square feet in building: 73,042

Total square feet used to house very low-income people:⁶ 73,042

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.

⁶ 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? X Yes No If so, by approximately how much? \$35/unit/month
2. Provide greater services to your very low income residential tenants? X Yes No.
3. If yes, in what way(s)? All cost savings are passed directly through to the residents in the form of reduced rents.
4. Provide any other benefit to your very low-income residential tenants? Yes No.

If yes, please explain: NHA provides a robust Resident Services program that directly

benefits the residents.



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:

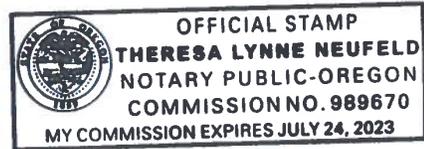
Section E- Declarations

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: Trell Anderson
Agency Chief Executive Officer (Signature)

Trell Anderson
Agency Chief Executive officer (Print or typed)



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

Subscribed and sworn to before me this 21 day of January, 2020.

Theresa Lynne Neufeld
Notary Public For Oregon
My Commission Expires: 7/24/2023

CITY OF WILSONVILLE

Instructions and Application for Property Tax Exemption For Low-Income Housing Held by Charitable, Nonprofit Organizations

Please note that the City requires a copy of the IRS declaration of the status of application as a tax exempt corporation under 26 U.S.C. Section 501(c)(3) or (4) for each application.

Instructions and Application for property Tax Exemption For Very Low-Income Housing Held by Charitable, Nonprofit Organizations

What is It?

The 1985 Oregon legislature authorized a property tax exemption for low-income housing held by charitable, non-profit organizations.¹ The tax exemption is intended to benefit low-income renters and is available for qualifying property located within the City of Wilsonville.

Who is Eligible?

- Charitable, non-profit organizations that provide housing to low-income persons² are eligible.
- The organization must be certified by the Internal Revenue Services as 501(c) (3) or (4).
- Organizations must own or have a leasehold interest in the property or participate in a partnership so long as the non-profit organization is responsible for the day-to-day management of the property. The site must be occupy-able during the upcoming tax year by income eligible households, although vacant land intended to be developed as low-income housing is eligible for the exemption provided under this program.
- Applicants who are leaseholders must have a sign leasehold agreement by the April 1st application deadline. *Applicants may also apply for the exemption for properties expected to be acquired by July 1 of the tax year but the application form must be submitted by the February th deadline.*

Note: You may already be exempted from taxation under the statutory provision for qualifying benevolent, charitable and scientific institutions or for nonprofit organizations providing housing and *care* to the elderly. These two programs are administered by Clackamas County.

If you qualify for these other programs, please do not complete this application. Questions concerning these exemptions should be directed to the Clackamas County Division of Assessment and Taxation at 503-655-8671

What is Eligible?

Only the residential portion of a property located within the City of Wilsonville, which is used to house low-income people, is eligible for a property tax exemption. For example, the commercial space in a mixed-use building would not be eligible for tax exemption. Application for the exemption must be made *annually*.

Who Administers the Program?

The City of Wilsonville's Finance Department administers this program. Please call Keith Katko, Assistant Finance Director at (503) 570-1516 if you have questions.

¹ SB 503 Chapter 660 Oregon's Laws 1985 and chapter 108 Oregon Laws 1993 amending Oregon Revised Statutes 307.540-.548.

² "Low-income persons" are individuals earning 60% or less of the area median income. See Income Eligibility Schedule (Attachment A) [U.S.C. Section 1437(a)(b)(2)].

How to Apply?

Submit a completed application, which includes the following:

1. A complete application – complete Section A and E for your organization. Complete Sections B, C, and D for *each* building for which a property tax exemption is being requested.
2. All applications must be signed and notarized – Section E is required to be notarized for each organization and application only, *not for each building*.
3. New applications must include a copy of IRS 501(c)(3) or (4) letter certifying your organization's eligible charitable nonprofit status.
4. Application fee – Attach a check or money order payable to the City of Wilsonville in the amount of \$250 for new applications and \$50 for renewal applications. Application fee is for each organization, not each building, however the renewal fee is per building. Applicants who apply for exemptions by the April 1 deadline do not need to pay an additional fee to apply for exemption for property acquired before the July 1 purchase deadline.
5. **Applications must be received at the City of Wilsonville Finance Department no later than February 7th. Applications received after this date will not be accepted.** Submit applications to the address below: City of Wilsonville, Attn: Finance Department, 29799 SW Town Center Loop East, Wilsonville, OR 97070.
6. If you have any questions about the application, please call Keith Katko, Assistant Finance Director at (503) 570-1516 if you have questions.

ATTACHMENT A

2019 INCOME ELIGIBILITY SCHEDULE

The following income eligibility schedule is to be used in determining the amount of eligible property. Only units which are intended for occupancy by households with incomes at or below these income guidelines are eligible for the exemption.

Household Size	Household Income Not To Exceed³
1	\$25,983
2	33,978
3	41,973
4	49,967
5	57,962
6	65,957

Note: Unoccupied housing units at the time of application may be included in the total eligible units if the applicant meets the following conditions:

1. The units will be available exclusively to eligible low-income persons;
2. The units are intended to be occupied within the year;
3. The applicant must provide a written statement to the effect of 1 and 2 above, and attach it to the application.

(source: <https://www.oregon.gov/ohcs/Pages/low-income-energy-assistance-oregon.aspx> Oregon Low Income Energy Assistance Program)

RESOLUTION NO. 2796

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, 2020.
- Section 4: This resolution is effective upon adoption for the upcoming 2020/2021 tax year.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of March 2020 and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:
Mayor Knapp
Council President Akervall
Councilor Lehan
Councilor West
Councilor Linville

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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D. Description of Charitable Purpose/Project Benefit	3
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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: 503-688-2650 _____

Business Residence (Optional)

Email Address: sperez@ccoregon.org

Chief Executive Officer: Travis Phillips

Contact Person: Sandra Perez Telephone: 503-688-2651

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: 29179 SW Orleans Avenue, 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 people 21,243

Section C – Leasehold Interest in Eligible Property

Do you own the property in question? X 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 of 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 that all operating costs are paid, including taxes due. The very low-income residents of Rain Garden are charged rents well below market. The saving realized from the property tax exemption are passed through to reduce rents.

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? X Yes No If so, by approximately how much?
 \$75.00
- 2. Provide greater services to your very low income residential tenants? X 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? X Yes No.

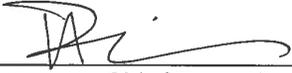
If yes, please explain: Preserves financial stability, and therefore longevity, of the project

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.

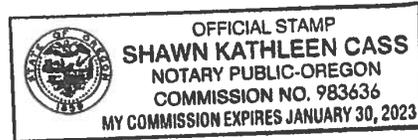
By: 
 Agency Chief Executive Officer (Signature)

Travis Phillips
 Agency Chief Executive officer (Print or typed)

For: Caritas Community Housing Corporation, sole member of Rain Garden CP, LLC, general partner of Rain Garden LP
 Corporate Name (Print or type)

Subscribed and sworn to before me this 5th day of February, 2020.


 Notary Public For Oregon
 My Commission Expires: 1/30/2023



CITY OF WILSONVILLE

Instructions and Application for Property Tax Exemption For Low-Income Housing Held by Charitable, Nonprofit Organizations

Please note that the City requires a copy of the IRS declaration of the status of application as a tax exempt corporation under 26 U.S.C. Section 501(c)(3) or (4) for each application.

Instructions and Application for property Tax Exemption For Very Low-Income Housing Held by Charitable, Nonprofit Organizations

What is It?

The 1985 Oregon legislature authorized a property tax exemption for low-income housing held by charitable, non-profit organizations.¹ The tax exemption is intended to benefit low-income renters and is available for qualifying property located within the City of Wilsonville.

Who is Eligible?

- Charitable, non-profit organizations that provide housing to low-income persons² are eligible.
- The organization must be certified by the Internal Revenue Services as 501(c) (3) or (4).
- Organizations must own or have a leasehold interest in the property or participate in a partnership so long as the non-profit organization is responsible for the day-to-day management of the property. The site must be occupy-able during the upcoming tax year by income eligible households, although vacant land intended to be developed as low-income housing is eligible for the exemption provided under this program.
- Applicants who are leaseholders must have a sign leasehold agreement by the April 1st application deadline. *Applicants may also apply for the exemption for properties expected to be acquired by July 1 of the tax year but the application form must be submitted by the February th deadline.*

Note: You may already be exempted from taxation under the statutory provision for qualifying benevolent, charitable and scientific institutions or for nonprofit organizations providing housing and *care* to the elderly. These two programs are administered by Clackamas County.

If you qualify for these other programs, please do not complete this application. Questions concerning these exemptions should be directed to the Clackamas County Division of Assessment and Taxation at 503-655-8671

What is Eligible?

Only the residential portion of a property located within the City of Wilsonville, which is used to house low-income people, is eligible for a property tax exemption. For example, the commercial space in a mixed-use building would not be eligible for tax exemption. Application for the exemption must be made *annually*.

Who Administers the Program?

The City of Wilsonville's Finance Department administers this program. Please call Keith Katko, Assistant Finance Director at (503) 570-1516 if you have questions.

¹ SB 503 Chapter 660 Oregon's Laws 1985 and chapter 108 Oregon Laws 1993 amending Oregon Revised Statutes 307.540-.548.

² "Low-income persons" are individuals earning 60% or less of the area median income. See Income Eligibility Schedule (Attachment A) [U.S.C. Section 1437(a)(b)(2)].

How to Apply?

Submit a completed application, which includes the following:

1. A complete application – complete Section A and E for your organization. Complete Sections B, C, and D for *each* building for which a property tax exemption is being requested.
2. All applications must be signed and notarized – Section E is required to be notarized for each organization and application only, *not for each building*.
3. New applications must include a copy of IRS 501(c)(3) or (4) letter certifying your organization's eligible charitable nonprofit status.
4. Application fee – Attach a check or money order payable to the City of Wilsonville in the amount of \$250 for new applications and \$50 for renewal applications. Application fee is for each organization, not each building, however the renewal fee is per building. Applicants who apply for exemptions by the April 1 deadline do not need to pay an additional fee to apply for exemption for property acquired before the July 1 purchase deadline.
5. **Applications must be received at the City of Wilsonville Finance Department no later than February 7th. Applications received after this date will not be accepted.** Submit applications to the address below: City of Wilsonville, Attn: Finance Department, 29799 SW Town Center Loop East, Wilsonville, OR 97070.
6. If you have any questions about the application, please call Keith Katko, Assistant Finance Director at (503) 570-1516 if you have questions.

ATTACHMENT A

2019 INCOME ELIGIBILITY SCHEDULE

The following income eligibility schedule is to be used in determining the amount of eligible property. Only units which are intended for occupancy by households with incomes at or below these income guidelines are eligible for the exemption.

Household Size	Household Income Not To Exceed³
1	\$25,983
2	33,978
3	41,973
4	49,967
5	57,962
6	65,957

Note: Unoccupied housing units at the time of application may be included in the total eligible units if the applicant meets the following conditions:

1. The units will be available exclusively to eligible low-income persons;
2. The units are intended to be occupied within the year;
3. The applicant must provide a written statement to the effect of 1 and 2 above, and attach it to the application.

(source: <https://www.oregon.gov/ohcs/Pages/low-income-energy-assistance-oregon.aspx> Oregon Low Income Energy Assistance Program)

RESOLUTION NO. 2797

A RESOLUTION GRANTING AN EXEMPTION FROM PROPERTY TAXES UNDER ORS 307.540 TO ORS 307.548 FOR WIEDEMANN PARK, A LOW-INCOME APARTMENT DEVELOPMENT OWNED AND OPERATED BY ACCESSIBLE LIVING, INC.

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

WHEREAS, Accessible Living, Inc., a not-for-profit organization, owns and manages the Wiedemann Park Apartments, an affordable housing development located at 29940 SW Brown Road, Wilsonville OR; and

WHEREAS, the Wiedemann Park Apartments includes 58 residential units, for seniors with low income; and

WHEREAS, Accessible Living, Inc., is currently seeking to preserve Wiedemann Park as affordable housing; and

WHEREAS, a property tax exemption is essential to Accessible Living, Inc'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, Accessible Living Inc. has requested a property tax exemption for its Wiedemann Park 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 Accessible Living Inc.'s development at Wiedemann Park; and

WHEREAS, Accessible Living, Inc. has received an exempt status from the West Linn-Wilsonville School District for the Wiedemann Park 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: Accessible Living, Inc. and its affordable housing development, Wiedemann Park 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 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, 2020.
- Section 4: This resolution is effective upon adoption for the upcoming 2020/2021 tax year.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of March 2020 and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:
Mayor Knapp
Council President Akervall
Councilor Lehan
Councilor West
Councilor Linville

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 _____
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Section A – Applicant Information

Corporate Name: Accessible Living Inc.

Address: 9500 SW Barbur Blvd, #115, Portland, OR 97219

Telephone: <u>503-272-8908</u>	<u>503-740-3931</u>
Business	Residence (Optional)

Email Address: karenv@housingindependence.org

Chief Executive Officer: Karen Voiss

Contact Person: Karen Voiss Telephone: 503-272-8908

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: Wiedemann Park Apartments Limited Partnership

Property Address: 29940 SW Brown Rd, Wilsonville, OR 97070

Assessor's Property Tax Account Number(s): #00810590, #05001064

(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: 58

Number of residential units occupied by low-income people: 57

Total square feet in building: 45,999

Total square feet used to house very low-income people⁴ 45,999

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 low-income residential tenants pay on the property in question? Yes No If so, by approximately how much? \$158,784
- 2. Provide greater services to your very low income residential tenants? Yes No.
- 3. If yes, in what way(s)? The exemption allows us to offer on- site resident services, including access to resources and social activities, that help maintain a safe, secure, and healthy affordable housing community and provide opportunities for low-income seniors to live independently and age in place.
- 4.
- 5. Provide any other benefit to your very low-income residential tenants? Yes No.
If yes, please explain: _____

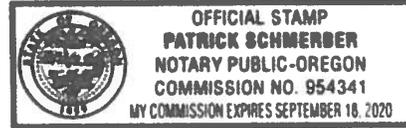
If you lease the property identified in this application, to what extent does your lease agreement coincide with the timeframe of the qualifying tax year? Please Explain:

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: *Karen C. Voiss*
 Agency Chief Executive Officer (Signature)
Karen Voiss
 Agency Chief Executive officer (Print or typed)



For: Accessible Living Inc.
 Corporate Name (Print or type)

Subscribed and sworn to before me this 31st day of January, 2020.

[Signature]
 Notary Public For Oregon
 My Commission Expires: September 18, 2020

2019 -- Income Limits for LIHTC & Tax-Exempt Bonds

Clackamas County, Oregon

For more detailed MTSP income limit information, please visit HUDs website:

<http://www.huduser.org/portal/datasets/mtsp.html>

Actual 2019 Median ³	\$87,900
2019 HERA Special Median	\$88,400 (applies to projects in existence before January 1, 2009)

Median Incomes calculated based on a 4-person household

What Income Limit Should You Use?

Is the location considered RURAL by USDA? (if yes, it is eligible to use the Ntnl Non-Metro Median for 9% projects)¹

Not All Clackamas County is considered urban within its major cities. To verify your address and accuracy, please visit:

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp&NavKey=property@12>

--The following income limits indicate the highest income limit allowable--

Did the project exist² in 2008?	Use: HERA Special 2019	
If NO, did it exist²:	-- 4% Tax Credit Project	-- 9% Tax Credit Project
Between 1/1/09 - 4/23/19	Use: Actual Incomes 2019	Use: Actual Incomes 2019
On or After 4/24/19	Use: Actual Incomes 2019	Use: Actual Incomes 2019

Actual Income Limits 2019								
% MFI	1 Pers	2 Pers	3 Pers	4 Pers	5 Pers	6 Pers	7 Pers	8 Pers
30%	\$18,480	\$21,120	\$23,760	\$26,370	\$28,500	\$30,600	\$32,700	\$34,830
35%	\$21,560	\$24,640	\$27,720	\$30,765	\$33,250	\$35,700	\$38,150	\$40,635
40%	\$24,640	\$28,160	\$31,680	\$35,160	\$38,000	\$40,800	\$43,600	\$46,440
45%	\$27,720	\$31,680	\$35,640	\$39,555	\$42,750	\$45,900	\$49,050	\$52,245
50%	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
55%	\$33,880	\$38,720	\$43,560	\$48,345	\$52,250	\$56,100	\$59,950	\$63,855
60%	\$36,960	\$42,240	\$47,520	\$52,740	\$57,000	\$61,200	\$65,400	\$69,660
80%	\$49,280	\$56,320	\$63,360	\$70,320	\$76,000	\$81,600	\$87,200	\$92,880

HERA Special Income Limits 2019								
% MFI	1 Pers	2 Pers	3 Pers	4 Pers	5 Pers	6 Pers	7 Pers	8 Pers
30%	\$18,570	\$21,240	\$23,880	\$26,520	\$28,650	\$30,780	\$32,910	\$35,010
35%	\$21,665	\$24,780	\$27,860	\$30,940	\$33,425	\$35,910	\$38,395	\$40,845
40%	\$24,760	\$28,320	\$31,840	\$35,360	\$38,200	\$41,040	\$43,880	\$46,680
45%	\$27,855	\$31,860	\$35,820	\$39,780	\$42,975	\$46,170	\$49,365	\$52,515
50%	\$30,950	\$35,400	\$39,800	\$44,200	\$47,750	\$51,300	\$54,850	\$58,350
55%	\$34,045	\$38,940	\$43,780	\$48,620	\$52,525	\$56,430	\$60,335	\$64,185
60%	\$37,140	\$42,480	\$47,760	\$53,040	\$57,300	\$61,560	\$65,820	\$70,020
80%	\$49,520	\$56,640	\$63,680	\$70,720	\$76,400	\$82,080	\$87,760	\$93,360

Notes:

1: Only projects in Rural Areas are able to use the Non-Metro Medians, otherwise use applicable 4% limits. Projects with previous "Rural" designations that are no longer considered to be located in rural areas (by the USDA) are permitted to use the previous year's National Non-Metro income limits should they be higher than the current year's income limits. The National Non-Metro income limits are online here:

<http://www.oregon.gov/ohcs/pages/research-income-rent-limits.aspx>

2: Exist - defined by OHCS as the project's placed-in-service (PIS) date. Projects consisting of multiple buildings, where each building is being treated as part of a multiple building project (see line 8b on IRS Form 8609), will be considered as being "in existence" provided at least one building was PIS during the affected year.

3: Actual Median Income Limit indicated here is based on income limits though it is not necessarily the HUD Area Median Income

The incomes limits listed above are based on the Multifamily Tax Subsidy Program (MTSP) income limits published by HUD on April 24, 2019. Per Revenue Ruling 94-57, owners will have until June 8, 2019 to implement these new MTSP income limits (45 days from their effective date). Please note that all definitions and explanations herein may be subject to change upon later IRS and/or HUD clarification.

2019 -- Rents for LIHTC & Tax-Exempt Bonds**Clackamas County, Oregon**

For more detailed MTSP income limit information, please visit HUDs website:

<http://www.huduser.org/portal/datasets/mtsp.html>

Actual 2019 Median ³	\$87,900
2019 HERA Special Median	\$88,400 (applies to projects in existence before January 1, 2009)

Median Incomes calculated based on a 4-person household

What Rents Should You Use?

Is the location considered RURAL by USDA? (if yes, it is eligible to use the Ntnl Non-Metro Median for 9% projects)¹

Not All Clackamas County is considered urban within its major cities. To verify your address and accuracy, please visit:

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp&NavKey=property@12>

--The following rent limits indicate the highest rents allowable--

Did the project exist² in 2008?	Use: HERA Special 2019	
If NO, did it exist²:	-- 4% Tax Credit Project	-- 9% Tax Credit Project
Between 1/1/09 - 4/23/19	Use: Actual Incomes 2019	Use: Actual Incomes 2019
On or After 4/24/19	Use: Actual Incomes 2019	Use: Actual Incomes 2019

Rents based on Actual Income Limits 2019						
% MFI	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
30%	\$462	\$495	\$594	\$685	\$765	\$844
35%	\$539	\$577	\$693	\$800	\$892	\$984
40%	\$616	\$660	\$792	\$914	\$1,020	\$1,125
45%	\$693	\$742	\$891	\$1,028	\$1,147	\$1,266
50%	\$770	\$825	\$990	\$1,143	\$1,275	\$1,406
55%	\$847	\$907	\$1,089	\$1,257	\$1,402	\$1,547
60%	\$924	\$990	\$1,188	\$1,371	\$1,530	\$1,688
80%	\$1,232	\$1,320	\$1,584	\$1,829	\$2,040	\$2,251

Rents based on HERA Special Income Limits 2019						
% MFI	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
30%	\$464	\$497	\$597	\$689	\$769	\$849
35%	\$541	\$580	\$696	\$804	\$897	\$990
40%	\$619	\$663	\$796	\$919	\$1,026	\$1,132
45%	\$696	\$746	\$895	\$1,034	\$1,154	\$1,273
50%	\$773	\$829	\$995	\$1,149	\$1,282	\$1,415
55%	\$851	\$912	\$1,094	\$1,264	\$1,410	\$1,556
60%	\$928	\$995	\$1,194	\$1,379	\$1,539	\$1,698
80%	\$1,238	\$1,327	\$1,592	\$1,839	\$2,052	\$2,264

Notes:

1: Only projects in Rural Areas are able to use the Non-Metro Medians, otherwise use applicable 4% limits. Projects with previous "Rural" designations that are no longer considered to be located in rural areas (by the USDA) are permitted to use the previous year's National Non-Metro income limits should they be higher than the current year's income limits. The National Non-Metro income limits are online here:

<http://www.oregon.gov/ohcs/pages/research-income-rent-limits.aspx>

2: Exist - defined by OHCS as the project's placed-in-service (PIS) date. Projects consisting of multiple buildings, where each building is being treated as part of a multiple building project (see line 8b on IRS Form 8609), will be considered as being "in existence" provided at least one building was PIS during the affected year.

3: Actual Median Income Limit indicated here is based on income limits though it is not necessarily the HUD Area Median Income

The rent limits listed above are based on the Multifamily Tax Subsidy Program (MTSP) income limits published by HUD on April 24, 2019. Per Revenue Ruling 94-57, owners will have until June 8, 2019 to implement these new MTSP rent limits (45 days from their effective date). If the gross rent floors (established at credit allocation or the project's PIS date; refer to Revenue Procedure 94-57) are higher than the current rent limits, the gross rent floors may be used. However, income limits are still based on the current applicable rate. Utility allowances must continue to be deducted from rents to achieve the maximum tenant rents allowed. Please note that all definitions and explanations herein may be subject to change upon later IRS and/or HUD actions.