**CITY COUNCIL MEETING**
**STAFF REPORT**

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| **Meeting Date:** March 16, 2026 | **Subject: Resolution Nos. 3245, 3246, 3247, 3248, 3249 & 3250**<br>Property tax exemption requests for low-income housing held by charitable, nonprofit organizations including Autumn Park Apartments, Charleston Apartments, Creekside Woods, Rain Garden Apartments, Wiedemann Apartments, and Vuela.<br><br>**Staff Member:** Katherine Smith, Assistant Finance Director<br><br>**Department:** Finance |
| **Action Required** | **Advisory Board/Commission Recommendation** |
| ☒ Motion<br>☐ Public Hearing Date:<br>☐ Ordinance 1st Reading Date:<br>☐ Ordinance 2nd Reading Date:<br>☒ Resolution<br>☐ Information or Direction<br>☐ Information Only<br>☐ Council Direction<br>☒ Consent Agenda | ☐ Approval<br>☐ Denial<br>☐ None Forwarded<br>☒ Not Applicable<br><br>**Comments:** N/A |
| **Staff Recommendation:** Staff recommends Council adopt the Consent Agenda. | |
| **Recommended Language for Motion:** I move to adopt the Consent Agenda. | |
| **Project / Issue Relates To:** | |
| ☐Council Goals/Priorities: ☐Adopted Master Plan(s): | ☒Not Applicable |

**ISSUE BEFORE COUNCIL:**
Whether to approve annual property tax exemptions for various properties in the City.

**EXECUTIVE SUMMARY:**
In 1985, the Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations (ORS 307.540). The tax exemption is to benefit low-income renters by alleviating the property tax burden on those agencies that provide this housing opportunity. Properties must be owned or leased by a 501(c) charitable corporation and provide housing opportunity limited to persons at or below 60 percent of the area median income (AMI), with an annual exemption application required to the City.

Providing affordable housing in Wilsonville has been a long-standing City Council priority. Five of the complexes noted in the chart below have received property tax exemption status in previous years. Additionally, this year we are including a sixth complex, Vuela, which opened in spring 2026. All are in compliance with the requirements stated in ORS 307.540-307.548 (*Nonprofit Corporation, Low Income Housing*), and have submitted the required annual application for continuation of exemption. In total, 485 units are currently available for low-income housing under this program. 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 property tax exemption status for low-income housing include:

| Apartment | 501(c) Corp. Name | Address | No. of Residential Units | 2025 Assessed Value | Estimated City Tax Abate |
|---|---|---|---|---|---|
| Autumn Park | NW Housing Alternative | 10922 SW Wilsonville Rd | 144 | $9,882,682 | $26,737 |
| Charleston | NW Housing Alternative | 11609 SW Toulouse St | 51 | $1,929,228 | $5,219 |
| Creekside Woods | NW Housing Alternative | 7825 SW Wilsonville Rd | 84 | $3,361,383 | $9,094 |
| Rain Garden | Caritas Community | 29197 SW Orleans Ave | 29 | $1,090,563 | $2,950 |
| Wiedemann | Accessible Living Inc. | 29940 SW Brown Rd | 57 | $3,283,102 | $8,882 |
| Vuela | Level Field Community Development Corporation | 9749 SW Barber St. | 120 | $1,654,304 | $4,476 |
| TOTALS | | | 485 | $21,201,262 | $57,358 |

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 $408,866.

**EXPECTED RESULTS:**
Council approval of consent agenda resolutions for the property tax exemption requests for Autumn Park Apartments, Charleston Apartments, Creekside Woods, Rain Garden Apartments, Vuela Apartments, and Wiedemann Apartments.

**TIMELINE:**
Applications for renewal requests were due February 6, 2026. 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, 2026.

**CURRENT YEAR BUDGET IMPACTS:**
The assessed value of all exempt properties totals $21,201,262. 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 $57,358. This amount is built into the City's financial planning.

**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:**
The City Council could decide to discontinue the property tax exemption program or reduce the number of qualifying units.

**CITY MANAGER COMMENT:**
N/A

**ATTACHMENTS:**
1. Resolution No. 3245
    A. Property Tax Exemption Application
2. Resolution No. 3246
    A. Property Tax Exemption Application
3. Resolution No. 3247
    A. Property Tax Exemption Application

4. Resolution No. 3248
    A. Property Tax Exemption Application
5. Resolution No. 3249
    A. Property Tax Exemption Application
6. Resolution No. 3250
    A. Property Tax Exemption Application