



City of Tigard

Tigard Business/Workshop Meeting – Agenda

TIGARD CITY COUNCIL

MEETING DATE AND TIME: March 19, 2013 - 6:30 p.m.

MEETING LOCATION: City of Tigard - Town Hall - 13125 SW Hall Blvd., Tigard, OR 97223

PUBLIC NOTICE:

Times noted are estimated.

Assistive Listening Devices are available for persons with impaired hearing and should be scheduled for Council meetings by noon on the Monday prior to the Council meeting. Please call 503-639-4171, ext. 2410 (voice) or 503-684-2772 (TDD - Telecommunications Devices for the Deaf).

Upon request, the City will also endeavor to arrange for the following services:

- Qualified sign language interpreters for persons with speech or hearing impairments; and
- Qualified bilingual interpreters.

Since these services must be scheduled with outside service providers, it is important to allow as much lead time as possible. Please notify the City of your need by 5:00 p.m. on the Thursday preceding the meeting by calling: 503-639-4171, ext. 2410 (voice) or 503-684-2772 (TDD - Telecommunications Devices for the Deaf).

VIEW LIVE VIDEO STREAMING ONLINE:

<http://www.tvctv.org/government-programming/government-meetings/tigard>

Workshop meetings are cablecast on Tualatin Valley Community TV as follows:

Replay Schedule for Tigard City Council Workshop Meetings - Channel 28

- Every Sunday at 7 a.m.
- Every Monday at 1 p.m.
- Every Wednesday at 2 p.m.
- Every Thursday at 12 p.m.
- Every Friday at 3 p.m.

SEE ATTACHED AGENDA



City of Tigard

Tigard Business/Workshop Meeting – Agenda

TIGARD CITY COUNCIL

MEETING DATE AND TIME: March 19, 2013 - 6:30 p.m.

MEETING LOCATION: City of Tigard - Town Hall - 13125 SW Hall Blvd., Tigard, OR 97223

6:30 PM

- **EXECUTIVE SESSION:** The Tigard City Council may go into Executive Session. If an Executive Session is called to order, the appropriate ORS citation will be announced identifying the applicable statute. All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(4), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

1. BUSINESS MEETING

- A. Call to Order - City Council
- B. Roll Call
- C. Pledge of Allegiance
- D. Council Communications & Liaison Reports
- E. Call to Council and Staff for Non-Agenda Items

2. PROCLAIM APRIL 1-6, 2013, COMMUNITY DEVELOPMENT WEEK

3. PROCLAIM MARCH 21, 2013, BRAVE (BREAST RESTORATION ADVOCACY VICTORY EDUCATION) DAY

4. CONSENT AGENDA: (Tigard City Council) These items are considered routine and may be enacted in one motion without separate discussion. Anyone may request that an item be removed by motion for discussion and separate action. Motion to:

- CONSIDER WAIVING SIGN PERMIT FEES FOR TIGARD YOUTH FOOTBALL

5. CONSIDER A RESOLUTION GRANTING EXEMPTION FROM PROPERTY TAXES UNDER TMC 3.50 FOR FIVE NON-PROFIT LOW-INCOME HOUSING PROJECTS **6:40 p.m. estimated time**

WORKSHOP MEETING

6. REVIEW THE ANNUAL SOLID WASTE AGGREGATE FINANCIAL REPORT AND DISCUSS SOLID WASTE RATE AND FRANCHISE FEE INCREASES **6:50 p.m. estimated time**
7. DISCUSSION ON SOCIAL GAMING **7:05 p.m. estimated time**
8. RECEIVE TIGARD TRIANGLE PLAN UPDATE **7:50 p.m. estimated time**
9. COUNCIL LIAISON REPORTS **8:10 p.m. estimated time**
10. NON AGENDA ITEMS
 - EXECUTIVE SESSION: The Tigard City Council will go into Executive Session to discuss real property transactions under ORS 192.660(2) (e). All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(4), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public. **8:20 p.m. estimated time**
11. ADJOURNMENT **8:45 p.m. estimated time**

Workshop Meeting

Meeting Date: 03/19/2013

Length (in minutes): 5 Minutes

Agenda Title: Proclaim National Community Development Week

Prepared For: Joanne Bengtson **Submitted By:** Joanne Bengtson, City Management

Item Type: Update, Discussion, Direct Staff **Meeting Type:** Proclamation

Public Hearing: No **Publication Date:**

Information

ISSUE

Should the Mayor issue a proclamation in support of Community Development week?

STAFF RECOMMENDATION / ACTION REQUEST

Issue the proclamation.

KEY FACTS AND INFORMATION SUMMARY

Tigard supports the Community Development Block Grant (CDBG) program and over the years has benefited from its contributions towards much-needed community improvement projects for the Tigard Senior Center and other infrastructure projects.

OTHER ALTERNATIVES

N/A

COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS

N/A

DATES OF PREVIOUS COUNCIL CONSIDERATION

Tigard has shown its support for National Community Development Week (April 1-6, 2013) by issuing an annual proclamation for many years.

Fiscal Impact

Fiscal Information:

none

Attachments

National Community Development Week Proclamation

Proclamation

City of Tigard

National Community Development Week April 1 – 6, 2013

WHEREAS, the Community Development Block Grant (CDBG) Program was enacted into law by President Gerald Ford, as the centerpiece of the Housing and Community Development Act of 1974; and

WHEREAS, the CDBG program has successfully demonstrated its ability to help our community provide affordable housing, much-needed public services for economically, mentally or physically disadvantaged residents, construction/renovation of community gathering places and reconstruction of city owned infrastructure and completion of neighborhood improvements including major sewer, drainage and street projects; and

WHEREAS, the CDBG program has considerable flexibility to allow communities to carry out activities that are tailored to their unique affordable housing and neighborhood revitalization needs; and

WHEREAS, since 1979, the CDBG program has strengthened Tigard's partnership with federal, state and local governments and the businesses and nonprofit sector which carry out activities that improve the lives and neighborhoods of low and moderate income families; and

WHEREAS, since the programs' inception, our community has received a total of \$3,464,055 in CDBG funds and \$3,612,537 in HOME funds to provide housing rehabilitation and revitalization of community facilities and shelters; and

WHEREAS, the City of Tigard urges Congress and the Administration to recognize the outstanding work accomplished with this funding and support both programs with increased funding in FY2014;

NOW THEREFORE BE IT RESOLVED THAT I, John L. Cook, Mayor of the City of Tigard, Oregon, do hereby proclaim the week of April 1-6, 2013 as

NATIONAL COMMUNITY DEVELOPMENT WEEK

in Tigard, Oregon and urge all residents to join in recognizing the important role the Community Development Block Grant & HOME Programs play in serving our community.

Dated this ____ day of _____, 2013.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Tigard to be affixed.

John L. Cook, Mayor
City of Tigard

Attest:

City Recorder

Workshop Meeting**Meeting Date:** 03/19/2013**Length (in minutes):** Consent Item**Agenda Title:** Proclaim March 21, 2013, as BRAVE (Breast Restoration Advocacy Victory Education) Day**Prepared For:** Joanne Bengtson**Submitted By:** Joanne Bengtson, City Management**Item Type:** Update, Discussion, Direct Staff**Meeting Type:** Special Meeting**Public Hearing:** No**Publication Date:****Information****ISSUE**

Should Mayor Cook proclaim March 21 as Breast Restoration Advocacy Victory Education Day in Tigard?

STAFF RECOMMENDATION / ACTION REQUEST**KEY FACTS AND INFORMATION SUMMARY**

It is estimated that only 16 percent of breast cancer patients who undergo mastectomy or lumpectomy know that the Women's Health and Cancer Rights Act (WHCRA) of 1998 states that if insurance companies pay for mastectomy then by law they must pay for reconstruction to the affected breast and for surgery to make the other breast match. There is no statute of limitations on how long a breast cancer patient has to pursue and complete reconstruction following their cancer surgery.

In an effort to raise awareness of women's rights, Dr. Emily Hu and Dr. Elisa Burgess from Legacy Meridian Park Medical Center requested that Mayor Cook consider proclaiming March 21, 2013 to be BRAVE Day in the City of Tigard. In conjunction, a BRAVE Day awareness event will be held at Legacy Meridian Park Medical Center on March 21 from 5:00pm - 7:00pm for community members to learn more about breast reconstruction rights and breast health.

OTHER ALTERNATIVES**COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS****DATES OF PREVIOUS COUNCIL CONSIDERATION**

This is the first time this proclamation has been considered.

AttachmentsBRAVE Day Proclamation

Proclamation

City of Tigard

BRAVE Day (Breast Restoration Advocacy Victory Education)

WHEREAS: Approximately 1 in 8 women in the United States will develop breast cancer within her lifetime; and

WHEREAS: Breast surgery for treatment of cancer often results in disfigurement that has a significant impact on a woman's self-esteem and well-being; and

WHEREAS: Restoring a breast is an integral part of breast cancer treatment and is of paramount importance in a woman's recovery; and

WHEREAS: The Women's Health and Cancer Rights Act (WHCRA) requires group health plans, insurance companies and health maintenance organizations (HMOs) offering mastectomy coverage to provide women with a notice of these rights when they enroll in the health plan; and

WHEREAS: Most members of the medical community and community at-large advocate that all women with a new diagnosis of breast cancer deserve to know that these rights exist so that they can make educated and thoughtful decisions regarding treatment options; and

WHEREAS: Preparing a comprehensive breast treatment plan prior to implementing any treatment modalities has an impact on the overall well-being of a patient.

NOW THEREFORE BE IT RESOLVED that I, John L. Cook, Mayor of the City of Tigard, Oregon, do hereby proclaim **March 21, 2013** as,

Breast Restoration Advocacy Victory Education Day

in Tigard, Oregon and encourage people throughout the city to learn more about breast reconstruction rights and breast health.

Dated this _____ day of _____, 2013

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Tigard to be affixed.

John L. Cook, Mayor
City of Tigard

Attest:

City Recorder

AIS-1205

4.

Workshop Meeting

Meeting Date: 03/19/2013

Length (in minutes): Consent Item

Agenda Title: Consider Waiving Sign Permit Fees for Tigard Youth Football

Prepared For: Liz Lutz

Submitted By: Liz Lutz,
Financial and
Information
Services
Consent

Item Type: Motion Requested

Meeting Type: Agenda

Public Hearing

Newspaper Legal Ad Required?: No

Public Hearing Publication

Date in Newspaper:

Information

ISSUE

Does the Tigard City Council find benefit to the community of waiving the temporary sign permit fees for Tigard Youth Football to hang seven banners, outweighs the \$378 financial hardship to the city?

STAFF RECOMMENDATION / ACTION REQUEST

Consider Resolution waiving \$378 of permit fees for Tigard Youth Football.

KEY FACTS AND INFORMATION SUMMARY

On February 15, 2013, Dawn Rachele Holman from Tigard Youth Football e-mailed the city to request a waiver of permit fees charged to hang seven banners (text of email is attached). According to the Master Fees and Charges Schedule, Temporary Sign Permits are \$54 per sign. Dawn Rachele is requesting the city waive fees for seven signs totaling a \$378 fee waiver. TMC 3.32.070 authorizes council to waive fees for non-profits. The text of the TMC is as follows:

“3.32.070 Exemptions. The City Council is authorized to waive or exempt the fee or charge imposed upon an application or for the use of City facilities and services, if a nonprofit organization requests such a waiver in writing and the Council determines that community benefit from the proposed activity outweighs the financial burden on the City. The waiver or exemption shall not excuse the nonprofit organization from compliance with other requirements of this code.”

Tigard Youth Football is a qualifying non-profit. They have made their request to waive fees in writing. If council determines that the benefit to the community outweighs the loss of \$378 in permit fees, then council is authorized to waive the fees.

OTHER ALTERNATIVES

City Council could deny the request.

COUNCIL OR CCDA GOALS, POLICIES, MASTER PLANS

Tigard citizens are involved in the community and participate effectively.

DATES OF PREVIOUS CONSIDERATION

On February 28, 2012 the City Council passed Resolution 12-07A, granting a waiver for the Tigard Youth Football for five signs, for a total of \$260. We received an additional request to waive the fees for two additional signs on March 20, 2012.

Fiscal Impact

Cost: NA

Budgeted (yes or no): NA

Where Budgeted (department/program): NA

Additional Fiscal Notes:

Waiving the fees will reduce City of Tigard General Fund revenues by \$378.

Attachments

Proposed Resolution

Fee Waiver Request

**CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 13-**

A RESOLUTION WAIVING \$378 IN TEMPORARY SIGN PERMIT FEES FOR TIGARD YOUTH FOOTBALL.

WHEREAS, Tigard Municipal Code 3.32.070 authorizes City Council to waive fees for non-profits when the request is made in writing and council determines that the community benefit outweighs the financial burden to the city; and

WHEREAS, Tigard Youth Football has requested in writing the waiver of fees for seven temporary sign permits; and

WHEREAS, The Master Fees and Charges states that the fee for temporary sign permits is \$54 per sign; and

WHEREAS, council determines that the community benefit outweighs the \$378 financial burden to the city.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: Tigard Youth Football receives a waiver of \$378 in temporary sign permit fees.

SECTION 2: This resolution is effective immediately upon passage.

PASSED: This _____ day of _____ 2013.

Mayor - City of Tigard

ATTEST:

City Recorder - City of Tigard

February 13, 2013

Toby LaFrance
Director of Finance & IS
City of Tigard
13125 SW Hall Blvd.
Tigard, OR 97223

Mr. LaFrance and the Tigard City Council,

Tigard Youth Football (TYF) is a non-profit organization that allows children in grades 3-8 the opportunity to play full-pad tackle football and learn essential life skills such as working together as a team to achieve a common goal and dealing with adversity. We also teach kids to exhibit excellent sportsmanship and to be proud of being a Tigard Tiger! As evidenced by the photo to the right, we also strongly support Breast Cancer Awareness Month during the month of October – one of the few programs to do so in the Tualatin Valley Youth Football League.



Each year, in order to promote participation in TYF, we place registration signs throughout our community. Last year, TYF was awarded exemption from these fees, which allowed the program to provide scholarships to families that can't afford to pay or to buy newer, safer equipment. We are requesting a waiver of the fees associated with posting signs in public places as outlined in TMC 3.32.070.

TYF greatly appreciates the Council's consideration of this important matter.

Sincerely,

Dawn Rachele Holman
Events Coordinator
Tigard Youth Football

Workshop Meeting

Meeting Date: 03/19/2013

Length (in minutes): 10 Minutes

Agenda Title: Consider a Resolution Granting Exemption from Property Taxes under TMC 3.50 for Five Non-Profit Low-Income Housing Projects

Prepared For: Liz Lutz

Submitted By: Liz Lutz,
Financial and
Information
Services
Council
Business
Meeting -

Item Type: Resolution

Meeting Type: Main

Public Hearing

Newspaper Legal Ad Required?: No

Public Hearing Publication

Date in Newspaper:

Information

ISSUE

Shall five low-income housing projects owned and operated by Community Partners for Affordable Housing (CPAH) and one project owned by Hawthorne Urban Development LLC be exempted from City of Tigard property taxation for 2013?

STAFF RECOMMENDATION / ACTION REQUEST

Staff recommends approval of this resolution.

KEY FACTS AND INFORMATION SUMMARY

Tigard Municipal Code 3.50 allows certain organizations providing low-income housing to be exempted from Tigard property taxation upon application by March 1 of each year and a demonstration of compliance with certain criteria listed in the Code.

Community Partners for Affordable Housing owns and operates Greenburg Oaks, located at 11875 SW 91st Avenue in Tigard. They also own Village at Washington Square at 11157-11163 SW Hall Blvd in Tigard, the Knoll at Tigard, 12291 SW Knoll Drive, and a single family house located at 9330 SW Tangela Court in Tigard. Hawthorne Urban Development LLC owns and operates Hawthorne Villa at 7705 SW Pfaffle St. These projects are operated as low-income housing and meet all criteria listed in the Tigard Municipal Code. Community Partners for Affordable Housing submitted four applications for exemption from 2013 property taxes on February 21, 2013, and Hawthorne Urban Development submitted their application on February 25, 2013, which is within the March 1 deadline.

These applications were reviewed by staff in the city’s Community Development Department and staff determined that the requested tax exemptions are consistent with the applicable Tigard Municipal Code and also the adopted City Housing Policy.

The attached resolution gives consent from the City of Tigard for this tax abatement. Under State law, Community Partners for Affordable Housing must receive similar approval from jurisdictions accounting for 51% (or more) of the total property taxes to be levied on these properties. This organization will also make application to the other taxing units.

OTHER ALTERNATIVES

Do not approve this tax exemption.

COUNCIL OR CCDA GOALS, POLICIES, MASTER PLANS

NA

DATES OF PREVIOUS CONSIDERATION

NA

Fiscal Impact

Cost: \$42,047
Budgeted (yes or no): Yes
Where Budgeted (department/program): General Fund

Additional Fiscal Notes:

The cost of \$42,047 is the amount of Property Tax that Tigard will not collect next year by granting the exemption. Attached to the AIS is a table showing the properties and their estimated values and the impact to Tigard.

Attachments

- Council Resolution
 - Greenburg Oaks
 - Tangela
 - Knoll at Tigard
 - Village at Washington Square
 - Hawthorne Villa
 - Fiscal Impact
 - Staff Report-CPAH
 - Staff Report Hawthorne Villa
-
-

**CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 13-**

A RESOLUTION GRANTING AN EXEMPTION FROM PROPERTY TAXES UNDER TIGARD MUNICIPAL CODE SECTION 3.50 FOR FIVE NON-PROFIT LOW-INCOME HOUSING PROJECTS OWNED AND OPERATED BY COMMUNITY PARTNERS FOR AFFORDABLE HOUSING (CPAH) AND HAWTHORNE URBAN DEVELOPMENT LLC

WHEREAS, Tigard Municipal Code (TMC) section 3.50 provides procedures for application and consideration on non-profit corporation low-income housing project exemptions from property taxes ; and

WHEREAS, the TMC requires application for exemption be filed with the city by March 1; and

WHEREAS, Community Partners for Affordable Housing is a qualified non-profit organization, filed a request dated February 20, 2013 for exemption from property taxes for four low-income housing projects, and Hawthorne Urban Development LLC, also a qualified non-profit organization, filed a request dated February 25, 2013 for exemption from property taxes, for one low-income housing project, both under TMC 3.50 and meets all the applicable criteria for exemption; and

WHEREAS, upon review of the application it was found granting the exemptions would be consistent with the applicable Tigard Municipal Code and also with the adopted city housing policies.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The applicants, Community Partners for Affordable Housing and Hawthorne Urban Development LLC, qualified for the exemption set forth in Tigard Municipal Code Section 3.50.

SECTION 2: The Finance and Information Services Director is directed to certify to the Assessor of Washington County that the City of Tigard agrees to the continued abatement of property taxes for the following four properties that received abatement in the prior year:

- a. Village at Washington Square, 11157-11163 SW Hall Blvd., Tigard
- b. Single-family house located at 9330 SW Tangela Court, Tigard
- c. Greenburg Oaks, 11875 SW 91st Avenue, Tigard
- d. The Knoll @ Tigard, 12291 SW Knoll Drive, Tigard

SECTION 3: The Finance and Information Services Director is directed to certify to the Assessor of Washington County that the City of Tigard agrees to the additional abatement of property taxes for the following one property that did not receive abatement in the prior year:

- a. Hawthorne Villa, 7705 SW Pfaffle, Tigard

SECTION 4: The Finance and Information Services Director is informing the Assessor of Washington County that the City of Tigard has not dropped abatement of property taxes for the any properties that received abatement in the prior year:

SECTION 5: This resolution is effective immediately upon passage.

PASSED: This _____ day of _____ 2013.

Mayor - City of Tigard

ATTEST:

City Recorder - City of Tigard



02-21-13A10:51 RCVD

City of Tigard

Application for Tax Abatement

February 20, 2013

Greenburg Oaks (formerly Villa La Paz) Apartments
11875 SW 91st Avenue, Tigard

- A. Property Description**
- B. Project's Charitable Purpose**
- C. Certification of Resident Income Levels**
- D. How Tax Exemption Will Benefit Residents**
- E. Tax Exempt Status**
- F. Verification of Information**
- G. IRS Letter**

commitment to 40 years of affordability for those at 50 and 60% of median income guarantees that these apartments will be affordable effectively for the life of the buildings.

CPAH maintains active partnerships with the Tigard Police Department, Tualatin Valley Fire & Rescue, Tigard Libraries, and the Tigard School District to enhance the safety and quality of life for residents and to be sure that our programs are well-coordinated with other community resources. Partnerships with Community Action, Good Neighbor Center, Luke-Dorf, HopeSpring, Neighborhood House, Lifeworks NW and other organizations to provide information and referral as well as emergency services like food boxes and rent and utility assistance. Coordination agreements with these agencies enhances ongoing case management and has provided a fresh start to many families facing significant barriers to moving from homelessness to permanent housing. Several families each year are being reunited with their children as a result of receiving a housing opportunity at Greenburg Oaks. Three of the apartments are reserved for low income families with at least one member in active recovery from alcohol or drug addiction.

The Community Center at Greenburg Oaks is the focal point for support, skill building, and community building activities offered by CPAH through its resident services program which includes after-school and summer youth programs as well as the annual winter coat distribution and holiday event. CPAH's on-site computer learning center is used by youth for homework, research, e-mail, and educational games; and by adults for job search activities and Internet access. The Tigard Library has twice obtained grant resources to purchase children's material for our on-site library.

CPAH offers a variety of adult services as well. These include classes in support of parenting skills, budgeting and other financial literacy skills, and nutritional shopping and cooking. The Community Center is also host to a number of general community activities including rent readiness courses, HopeSpring parenting classes, financial literacy classes, parenting safety skills and budget and nutrition classes. The Community Center hosts weekly meetings for AA, NA, and Alanon groups. Food distributions are also held in the Community Center for both the residents at Greenburg Oaks and others in the Tigard community.

C. Certification of Resident Income Levels

Resident income levels are verified upon application for tenancy and are recertified each year. CPAH has covenants with the state and with Washington County to use the property exclusively for low income rentals for a period of at least 40 years. These covenants require that all households have earnings at or below 60% of the area median income. Some units are restricted to households earning at or below 50%. Compliance with these covenants is monitored by the State of Oregon Department of Housing and Community Services and by the Washington County Office of Community Development. We certify that all apartments in this property are targeted to and remain affordable to households earning at or below 60% of the Area Median Income.

D. How Tax Exemption Will Benefit Residents

100% of the property tax exemption is a direct subsidy for the residents. Every dollar reduction in operating costs is passed on as a reduction in the scheduled rents. Some costs, such as the cost of operating our youth programs, must be funded from outside sources mostly through fund raising. Without property tax abatement, we would have to shift some of our fundraising efforts from developing sources for these programs and use them instead to cover basic operations.

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

DEPARTMENT OF THE TREASURY

Date:

MAR 11 1995

COMMUNITY PARTNERS FOR AFFORDABLE
HOUSING
PO BOX 23206
TIGARD, OR 97281-3206

Employer Identification Number:

93-1155559

DLN:

17053030720009

Contact Person:

THOMAS E O'BRIEN

ID# 31187

Contact Telephone Number:

(877) 829-5500

Our Letter Dated:

February 1995

Addendum Applies:

No

Dear Applicant:

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

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. 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 Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

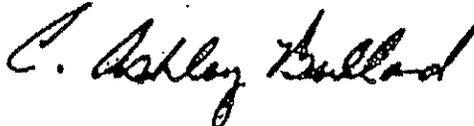
Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

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

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

Sincerely yours,



District Director

Letter 1050 (DO/CG)



City of Tigard

02-21-13 A10:52 RCVD

Application for Tax Abatement

February 20, 2013

Tangela Single Family Rental Home

9330 SW Tangela

A. Property Description

B. Project's Charitable Purpose

C. Certification of Resident Income Levels

D. How Tax Exemption Will Benefit Residents

E. Tax Exempt Status

F. Verification of Information

G. IRS Letter

C. Certification of Resident Income Levels

Resident income level is verified upon application, and must be less than 60% of the area's median income. Income is recertified annually. We certify that all residents served by this property earned at or below 60% of the AMI.

D. How Tax Exemption Will Benefit Residents

100% of the property tax exemption is passed on as a direct subsidy for the residents. Every dollar reduction in operating costs results in a reduction in the scheduled rents. Some costs, such as the cost of operating our youth programs, must be funded from outside sources. Without property tax abatement, we would have to shift some of our fundraising efforts from developing sources for these programs and use them instead to cover basic operations.

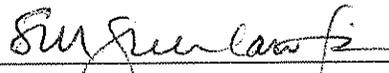
It can be argued that using property tax revenues to subsidize well managed affordable housing units results in a net savings of public resources. Fewer and less-severe police calls, healthier students, and stably housed social service consumers, all provide a direct reduction in the demand for government funded services.

E. Tax Exempt Status

CPAH is direct owner of the Tangela property and is a nonprofit 501(c)(3) organization. Our operations are audited annually to, among other things, confirm that we are in compliance with our charitable status and with requirements of the County grant and Washington Mutual loan documents.

Verification of Information

I hereby certify that the information in this application for tax abatement is accurate and complete to the best of my knowledge. Income Property Management Company performs day-to-day management of the property and is responsible for certifying income levels of each resident for compliance with program guidelines.



Sheila Greenlaw-Fink, Executive Director

2-20-13
Date

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

DEPARTMENT OF THE TREASURY

Date:

MAR 11 1995

COMMUNITY PARTNERS FOR AFFORDABLE
HOUSING
PO BOX 23206
TIGARD, OR 97281-3206

Employer Identification Number:

93-1155559

DLN:

17053030720009

Contact Person:

THOMAS E O'BRIEN

ID# 31187

Contact Telephone Number:

(877) 829-5500

Our Letter Dated:

February 1995

Addendum Applies:

No

Dear Applicant:

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

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. 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 Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

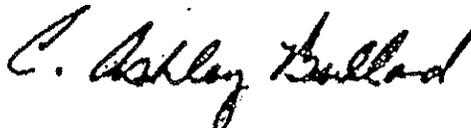
Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

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

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

Sincerely yours,



District Director

Letter 1050 (DO/CG)

City of Tigard

Application for Tax Abatement

February 20, 2013

The Knoll @ Tigard

12291 SW Knoll Drive

Tigard, Oregon 97223

02-21-13A10:51 RCVD

A. Property Description

B. Project's Charitable Purpose

C. Certification of Resident Income Levels

D. How Tax Exemption Will Benefit Residents

E. Tax Exempt Status

F. Verification of Information

G. IRS Letter

D. How Tax Exemption Will Benefit Residents

The property tax exemption is a direct savings for the residents, allowing for reduced operating costs which results in affordable reduced rents for the seniors at The Knoll. For both the initial development, and long term operations of the project, full tax abatement is essential. The project pro forma allowed for the construction of The Knoll which meets all City and State design requirements along with affordable rents for our seniors.

The Knoll includes financing through Washington County HOME and CDBG funds, State of Oregon Trust Fund and Tax Credits. JP Morgan Chase is the private lender with Enterprise Neighborhood Partners as the investor (under the tax credit program). Tax abatement was critical in meeting lender and investor requirements while keeping rents affordable for The Knoll @ Tigard. Tax abatement is a direct benefit to senior residents who will pay lower rents. Tax abatement is key to the long-term sustainability of the project operating with affordable rents for seniors.

E. Tax Exempt Status

CPAH, an Oregon non-profit, is the general partner of The Knoll @ Tigard Limited Partnership, a single asset entity. CPAH's IRS Determination Letter is attached. CPAH undergoes full audit of its books annually, as will The Knoll @ Tigard. Mark Schwing of Markusen & Schwing in Beaverton currently provides audit services for CPAH and CPAH's single asset properties. The State of Oregon Housing and Community Services Department and the U.S. Department of Housing and Urban Development both will inspect and audit the project annually. The tax credit investor (Limited Partner) also monitors and inspects the project.

F. Verification of Information

As CPAH's executive director, I hereby certify that the information in this application for tax abatement is accurate and complete to the best of my knowledge. Income Property Management acts as the property management agent providing the day-to-day management of the property and is responsible for certifying income levels of each resident for compliance with program guidelines. .



Sheila Greenlaw-Fink, CPAH Executive Director

Date: 2/20/13

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

DEPARTMENT OF THE TREASURY

Date:

MAR 11 1995

COMMUNITY PARTNERS FOR AFFORDABLE
HOUSING
PO BOX 23206
TIGARD, OR 97281-3206

Employer Identification Number:

93-1155559

DLN:

17053030720009

Contact Person:

THOMAS E O'BRIEN

ID# 31187

Contact Telephone Number:

(877) 829-5500

Our Letter Dated:

February 1995

Addendum Applies:

No

Dear Applicant:

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

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. 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 Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

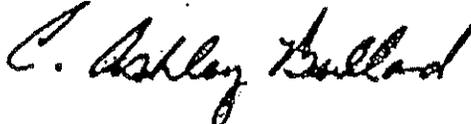
Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

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

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

Sincerely yours,



District Director

Letter 1050 (DO/CG)

COMMUNITY PARTNERS

FOR AFFORDABLE HOUSING, INC.



PO Box 23206 • Tigard OR 97281-3206 • Tel:503.-293-4038 • Fax:503-293-4039• www.cpahinc.org • info@cpahinc.org

City of Tigard Application for Tax Abatement

02-21-13A10:51 RCVD

February 20, 2013

Village at Washington Square

11157-11163 SW Hall Boulevard, Tigard

A. Property Description

B. Project's Charitable Purpose

C. Certification of Resident Income Levels

D. How Tax Exemption Will Benefit Residents

E. Tax Exempt Status

F. Verification of Information

G. IRS Letter

second highest concentration of children under 9 of the eight census tracts in Tigard. While this area represents 9% of Tigard's population, it is home to nearly 16% of the city's minority households.

C. Certification of Resident Income Levels

Resident income levels are verified upon application for tenancy. Residents may remain in their units as long as they income qualify at entry. Rents are well below the market for the area. We certify that all apartments in this project are targeted to and remain affordable to households earning at or below 60% of the AMI. Compliance with income restriction requirements is audited annually by the State of Oregon Department of Housing and Community Services, Washington County Office of Community Development, and by our limited partner investor, Key Bank.

D. How Tax Exemption Will Benefit Residents

100% of the property tax exemption is a direct subsidy for the residents. Every dollar reduction in operating costs is passed on as a reduction in the scheduled rents. Some costs, such as the cost of operating our youth programs, must be funded from outside sources. Without property tax abatement, we would have to shift some of our fundraising efforts from developing sources for these programs and use them instead to cover basic operations.

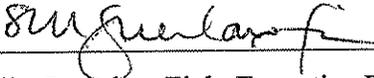
It can be argued that using property tax revenues to subsidize well managed affordable housing units results in a net savings of public resources. Fewer and less-severe police calls, healthier students, and stably housed social service consumers, all provide a direct reduction in the demand for government funded services.

E. Tax Exempt Status

CPAH is the general partner of the Village at Washington Square Limited Partnership, a single entity asset. CPAH's IRS Determination Letter is attached. CPAH undergoes full audit of its books annually, as does the Village at Washington Square. The State of Oregon Housing and Community Services Department and the U.S. Department of Housing and Urban Development review the project and resident files annually.

F. Verification of Information

I hereby certify that the information in this application for tax abatement is accurate and complete to the best of my knowledge. Income Property Management Company performs day-to-day management of the property and is responsible for certifying income levels of each resident for compliance with program guidelines.



Sheila Greenlaw-Fink, Executive Director

2.20.13
Date

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

DEPARTMENT OF THE TREASURY

Date:

MAR 11 1995

COMMUNITY PARTNERS FOR AFFORDABLE
HOUSING
PO BOX 23206
TIGARD, OR 97281-3206

Employer Identification Number:

93-1155559

DLN:

17053030720009

Contact Person:

THOMAS E O'BRIEN

ID# 31187

Contact Telephone Number:

(877) 829-5500

Our Letter Dated:

February 1995

Addendum Applies:

No

Dear Applicant:

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

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. 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 Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

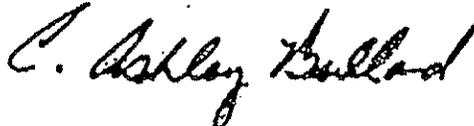
Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

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

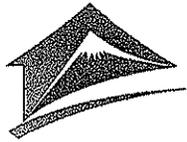
If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,



District Director

Letter 1050 (DO/CG)



Cascade
Management, Inc.

13221 SW 68th Parkway, Suite 310, Portland, OR 97223
p 503 682 7788 | f 503 682 5656 | TDD 711

February 22, 2013

Toby LaFrance, Finance Director
City of Tigard
13125 SW Hall Blvd.
Tigard, OR 97223
SENT VIA EMAIL ELECTRONIC PDF to:
lizabeth@tigard-or.gov

Dear Toby LaFrance:

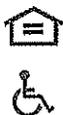
Please find the attached application for tax abatement for Hawthorne Villa Apartments, located at 7705 SW Pfaffle St. in Tigard. Enclosed in this packet is the application itself and attachments including ownership and lease documents, Oregon Housing and Community Services Project Restrictions and evidence of the 501(c)3 designation for the non-profit partner Accessible Living, Inc.

Please let me know if you have any questions.

Sincerely,

Dave Bachman
President and CEO
Consultant and Management Agent to Hawthorne Villa

Cc: Liz Lutz at lizabeth@tigard-or.gov – City of Tigard
Marissa Daniels



Cascade Management, Inc., does not discriminate on the basis of handicapped status in the admission or access to, or treatment or employment in, its programs and activities. The Compliance Officer is designated as the 504 Compliance Coordinator.

ACCESSIBLE LIVING INC.

6160 SW Main Avenue

Beaverton Oregon, 97008

City of Tigard

Application for Tax Abatement

February 15, 2013

Hawthorne Villa Apartments

Address here:

A.	Property Description
B.	Projects Charitable Purpose
C.	Certification of Residents Income Levels
D.	How Tax Exemption Will Benefit Residents
E.	Tax Exempt Status
F.	Verification of Information
G.	Attachments (List)

A. Property Description

Hawthorne Villa Apartments, (Tax account # R282429, is located at 7705 SW Pfaffle St, Tigard OR 97223 just off of Pacific Highway in Tigard Oregon. The site sits on 4.76 acres and provides 119 units of affordable housing for low-income residents of Tigard. The property includes 8 apartment buildings and a house that contains the manager's unit and office. The property has 30 studios, 84 - 1 bedroom and 5 - 2 bedroom units.

The project was purchased by Hawthorne Urban Development LLC in September of 2011 for the purpose of maintaining affordability of Hawthorne Villa, improving its' accommodations to a sustainable and thriving community and re-establishing resident service activities through a non-profit partnership.

The project has received private financing totaling \$2.45 million. An additional \$1,008,300 of additional financing is secured to complete project renovations. This is based on the Owner's commitment to deliver quality affordable housing in the City of Tigard. Over \$445,000 of renovations are complete to the project exterior and the project is currently 40% complete on \$563,300 on project interior unit improvements. No tenant relocation has been necessary or is planned to complete the improvements.

Hawthorne Exterior Improvements (Completed) – Total \$445,000

- Siding repaired all buildings
- Painting all buildings
- All Buildings Re-Roofed
- Asphalt Paving Parking Lot
- Landscape Improvements for entire site
- Deck/Railing replacements and improvements
- New Fencing
- Renovated Existing Office Building

Hawthorne Interior Improvements (40% complete) Units - 119

Fully renovate 5 interior units (Completed)	
Interior Water Meter @ \$750 per units	\$ 88,500
Replace appliances	\$ 118,000
Interior painting @ \$600 per units	\$ 70,800
Replace interior carpet and vinyl @1200	\$ 141,600
Replace interior in exterior door \$1200 per unit	\$ 94,400

Contingency \$ 50,000

The project is close to transportation and retail. Employment proximity is also excellent to many entry level service jobs, including many stores, banks or restaurants along Pacific Highway in Tigard. Many of the existing residents at Hawthorne Villa work within walking distance of the property.

Legal Description: See Attached as part of Oregon Affordable Housing Commitment Documents

GENERAL INFORMATION

Name: Hawthorne Villa Apartments
Property Type: Multi-Family (Garden/Low Rise) LIHTC Apartments
Address: 7705 SW Pfaffle Street
Tigard, Oregon 97223
Assessor's Parcel #: R282429
Census Tract No.: 306.00

Site Description:

USABLE AREA	EXCESS AREA	SURPLUS AREA	GROSS AREA
SF ACRES	SF ACRES	SF ACRES	SF ACRES
207,346 4.76	0 0.00 0	0.00	207,346 4.76

Zoning: Medium-Density Residential (R-12)

Improvement Description:

No. of Total Buildings: 9 (8 one and two-story apartment buildings and 1 single-family home that is used as a leasing office and manager's unit).

Number of Units: 118

Amenities: Laundry rooms, storage units, and leasing office. Several landscaped courtyards on the property.

The property has 30 studios, 84 - 1 bedroom and 5 - 2 bedroom units.

B. Project's Charitable Purpose

Accessible Living Inc.'s mission is to provide low- cost housing which meets the specialized needs of seniors and disabled persons and their families and to

promote the public's awareness of the plight of disabled persons to obtain low-cost accessible housing.

ALI's involvement in Hawthorne Villa will be to provide support to residents in obtaining and retaining affordable housing through the delivery of resident services. ALI will work to identify the needs of Hawthorne Villa residents and work with the residents and property management to support residents in connecting with community programs and services to address those needs, including access to emergency services such as local food programs, utility assistance, eviction prevention and services for individuals and families struggling with addiction, mental health issues and other disabilities.

ALI has developed and will continue to develop partnerships with organizations such as the Oregon Food Bank, Luke-Dorf (draft MOU already established), Lifeworks NW, Community Action, Hope Spring, and other community organizations to provide resource and referral. Where appropriate ALI will develop MOU's and release of information with residents, property management and community partners to better coordinate services and housing and to avoid tenant eviction.

ALI will partner with Housing Independence, a non-profit service provider for individuals with special needs including seniors, individuals with physical and developmental disabilities, veterans and other underserved special needs populations that may need support in obtaining and retaining housing.

The project has developed a current budget and commitment of \$30,000 per year to sustain service delivery to residents. The services budget and delivery will be the sole and direct responsibility of ALI.

C. Certification of Resident Income Levels

Resident income levels are verified upon application. Hawthorne Villa currently has an extended use agreement with Oregon Housing and Community Services that will restrict the property be exclusively used for low income rentals until January 1, 2025. These covenants require that all households have earnings at or below 60% of the area median income. Currently the property income demographics demonstrate the need for continued affordability and a service commitment. We certify that all apartments in this property are currently

rented to and will remain affordable to households earning at or below 60% of the area median income until January 1, 2025.

D. How tax exemption will benefit residents

100% of the property tax exemption is a direct subsidy that benefits residents. Every dollar in tax reduction is passed on in scheduled rents and in the delivery of resident services programs. Without this funding Hawthorne Villa would not be able to retain its current affordability (below the 60% restriction). The tax exemption also allows for a \$30,000 per year services budget to offer much needed services that supports residents in obtaining and retaining their housing, including connecting them with emergency services for eviction prevention.

It can be argued that using property tax revenues to subsidize well managed affordable housing unit's results in a net savings of public resources. Fewer and less-severe police calls, healthier residents and stably housed social service consumers, all provide a direct reduction in the demand for government funded services.

E. Tax exempt status

Hawthorne Urban Development is the Owner (Landlord) who has entered into a lease agreement with Hawthorne Villa General Partnership (Tenant). ALI is a General Partner to Hawthorne Villa General Partnership who is responsible for day to day operation of the project. Hawthorne Villa General Partnership has a leasehold interest in Hawthorne Villa through the lease (attached).

F. Verification of Information

I hereby certify that the information for this tax abatement application is accurate and complete to the best of my knowledge. Cascade Property Management performs the day to day management of the property and is responsible for certifying income levels of each resident for compliance with program guidelines.

Karen C. Voiss

Karen Voiss, Executive Director
Accessible Living, Inc.
General Partner of Tenant (Hawthorne Villa GP)

2-22-2013

Date

G. Attachments

OHCS Low Income Housing Commitments and Assignment
Lease to Hawthorne Villa General Partnership
Hawthorne Villa General Partnership Agreement
Accessible Living Inc. 501c(3) evidence

AIS-Fiscal Impact of Tax Abatement

Property	Estimated Market Value*	City of Tigard Tax Rate (Including Bond Levy)	City of Tigard Property Tax Impact (Estimated)	Total Tax Rate	Total Property Tax Impact
Village at Washington Square	\$1,749,890	\$2.9659/\$1,000	\$5,190	\$16.5961/\$1,000	\$29,041
Single Family Home – 9330 SW Tangela Ct.	\$201,500	\$2.9659/\$1,000	\$568	\$16.5961/\$1,000	\$3,344
Greenburg Oaks	\$4,583,650	\$2.9659/\$1,000	\$13,595	\$16.5961/\$1,000	\$76,071
The Knoll @ Tigard	\$3,063,260	\$2.9659/\$1,000	\$9,085	\$16.5961/\$1,000	\$50,838
Hawthorne Villa	\$4,588,410	\$2.9659/\$1,000	\$13,609	\$16.5961/\$1,000	\$76,150
Total Impact			\$42,047		\$235,444

* Because these properties have been exempted from property taxation in the past, Washington County does not show a current assessed value. These figures are an updated market value.



City of Tigard Memorandum

To: Toby LaFrance, Finance and Information Services Director
From: Marissa Daniels, Associate Planner
Re: CPAH 2013 Applications for Tax Exemption
Date: February 28, 2013

The Tigard-based Community Partners for Affordable Housing (CPAH) has submitted separate applications for low-income housing tax exemptions for each of the four properties it owns and manages inside the city. The four include the 26-unit Village at Washington Square, the 84-unit Greenburg Oaks, the 48-unit Knoll at Tigard senior housing project, and a four-bedroom single family house located two blocks from the Greenburg Oaks units at 9330 SW Tangela Court.

TMC 3.50.020, "Nonprofit corporation low income housing; exempt criteria," provides standards for considering exemption requests. Whether and how the CPAH applications meet each of these standards is detailed below.

1. The property is owned or being purchased by a corporation that is exempt from income taxes under Section 501(c) (3) or (4) of the Internal Revenue Code . . .

A copy of an Internal Revenue Service letter, dated March 11, 1999, verifies that CPAH qualifies as a 501(c) organization.

2. Upon liquidation, the assets of the corporation are required to be applied first in payment of all outstanding obligations, and the balance remaining, in cash and in kind, to be distributed to corporations exempt from taxation and operated exclusively for religious, charitable, scientific, literary or educational purposes or to the State of Oregon.

The list of submittal requirements under TMC 3.50.040 does not include any reference to information on asset liquidation, and the CPAH applications do not contain any such information. The director, Sheila Greenlaw-Fink, verbally has confirmed to staff that the organization's incorporation papers do, indeed, include a provision of this kind.

3. The property is occupied by low income persons.

The TMC defines low income as household income at or below 60% of area median. According to the CPAH submittals, in the case of all four of its projects, tenant income is verified upon application and is re-certified on an annual basis. Household income at, or below, 60% of median

is the cut-off for continued eligibility. Within each of its applications, CPAH certifies that all residents served by the four properties in question earn at, or below, the 60% level.

4. The property or portion of the property receiving the exemption is actually and exclusively used for the purposes described in Section 501 (c) (3) or (4) of the Internal Revenue Code . . .

The applications certify that all the property is exclusively used for the intended purposes.

5. The exemption has been approved as provided in Section 3.50.050

This criterion relates to the required city process for handling exemption requests. Section 3.50.050 states the city will determine eligibility for exemption (as is detailed in this report) and send notice of the determination to the County Assessor.

Conclusion:

CPAH-owned properties have qualified for tax exemption every year since 1996. According to the applications submitted for FY 13/14 exemption, no changes in circumstances have occurred that would disqualify the non-profit housing provider from continuing to receive the exemption.

The "Affordable Housing Program," adopted in September 2002 as "a complete and official statement of the City's overall affordable housing program," includes tax exemption as one of the city's strategies for facilitating affordable housing in the community. The exemption's purpose is to allow the operators of low-income housing to decrease annual operating expenses, thereby allowing them to serve lower-income households. According to the CPAH applications, if granted, 100% of the property tax exemptions would continue to be passed on as a direct subsidy for its residents.

Therefore, granting the exemptions to CPAH would be consistent with the applicable TMC standards and also with adopted city housing policies.



City of Tigard Memorandum

To: Toby LaFrance, Finance and Information Services Director
From: Marissa Daniels, Associate Planner
Re: Hawthorne Villa 2013 Applications for Tax Exemption
Date: February 28, 2013

The Beaverton-based Accessible Living Inc. (ALI) has submitted an application for a city low-income housing tax exemption for the 119-unit Hawthorne Villa, located at 7705 SW Pfaffle Street in the incorporated Metzger area.

TMC 3.50.020, "Nonprofit corporation low income housing; exempt criteria," provides standards for considering exemption requests. Whether and how the ALI application meets each of these standards is detailed below.

1. The property is owned or being purchased by a corporation that is exempt from income taxes under Section 501(c) (3) or (4) of the Internal Revenue Code . . .

Accessible Living Inc., as part of Hawthorne Villa General Partnership, asserts their eligibility for the exemption under TMC section 3.50.020(B) which reads:

B. For the purposes of subsection (1) of this section, a corporation that has only a leasehold interest in property is deemed to be a purchaser of that property if:

- 1. The corporation is obligated under the terms of the lease to pay the ad valorem taxes on the real and personal property used in this activity on that property; or**
- 2. The rent payable by the corporation has been established to reflect the savings resulting from the exemption from taxation.**

The ALI application reads in Section E: Tax Exempt Status that "Hawthorne Urban Development is the Owner (Landlord) who has entered into a lease agreement with Hawthorne Villa General Partnership (Tenant)... Hawthorne Villa General Partnership has a leasehold interest in Hawthorne Villa through the lease (attached)."

As evidenced in the lease submitted by ALI, Hawthorne Villa General Partnership qualifies for the exemption under section (2) above. According to Section 4.1.1 of the lease, "the parties agree to Base Rent based on the Gross Rent less Tennant Expenses and agree that the tax savings resulting from the exemption are reflected in the Base Rent in light of the Rent Gap."

ALI has applied for the tax exemption under TMC Section 3.50.020(C) which reads:

C. A partnership shall be treated the same as a corporation to which this section applies if the corporation is:

- 1. A general partner of the partnership; and**
- 2. Responsible for the day to day operation of the property that is the subject of the exemption (Ord. 96-34).**

The ALI application asserts in Section E: Tax Exempt Status that “ALI is a General Partner to Hawthorne Villa General Partnership who is responsible for day to day operation of the project.”

A copy of an Internal Revenue Service letter, dated February 24, 1993, verifies that ALI qualifies as a 501(c) organization.

2. Upon liquidation, the assets of the corporation are required to be applied first in payment of all outstanding obligations, and the balance remaining, in cash and in kind, to be distributed to corporations exempt from taxation and operated exclusively for religious, charitable, scientific, literary or educational purposes or to the State of Oregon.

The list of submittal requirements under TMC 3.50.040 does not include any reference to information on asset liquidation, and the ALI application does not contain any such information. The director, Karen Voiss, verbally has confirmed to staff that the organization's incorporation papers do, indeed, include a provision of this kind.

3. The property is occupied by low income persons.

The TMC defines low income as household income at or below 60% of area median. According to the ALI application, tenant income is verified upon application. Hawthorne Villa has an extended use agreement with Oregon Housing and Community Services restricting the property to exclusive use for low income rentals until January 1, 2025. ALI certifies that all apartments in this property are currently rented to and will remain affordable to households earning at or below 60% of the area median income until January 1, 2025.

4. The property or portion of the property receiving the exemption is actually and exclusively used for the purposes described in Section 501 (c) (3) or (4) of the Internal Revenue Code . . .

The applications certify that all the property is exclusively used for the intended purposes.

5. The exemption has been approved as provided in Section 3.50.050

This criterion relates to the required city process for handling exemption requests. Section 3.50.050 states the city will determine eligibility for exemption (as is detailed in this report) and send notice of the determination to the County Assessor.

Conclusion:

This is the second year that ALI, as a general partner in Hawthorne Villa General Partnership, has applied to the city for a tax exemption. This site previously received city tax exemption through Tualatin Valley Housing Partners (TVHP) until 2010 when the property reverted to bank ownership and no longer qualified for the exemption.

The current request appears to meet all of the qualifying criteria established in TMC 3.50.020. The "Affordable Housing Program," adopted in September 2002 as "a complete and official statement of the City's overall affordable housing program," includes tax exemption as one of the city's strategies for facilitating affordable housing in the community. The exemption's purpose is to allow the operators of low-income housing to decrease annual operating expenses, thereby allowing them to serve lower-income households. According to ALI's application, if the exemption is granted, 100% will be passed on as a direct subsidy for its residents. Therefore, granting the exemptions to ALI would be consistent with the applicable TMC standards, and also with adopted city housing policies.

In addition, ALI's application states that the tax exemption allows for a \$30,000 per year services budget. ALI estimates that these onsite services will result in a net savings of public resources, including a decreased demand for police, fire and other government funded services. This assertion is consistent with best practices within the affordable housing arena.

Workshop Meeting

Meeting Date: 03/19/2013

Length (in minutes): 15 Minutes

Agenda Title: Review the Annual Solid Waste Aggregate Financial Report and Discuss Solid Waste Rate and Franchise Fee Increases

Prepared For: Michelle Wright

Submitted By: Greer
Gaston,
Public Works
Council
Workshop

Item Type: Update, Discussion, Direct Staff

Meeting Type: Mtg.

Public Hearing

Newspaper Legal Ad Required?: No

Public Hearing Publication

Date in Newspaper:

Information

ISSUE

The council is asked to:

- Review 2012 Annual Solid Waste Aggregate Financial Report.
- Discuss solid waste rate and franchise fee increases.

STAFF RECOMMENDATION / ACTION REQUEST

No action is requested at this meeting; the council will be asked to formally consider rate and franchise fee increases at a future meeting.

KEY FACTS AND INFORMATION SUMMARY

The City of Tigard has two franchised solid waste haulers, Pride Disposal Company and Waste Management Incorporated.

Every March these haulers provide the city with financial reports for the preceding calendar year as required by Tigard Municipal Code 11.04.090.

Staff then reviews the reports in accordance with the Annual Haulers' Financial Report Review Procedure found in Resolution No. 01-54-A (attached). This resolution:

- Sets an aggregate target profit rate of 10 percent annually for the solid waste haulers.
- Automatically triggers a solid waste rate adjustment when the aggregate profit rate falls below 8 percent or exceeds 12 percent.

The aggregate profit rate for 2012 was 4.22 percent. Since the aggregate profit rate falls below 8 percent, rates will need to be increased.

The Tigard Municipal Code and Resolution No. 01-54-A dictate that rates are based on a cost of service model. The city retained Bell & Associates, an accounting firm with expertise in the solid waste industry, to review the cost of service by customer class. The review is attached as the *2012 Reported Results & General Recommendations for Solid Waste Rate Increases*; it identified some interclass subsidies. Namely, commercial customers are subsidizing drop boxes and residential customers as follows:

Line of Business	Residential	Commercial	Drop Box	Composite
Revenue	3,626,880	3,373,056	2,256,750	9,256,686
Expense	3,484,198	3,076,002	2,305,427	8,865,627
Income	142,682	297,054	-48,677	391,059
Operating Margin	3.93%	8.81%	-2.16%	4.22%

Bell & Associates is in the process of developing a rate increase proposal based on the cost of service model. General recommendations for solid waste rate increases are included in the attached review, entitled *2012 Reported Results & General Recommendations for Solid Waste Rate Increases*.

Solid waste rates were last increased in 2006.

In addition, during Budget Committee meetings to approve the current fiscal year 2012-2013 budget, the committee reviewed franchise fees. The Budget Committee instructed staff to bring a franchise fee increase of 1 percent to council the next time solid waste rates are adjusted. The increase would bring the fee up to 5 percent, creating equity by setting all franchise fees at the same 5-percent level. During Budget Committee discussions, it was estimated that the franchise fee increase will generate an estimated \$90,000 annually. The increased fee will be factored in to the proposed rate adjustments.

Chris Bell, from Bell and Associates, and representatives from Pride Disposal and Waste Management will attend this meeting.

OTHER ALTERNATIVES

Not applicable

COUNCIL OR CCDA GOALS, POLICIES, MASTER PLANS

Not applicable

DATES OF PREVIOUS CONSIDERATION

The council receives the solid waste financial report every year.

Fiscal Impact

Cost: n/a

Budgeted (yes or no): n/a

Where Budgeted (department/program): n/a

Additional Fiscal Notes:

During Budget Committee meetings to approve the current fiscal year 2012-2013 budget, the committee reviewed franchise fees. The Budget Committee instructed staff to bring a franchise fee increase of 1 percent to council the next time solid waste rates are adjusted. The increase would bring the fee up to 5 percent, creating equity by setting all franchise fees at the same 5-percent level. During Budget Committee discussions, it was estimated that the franchise fee increase will generate an estimated \$90,000 annually. The increased fee will be factored in to the proposed rate adjustments.

Attachments

2012 Annual Solid Waste Aggregate Financial Report

2012 Results Review & General Recommendations for Solid Waste Rate Increases

Resolution No. 01-54-A

City of Tigard
Franchised Solid Waste Haulers Financial Reports
For Year ended December 31, 2012
 (Aggregate Report)

	Calendar Year		
	2012	Direct Labor Hours	Indirect Cost
Total Indirect Costs -----			\$1,341,120
Drop Boxes			
Operating Revenue	\$2,256,750		
Operating Costs	\$2,333,048	7,719	\$274,754
Net Income	(\$76,298)		
	-3.38%		
Can/Cart Services			
Operating Revenue			
Residential	\$3,337,876		
Multi-Family	\$14,071		
Commercial	\$140,066		
Operating Costs	\$1,967,395	7,659	\$275,426
Net Income	\$1,524,618		
	43.66%		
Container Services			
Operating Revenue			
Residential	\$42,170		
Multi-Family	\$704,050		
Commercial	\$2,523,298		
Operating Costs	\$2,378,280	7,160	\$257,274
Net Income	\$891,238		
	27.26%		
Recycling Services			
Operating Revenue			
Residential	\$1,055		
Multi-Family	\$0		
Commercial	\$0		
Bin/Cart Recycling	\$91,772		
Container Recycling	\$96,909		
Operating Costs	\$1,696,563	11,641	\$425,564
Net Income	(1,506,827)		
	-798.61%		
Yard Debris			
Operating Revenue	\$35,411		
Operating Costs	\$503,739	3,044	\$108,102
Net Income	(\$468,328)		
	-1323%		
	8,879,025	8,865,627	\$13,398
Consolidated Net Income	\$364,403		
Other Revenue	13,258		
Other Costs	(526)		
Adjustment to Allowable Costs	13,924		
Grand Total Net Income	\$391,059		
Total Revenues	\$9,256,686	8,902,850	\$1,341,120
Profit Percentage	4.225%		

Bell & Associates 2012 Reported Results & General Recommendations for Solid Waste Rate Increases

The reported results from collection operations during the calendar year 2012 show a composite return of 4.22% for all services. The following table is a summary of the results by service:

Line of Business	Residential	Commercial	Drop Box	Composite
Revenue	3,626,880	3,373,056	2,256,750	9,256,686
Expense	3,484,198	3,076,002	2,305,427	8,865,627
Income	142,682	297,054	-48,677	391,059
Operating Margin	3.93%	8.81%	-2.16%	4.22%

While there is further analysis to be completed on these figures, the above amounts will not change significantly. Additional costs such as increases in disposal fees, labor, and capital purchases that will be incurred in 2013 and beyond will be incorporated into the rates and presented to the Council in the future. It is assumed the City will continue the policy of setting the rates for each line of business at the cost of service.

The two areas of concern are residential service where the reported result is 3.93% and drop box service is -2.16%. Residential rates were last adjusted in January 2006 when the City implemented the commingled roll cart recycling program. Assuming no changes to the current collection system, the estimated increased for residential service will range from **\$3.00 to \$3.50** (15% to 17%) per customer per month. This increase includes the additional 1% increase in franchise fees. While this is a significant amount, consider the following increases incurred by the hauler since 2006:

Expense	2006 Cost	2012 Cost	\$ Increase	% Increase
Driver Wage per Hour	\$20.22	\$24.52	\$4.30	21.3%
Health Ins. per Month	\$739	\$1,223	\$484	65.5%
Diesel Fuel per Gallon	\$2.16	\$3.20	\$1.04	48.1%
SW Disposal per Ton	\$74.20	\$97.52	\$23.32	31.4%
Automated Collection Truck	\$202,000	\$300,000	\$98,000	48.5%

The US Bureau of Labor has calculated the CPI increase at 14.4% from 2006 to 2012 for the Portland-Salem area.

One approach that may be of interest to the City Council is to consider setting residential collection rates on a service delivery approach. This is the current method used to assess the

collection services in King City. The rate is calculated on the base level of services currently being delivered rather than on the size of the garbage cart.

The charge for garbage would be comprised of two components: the fixed cost and the disposal. The fixed costs would be included in the monthly service fee and the disposal cost would be charged on a per gallon basis when the cart is set out for collection. This method encourages residents to divert more materials to the recycling cart. In addition, it doesn't penalize customers that have large families who generate more than 32 gallons of waste a week.

Drop box service will require an increase. The modified approach will be set on the average time required to provide these services. The significant change will be the consideration of the additional time required to service roll-off compactors.

Commercial rates will increase slightly when recalibrated to the allowable margin. The topic for Council discussion will be commercial food waste collection and the impact on collection rates and operations.

The reported costs for each line of business are detailed on the following spreadsheet for Council review.

Reported
2012 Return on Revenues

	Residential Service			Commercial Service			Drop Box	Grand Totals
	Solid Waste	Recycling	Yard Debris	Solid Waste	Recycling			
Collection & Service Revenues	3,498,642	92,827	35,411	3,276,147	96,909		2,256,750	9,256,686
	% of direct		% of direct					
Direct Costs of Operations	1,691,970	796,691	395,636	2,121,006	474,308		2,058,293	7,537,904
Disposal Expense	748,850 44%	10,277 1%	73,916 19%	1,194,370 56%	1,532 0%		1,238,714 60%	3,267,659
Labor Expense	396,876 23%	369,809 46%	163,808 41%	427,493 20%	251,537 53%		396,706 19%	2,006,229
Truck Expense	283,784 17%	243,025 31%	102,827 26%	227,727 11%	154,504 33%		240,061 12%	1,251,928
Equipment Expense	61,817 4%	45,049 6%	34,346 9%	93,089 4%	29,805 6%		44,420 2%	308,526
Franchise Fees	141,678 8%	2,269 0%	0 0%	130,641 6%	2,714 1%		84,955 4%	362,257
Other Direct Expense	58,965 3%	126,262 16%	20,739 5%	47,686 2%	34,216 7%		53,437 3%	341,305
	% of G&A		% of G&A					
Indirect Costs of Operations	254,241	261,992	83,459	321,997	158,493		247,015	1,327,197
Management Expense	51,924 20%	55,253 21%	18,174 22%	65,626 20%	33,740 21%		50,447 20%	275,164
Administrative Expense	73,692 29%	78,595 30%	26,067 31%	92,941 29%	48,110 30%		71,470 29%	390,875
Other Overhead Expenses	128,625 51%	128,144 49%	39,218 47%	163,430 51%	76,643 48%		125,098 51%	661,158
Total Cost	1,946,211	1,058,683	479,095	2,443,003	632,801		2,305,308	8,865,101
Less Unallowable Costs	-111	-88	-10	-155	-43		-119	-526
Allowable Costs	1,946,322	1,058,771	479,105	2,443,158	632,844		2,305,427	8,865,627
Franchise Income	1,552,320	-965,944	-443,694	832,989	-535,935		-48,677	391,059
Return on revenues	44.37%	-1040.59%	-1252.98%	25.43%	-553.03%		-2.16%	4.22%
Revenues	3,626,880			3,373,056			2,256,750	9,256,686
	% of revenue			% of revenue				
Direct Costs of Operations	2,884,297			2,595,314			2,058,293	7,537,904
Indirect Costs of Operations	599,692			480,490			247,015	1,327,197
Total Cost	3,483,989			3,075,804			2,305,308	8,865,101
Less Unallowable Costs	-209			-198			-119	-526
Allowable Costs	3,484,198			3,076,002			2,305,427	8,865,627
Franchise Income	142,682			297,054			-48,677	391,059
Return on revenues 2012	3.93%			8.81%			-2.16%	4.22%

CITY OF TIGARD, OREGON

RESOLUTION NO. 01-54-A

A RESOLUTION OF THE TIGARD CITY COUNCIL FORMALIZING COUNCIL POLICIES AFFECTING SOLID WASTE RATE ACTIONS AND RESCINDING RESOLUTION NO. 96-03

WHEREAS, the Tigard City Council desires to manage solid waste rates in a manner which is consistent with the Solid Waste Management Ordinance (TMC 11.04); and

WHEREAS, the Solid Waste Industry and recycling programs and markets continue to rapidly change; and

WHEREAS, the Solid Waste Industry is being forced to change by multiple court challenges region-wide which question continuing the past rate practice of commercial rates subsidizing the residential service rates; and

WHEREAS, the Tigard City Council wishes to update its established policies for solid waste management to insure rates that are just, fair, reasonable and adequate to provide ongoing necessary service to the public; and

WHEREAS, the Tigard City Council desires to rescind Resolution No. 96-03 and adopt updated policies to meet the challenges faced in providing solid waste services for the citizens of Tigard.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The Tigard City Council hereby rescinds Resolution No. 96-03 in its entirety.

SECTION 2: The Tigard City Council will use the following policy when it reviews any changes to the solid waste rates in an effort to reduce the commercial subsidy of residential service rates and move to rates that are based on cost of service over a period of time:

SERVICE-TYPE RATE SUBSIDY POLICY

It is the desire of the Tigard City Council to eventually have solid waste rates be profitable by each service type (i.e., cart, container, drop box). Since there currently exists a commercial (container) subsidy of the residential (cart) rates and drop box rates, a phased-in reduction of the subsidy is anticipated within the next seven years. The subsidy will be reduced at increments acceptable to the City Council.

SECTION 3: The Finance Director, or designee, will use the following policy when computing the solid waste haulers' rate of return:

OPERATING MARGIN/RATE OF RETURN POLICY

The Operating Margin, or rate of return, will be calculated on the before tax net profit as a percentage of gross revenue. The "profit rate" review will be based on the aggregate pre-tax net income as a percentage of the aggregate gross revenues of the franchised haulers. The City Council shall consider an adjustment during rate review proceedings to provide a ten percent (10%) margin in the aggregate.

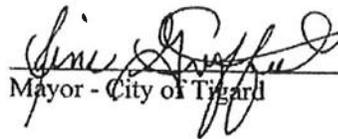
SECTION 4: ANNUAL HAULERS' FINANCIAL REPORT REVIEW PROCEDURE

The Finance Director, or designee, will review the solid waste haulers' annual financial reports and gather any clarifications deemed necessary from the haulers or their designated representatives each year. After being satisfied that the reports are complete and properly filled out in accordance with the instructions provided, the Finance Director, or designee, will determine the "profit rate" by the aggregate pre-tax net income of the haulers as a percentage of aggregate gross revenues.

The Finance Director, or designee, will then report the results to the City Manager, the Mayor and City Council. If the aggregate profit rate falls below eight percent (8%) the City Council shall consider an adjustment to provide a ten percent (10%) margin. If the aggregate profit rate exceeds twelve percent (12%), the City Council shall consider an adjustment downward to provide a ten percent (10%) margin.

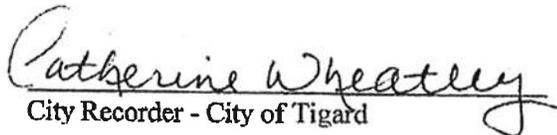
EFFECTIVE DATE: This resolution will be effective on and after October 1, 2001.

PASSED: This 25th day of September 2001.



Mayor - City of Tigard

ATTEST:


Catherine Wheatley
City Recorder - City of Tigard

Workshop Meeting

Meeting Date: 03/19/2013

Length (in minutes): 45 Minutes

Agenda Title: Discussion on Social Gaming

Prepared For: Kent Wyatt

Submitted By: Kent Wyatt, City Management

Item Type: Update, Discussion, Direct Staff

Meeting Type: Council Workshop Mtg.

Public Hearing: No

Publication Date:

Information

ISSUE

Should the City of Tigard allow social gaming?

STAFF RECOMMENDATION / ACTION REQUEST

After workshop discussion, provide staff direction on whether Council wishes to allow or disallow social gaming in the City of Tigard. This matter will then be scheduled for a regular meeting for Council action.

KEY FACTS AND INFORMATION SUMMARY

State statute (ORS 167.121) allows cities to determine whether or not to allow social gaming. A "social game" is one in which all the money wagered is returned to the players in form of prizes.

The City received a request from the owner of the New King's Buffet on Pacific Highway to allow social gaming. At the September 18, 2012 City Council meeting, the Council directed staff to provide further information about social gaming in Tigard and sample ordinances to allow and disallow social gaming.

Social gaming has been occurring in Tigard and at least two restaurants continue to offer social gaming on a regular basis. Social gaming activity in Tigard and surrounding jurisdictions, according to the Tigard police, has not led to complaints, any increase in criminal activity or other safety issues. An informal poll of Tigard businesses (see attachment #1) indicates businesses are indifferent on whether Council should pass a social gaming ordinance.

The Tigard Police Department requests clarification by Council as to whether they wish to allow or disallow social gaming in town.

If Council chooses to allow social gaming, the Tigard Police Department believes the attached ordinance (attachment #2) will allow for transparency with respect to existing social gaming activities, enforcement being complaint driven, and enable the City to have adequate regulation to assure that the activities are conducted in a fashion consistent with public health and safety. The police staff time required to enforce this ordinance is minimal and can be managed with existing staff.

The draft ordinance allowing social gaming is modeled after the City of Hillsboro social gaming ordinance which was approved in 2011 and has served the community and businesses well. Tigard considered the City of Portland social gaming ordinance as a model but found that Tigard would require additional staff to enforce such an ordinance.

If Council chooses to prohibit social gaming, the Tigard Police Department believes the attached ordinance (attachment #3) will provide clear direction to stop social gaming in Tigard and enforce any future social gaming activity.

Tigard businesses that may be impacted by a social gaming ordinance were notified of Council's discussion tonight.

OTHER ALTERNATIVES

Council may direct to revise the ordinance allowing social gaming to be more or less restrictive.

COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS

N/A

DATES OF PREVIOUS COUNCIL CONSIDERATION

September 18, 2012 - Council Workshop

Attachments

Social Gaming Activity in Tigard

Draft Ordinance Allowing Social Gaming

Draft Ordinance Disallowing Social Gaming



MEMORANDUM

TO: Assistant Chief deSully

FROM: Sergeant McDonald *AM 10/9/12*

DATE: 10/10/2012

RE: Social Gaming; Current Activities

Recently I have had the opportunity to attempt to determine the number of businesses in Tigard currently involved in Social Gaming, typically the game played is Poker. From what I have been able to determine there appear to be at least 4 businesses who currently host space for Social Gaming. This ranges from games played on a regular basis to infrequent, special events.

In checking into this I attempted to also determine what the prize structure was for these games. In doing so it appears that none of the businesses obtain a "house cut" meaning none of them get any of the money from the gaming directly. In at least one case the business does provide prizes in the form of food credits or logo clothing for the winners of the games. It also appears that in the case of that business they use their employees to run the games.

It does not appear that money is used to buy chips at face value for the games. In some cases there is a nominal "buy in" fee, usually around \$10. This fee appears to go, at least partially, to a company used to run the games at some of the businesses. In at least one case it is used as the prize money and is divided among the top finishers in the games.

In terms of the relationship with Oregon Lottery all of the locations surveyed in the original survey (08/01/2012, attached) have lottery at some level. In that initial survey I was told by at least one business they would not bring in social gaming because they did not want to risk the loss of revenue or the relationship they had with the Oregon Lottery.

It still appears there would be very few businesses change their current practices of social gaming should an ordinance be enacted that allowed it. The main reason for this is that the cost to run the games outweighs the profits gained.



MEMORANDUM

TO: Assistant Chief de Sully
FROM: Sergeant McDonald
DATE: 08/01/2012
RE: Social Gaming Informal Survey

4c COPY

Over the past week and a half I have had the opportunity to make physical contact with 11 different businesses in the City which would fit the model of providing a place for social gaming. Of these businesses all of them have current liquor licenses with OLCC, serve beer wine and/or spirits and provide areas in their business where, at least at certain times, there are no minors allowed. Most, if not all, are also current Oregon Lottery dealers.

Businesses surveyed were:

Bounty Hunter	11445 SW Pacific Hwy
Gators	11475 SW Pacific Hwy
Richards Deli	11945 SW Pacific Hwy
Blitz Sports Pub	10935 SW 68 th Pkwy.
John Barleycorns	14610 SW Sequoia Parkway
Keystone Café	15700 SW Upper Boones Ferry
JB O'Brien's	11555 SW Durham Rd
Bull Mt Bar and Grill	13727 SW Pacific Hwy
Home Turf	13500 SW Pacific Hwy
Tigardville Station	12370 SW Main St
Carmichael's	12740 SW Pacific Hwy

Of the 11 businesses surveyed none of them were against the idea of the Council passing an ordinance. Most of them, 8, said they were indifferent to the idea. Of those, they who offered told me, they had in the past tried having poker games but it was a money losing venture for them. They explained that when the games are held they would have to pay a company to come put the game on and the patrons that come for the games don't buy anything. They drink water or soda and buy no food. I had managers at Bull Mt Bar and Grill, Home turf, Tigardville Station, Gators, Keystone Cafe, and Blitz tell me that they would not likely bring it back even if there were a new code in place.

Some of the businesses also said they would choose to not have social gaming because of the possible impact on their Oregon Lottery earnings. Richard's and Bull Mt Bar and Grill said they would not want to jeopardize that relationship for poker games.

There are at least two businesses who confirmed they currently host games. Bounty Hunter, who uses a company to administer the games and Carmichael's who uses their own staff to run it.

Only one business suggested one of the reasons they have chosen not to do it and would not in the future was because of concern for the type of clientele it may bring in. At Gator's they prefer to advertise in small ways and use word of mouth and try to stay away from the activities that may bring a bad element to the bar.

One business owner, Pete Louw, of Tigardville Station offered to discuss the issue further if we would like and even offered to speak to Council if needed. His opinion was mainly neutral but added he would not be likely to add it if an ordinance were passed.

All in all the response from those surveyed was generally positive. None of the businesses were against the idea of passing an ordinance. During my conversations with the managers and owners I explained the main reason for the contact. I explained the current law and that they would be notified if the approach from the Police Department changes from current practice. From the survey it does not appear that there are that many businesses engaged in the practice as they do not find it profitable and it certainly does not appear that would change should we pass an ordinance.

c COPY

**CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
ORDINANCE NO. 13-____**

AN ORDINANCE AMENDING TIGARD MUNICIPAL CODE TO ADOPT SUBCHAPTER AUTHORIZING SOCIAL GAMING, SUBJECT TO SPECIFIED CONDITIONS.

WHEREAS, currently the Tigard Municipal Code does not contain provisions relating to the regulation of “social gaming”; and

WHEREAS, ORS 167.121 allows cities to authorize the playing or conducting of a social game in a private business, private club, or place of public accommodation; and

WHEREAS, the Tigard Police Department requests clarification from the City Council on whether they wish to authorize social games in Tigard; and

WHEREAS, the City Council finds that it is in the public interest to amend the Tigard Municipal Code to include a new chapter to set forth terms, rules, regulations, and responsibilities of involved parties, authorizing social games.

NOW, THEREFORE, THE CITY OF TIGARD ORDAINS AS FOLLOWS:

SECTION 1. The Tigard Municipal Code is hereby amended to include and incorporate a new Chapter 5.22 Social Games, attached hereto as Exhibit A.

SECTION 2. This ordinance shall be effective from and after thirty (30) days following its passage and approval by the Mayor.

PASSED: By _____ vote of all Council members present after being read by number and title only, this _____ day of _____, 2013.

Catherine Wheatley, City Recorder

APPROVED: Approved by Tigard City Council this _____ day of _____, 2013.

John L. Cook, Mayor

Approved as to form:

City Attorney

Date

Ordinance No.13-____

EXHIBIT "A"

Chapter 5.22 - SOCIAL GAMES

Sections:

5.22.010 Definitions

5.22.020 Social Games – Authorization and Conditions

5.22.030 Responsibilities of Owner and Person in Charge

5.22.040 Inspection of Social Games Premises

5.22.050 Notice of Social Games Required

5.22.060 License; License Fee; Civil Penalties

5.22.070 Appeal Process for License Denial

5.22.080 Appeal Process for Assessment of Fine

5.22.010 Definitions

As used in this chapter,

- A. **CHIEF OF POLICE** or **CHIEF** means the chief of the Tigard police department or designee.

- B. **SOCIAL GAME** means a game, other than a lottery, between players in a private business, private club or place of public accommodation where no house player, house bank or house odds exist and there is no house income from the operation of the social game.

5.22.020 Social Games – Authorization and Conditions

Social games as defined in Section 5.22.010 of this chapter are allowed only when each of the following conditions is met:

- A. The owner of the business where social games are being played holds a current, valid license to play social games issued by the City;
- B. No house player, house bank, or house odds exist;
- C. There is no house income from the operation of a social game;
- D. The social game cannot be observed from a public right of way;
- E. Persons under 21 years of age are not permitted in the room or enclosure where the social game takes place;
- F. The room or enclosure where the social game takes place is open to free and immediate access by any police officer. Doors leading into the social game room must remain unlocked during all hours of operation;
- G. No owner or "principal managing employee", as described in more detail below, shall participate in any social game on the premises;
- H. A charge for consumer goods sold on the premises to an individual playing a social game must not be higher or lower than the price charged to a non-participant in the social game;

- I. No owner or principal managing employee may accept any payment, fee, service or gratuity from a social game participant as consideration for participation in the social game on the premises;
- J. No owner or principal managing employee may charge a rental or lease fee for the use of the social game;
- K. At no point in time may a social game be conducted without an owner or principal managing employee present;
- L. No membership fee or cover fee may be charged for participation in the social game; and
- M. All social gaming activities and the business where social gaming is permitted must comply with applicable federal, state and local laws and regulations.

5.22.030 Responsibilities of Owner and Person in Charge

An owner or person in charge of a business where social gaming is permitted shall:

- A. Clearly designate the areas set aside for social gaming.
- B. Designate an agent or employee to act as person in charge of a social gaming premise whenever social games are being played. An owner shall be strictly liable for any violation of this chapter which occurs when no person in charge is present at the social gaming premises.
- C. Be strictly liable for any violation of the provisions of this chapter by a person in charge, agent, employee or designate.
- D. Limit hours of operation of social gaming activities on the premises to those hours during which the primary business is open.
- E. Limit social gaming activities exceeding 25% (Twenty-five percent) of the floor area of the premises to no more than one day per week. For purposes of this provision, “floor area” means gross floor area excluding areas such as restrooms, hallways, mechanical spaces, elevators, stairwells and loading docks.
- F. Not allow social gaming activities on the premises unless the private business, private club or place of public accommodation meets all applicable requirements of the Tigard Municipal Code and has been legally established and in existence for at least six months.

5.22.040 Inspection of Social Games Premises

All persons who authorize social games on premises owned or managed pursuant to this Chapter shall permit entry to premises to any member of the Police Department, upon presentation of official identification, for the limited purpose of inspecting the premises and any activities, records, or devices involved in such games to ensure compliance with Tigard Municipal Code.

5.22.050 Notice of Social Games Required

Where social games are conducted, each owner or person in charge of the premises shall continuously and conspicuously post notice that is clearly readable and in letters at least one inch high that such games must be conducted in accordance with the conditions set forth in Section 5.22.020 which shall be listed in their entirety. The form and content of the notice required pursuant to this section shall be as approved by the chief to assure uniformity of notices in establishments allowing social gaming.

5.22.060 License; License Fee; Civil Penalties

Application for an annual social gaming license shall be made to the Police Chief. The Chief may assess a license fee of One Hundred (\$100) dollars per year. The social gaming license fee is due in full every January 1st. If a business applies for a social gaming license at any time on or after July 1st, the fee for such license shall be equal to one-half the license fee.

The Chief may assess a fine for operating without a license of Five Hundred (\$500) dollars for the first violation for each year, and a subsequent violation will result in a fine of One Thousand (\$1,000) dollars.

Violations for all other offenses of this subchapter are One Hundred (\$100) for the first offense each calendar year; Two Hundred Fifty (\$250) for the second offense; Five Hundred (\$500) for the third offense and One Thousand (\$1,000) for all additional violations during the same calendar year.

5.22.070 Appeal Process for License Denial

In the event the Chief of Police denies an applicant a social gaming license, the Chief of Police shall first notify the applicant in writing of his intent to deny the license within three (3) working days of receipt of the application. The notification shall include the reason(s) for the denial and a date and time within the next five (5) working days to hear the applicant's appeal, if any. The applicant shall have the right to be heard and to present witnesses and evidence purporting to refute the reasons given by the Chief of Police for a denial. The hearing shall be administrative in nature and held before the Chief of Police. Rules of evidence shall not apply. Upon completion of the hearing, the Chief of Police shall make finding and shall mail the final decision to the applicant within three (3) working days of the hearing date.

5.22.080 Appeal Process for Assessment of Fine

In the event the Chief of Police assesses a business owner with a fine, the Chief of Police shall notify the business owner in writing of the fine assessment. The notification shall include the reason(s) for the fine assessment and a date and time within the next five (5) working days to hear the business owner's appeal, if any. The business owner shall have the right to be heard and to present witnesses and evidence purporting to refute the reasons given by the Chief of Police for a denial. The hearing shall be administrative in nature and held before the Chief of Police. Rules of evidence shall not apply. Upon completion of the hearing, the Chief of Police shall make finding and shall mail the final decision to the business owner within three (3) working days of the hearing date.

**CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
ORDINANCE NO. 13-__**

AN ORDINANCE AMENDING TIGARD MUNICIPAL CODE TO ADOPT SUBCHAPTER DISALLOWING SOCIAL GAMING, SUBJECT TO SPECIFIED CONDITIONS.

WHEREAS, currently the Tigard Municipal Code does not contain provisions relating to the regulation of “social gaming”; and

WHEREAS, ORS 167.121 allows cities to authorize the playing or conducting of a social game in a private business, private club, or place of public accommodation; and

WHEREAS, there is currently confusion as to whether social gaming is allowed; and

WHEREAS, the Tigard Police Department requests clarification from the City Council on whether they wish to prohibit social games in Tigard and impose civil penalties; and

WHEREAS, the City Council finds that it is in the public interest to amend the Tigard Municipal Code to include a new chapter to prohibit social games, and adding civil penalties.

NOW, THEREFORE, THE CITY OF TIGARD ORDAINS AS FOLLOWS:

SECTION 1. The Tigard Municipal Code is hereby amended to include and incorporate a new Chapter 5.22 Social Games, attached hereto as Exhibit A.

SECTION 2. This ordinance shall be effective from and after thirty (30) days following its passage and approval by the Mayor.

PASSED: By _____ vote of all Council members present after being read by number and title only, this ____ day of _____, 2013.

Catherine Wheatley, City Recorder

APPROVED: Approved by Tigard City Council this ____ day of _____, 2013.

John L. Cook, Mayor

Approved as to form:

City Attorney

Date

Ordinance No.13-____

Exhibit "A"

Chapter 5.22 - SOCIAL GAMES

Sections:

5.22.010 Definitions

5.22.020 Social Games – Prohibition

5.22.060 Civil Penalties

5.22.010 Definitions

As used in this chapter,

- A. *CHIEF OF POLICE* or *CHIEF* means the chief of the Tigard police department or designee.
- B. *SOCIAL GAME* means a game, other than a lottery, between players in a private business, private club or place of public accommodation where no house player, house bank or house odds exist and there is no house income from the operation of the social game.

5.22.020 Social Games – Prohibition

Social games as defined in ORS 167.117 are prohibited in the City of Tigard.

5.22.060 Civil Penalties

The chief may assess civil penalties for any violation of the provisions of Tigard Municipal Code Chapter 5.22 in an amount of Five Hundred (\$500) dollars for the first violation and One Thousand (\$1,000) dollars for each additional violation.

Workshop Meeting**Meeting Date:** 03/19/2013**Length (in minutes):** 20 Minutes**Agenda Title:** Tigard Triangle Plan Update**Submitted By:** Cheryl Caines, Community Development**Item Type:** Update, Discussion, Direct Staff**Meeting Type:** Council Workshop Mtg.**Public Hearing:** No**Publication Date:****Information****ISSUE**

Update City Council about Tigard Triangle TGM grant project.

STAFF RECOMMENDATION / ACTION REQUEST

Receive information about the progress of the Tigard Triangle TGM grant project.

KEY FACTS AND INFORMATION SUMMARYProject Update

The city was awarded a Transportation Growth Management grant from the Oregon Department of Transportation (ODOT) in October 2012. A statement of work (SOW) that outlines the project tasks has been finalized for the Tigard Triangle Strategic Redevelopment Plan. The SOW builds upon the concept plan developed through the Tigard High Capacity Transit Land Use Plan (Attachment 1). Work will be focused on developing a preferred land use and transportation/infrastructure option for the Town Center/Main Street (blue) area of the Triangle and adopting the necessary policy and regulations to support its development. The SOW will involve the tasks outlined in Attachment 3.

As shown on the attached timeline (Attachment 2), the next step is to select a consultant for the work. Consultants are contracted through ODOT and are selected from a list of pre-qualified consultant teams. Staff and the ODOT grant manager will review packets submitted for the proposal to make the decision.

How will the City Council be involved?

Staff will provide project updates to the Council throughout the process. City Council will review the preferred plan and implementation measures (including amendments to policies, codes, standards) developed in Task 6.

OTHER ALTERNATIVES

Not applicable.

COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS

2012 City Council Goals

1. Take the Next Step on Major Projects

b. Implement the Comprehensive Plan through code revisions, including

ii. Contribute to the SW Corridor Plan by adopting Tigard's land use policies and designations and identifying priorities for high-capacity transit (HCT) station location alternatives by mid-2012.

1. Determine the economic development opportunities, development plan, city policies and regulations needed to position the Tigard Triangle as an HCT station location.

DATES OF PREVIOUS COUNCIL CONSIDERATION

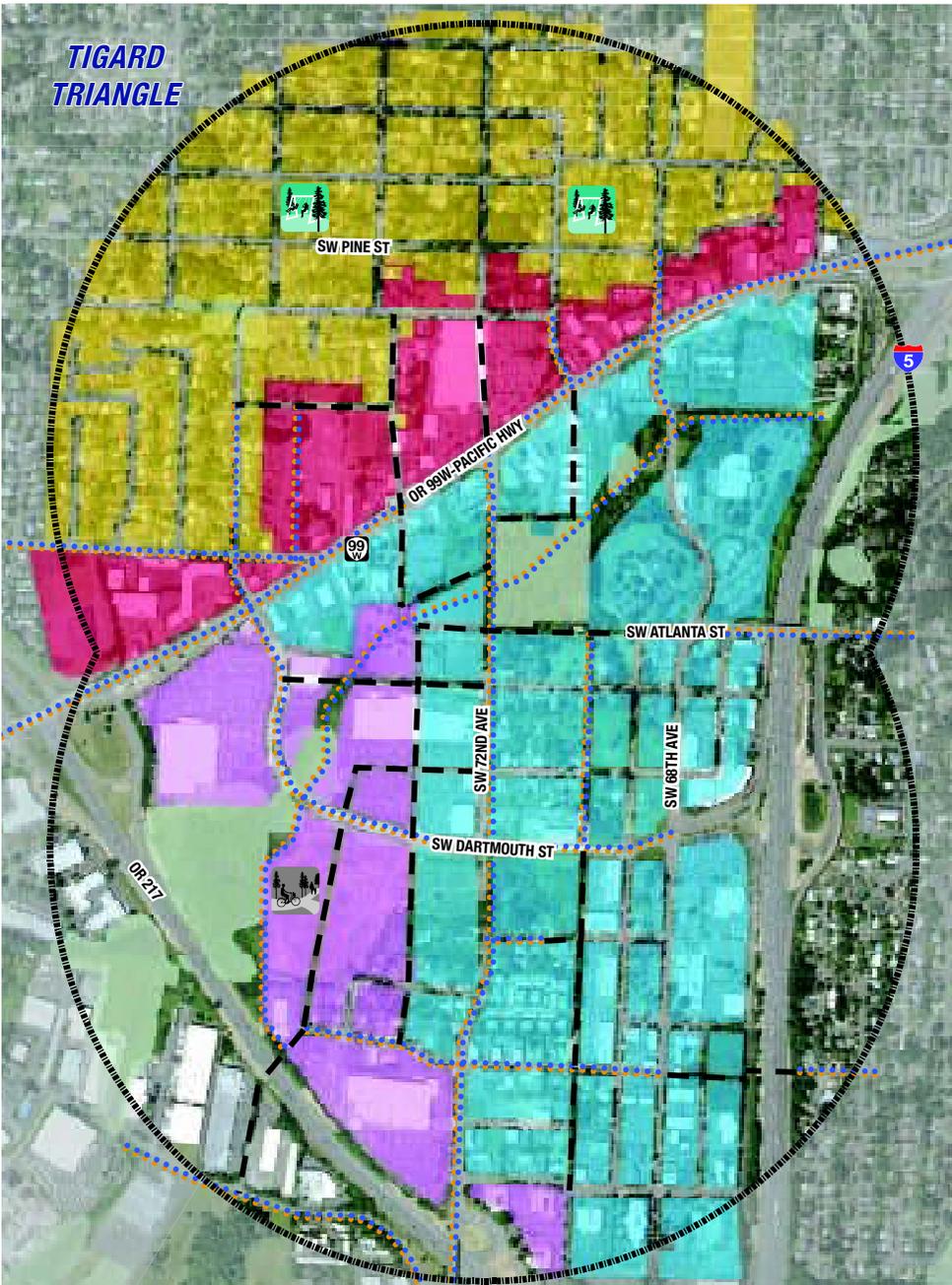
The document Tigard Triangle - A Path Forward was presented to City Council in August 2012. This was prior to the announcement of the TGM grant award. The document outlined two paths to prepare High Capacity Transit ready development in the Triangle with and without the TGM grant.

Attachments

[HCT Tigard Triangle Concept](#)

[Project Timeline](#)

[Statement of Work Summary](#)



STATION TYPOLOGY

Proposed Station Types

-  Town Center/
Main Street
-  Employment/
Retail
-  Transit
Corridor
-  Transit
Neighborhood

Proposed Connections (New and Improved)

-  Local Multimodal Street
-  Bike/Ped Route

Proposed Amenities (Not Located)

-  Conceptual Park/Open
Space Facilities
-  Conceptual Bike/Ped Amenities
-  Commuter Rail
-  Railroads
-  Rivers and Water Bodies
-  Study Area Boundary
-  Parks, Open Space
and Natural Resources

0 1,000 2,000 Feet

CONCEPT PLAN

ACTIVITY CENTER

The Tigard Triangle concept shows the center of intensity east of 72nd Avenue, building on the existing pattern of smaller blocks for a walkable, town center feel.

This area would have a growing mix of retail, employment and residential activities.

COMMUNITY CHARACTER

The Tigard Triangle Preferred Concept seeks to blend smaller-scale retail, restaurants and housing to complement the current employment center, especially in the northeast part of Tigard Triangle. Increased housing options would also be allowed northwest of OR 99W-Pacific Highway.

GETTING AROUND

This potential station community is defined by some of the most highly traveled roads in the state, which can create major barriers for getting into and out of Tigard Triangle. Freeway crossings are expensive, so it's important that any new crossing meets multiple transportation needs. The concept includes a new multimodal facility crossing OR 217 to connect Tigard Triangle with Downtown Tigard.

Tigard Triangle Project Timeline



Tigard Triangle Strategic Redevelopment Plan

Statement of Work Summary

Task 1: Public Involvement and Interagency Coordination (June/July 2013)

Implement a public involvement plan that includes Citizen and Technical Advisory Committee meetings and public open houses that will happen throughout the process.

Task 2: Existing Conditions

Consultant will prepare an existing conditions report that looks at physical conditions, market information, previous planning efforts, current city policies such as Transportation System Plan, Comprehensive Plan, and Community Development Code.

Task 3: Needs/Opportunities/Constraints and Tools Analysis

Analysis of the information gathered in Task 2 to determine opportunities for improved transportation and constraints for redevelopment of the Tigard Triangle. The consultant will identify tools to overcome these constraints (including funding options) and develop criteria to evaluate the land use and transportation options developed in Task 4.

Task 4: Options Development

The consultant will develop land use and transportation redevelopment options for the study area considering objectives, opportunities, constraints and public input.

Task 5: Options Evaluation and Refinement

Evaluation of the land use and transportation options developed in Task 4, including costs for needed infrastructure.

Task 6: Final Preferred Plan and Report (August/September 2014)

The consultant will develop a preferred option, prepare adoptable regulatory implementation measures (zoning designation, development standards, “floating” zoning requirements, site design requirements, street layout and cross sections and development phasing and incentives, etc.) necessary to implement the preferred option, and complete a report that identifies next steps and issues for further refinement.