COMMUNITY PARTNERS
FOR AFFORDABLE HOUSING, INC.

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City of Tigard
Application for Tax Abatement

February 20, 2014

Village at Washington Square
11157-11163 SW Hall Boulevard, Tigard

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A. Property Description

Village at Washington Square is located at 11157-11163 SW Hall Boulevard, between SW Spruce and SW Pfaffle in Tigard. The site is located within the Washington Square Regional Center and is proximate to employment opportunities as well as public transportation and other services. The Village at Washington Square includes three residential buildings with a total of 26 dwelling units, and a community building, all arranged around a central courtyard/play yard. The project includes one studio, seven one-bedroom, five two-bedroom, seven three-bedroom and six four-bedroom units. Eleven of the units are traditional apartment flats, while the other 15 are two-story townhomes with bedrooms above the main floor living space. The total site sits on .84 acres.

In 2012, Village at Washington Square received exterior caulking and painting as part of the on-going focus on quality maintenance. Some additional landscaping was completed in 2013.

Legal Description: Partition Plat 1998-038, Lot 1 and Partition Plat 1998-038, Lot 2 in the City of Tigard, County of Washington, State of Oregon

Tax Lot: 1S135DA (04600 & 04700)

B. Project's Charitable Purpose

The mission of Community Partners for Affordable Housing, Inc. (CPAH) is to promote a healthy community through the development of: permanent affordable housing, sustainable economic growth, and community-based partnerships.

When it opened in 2002, The Village at Washington Square was the first addition of affordable units to the Tigard housing stock in a decade. The 26 units are priced to be affordable to very low, low, and moderate-income residents. The project is subject to an extended use agreement to keep the rents affordable for 60 years, effectively the full life of the project. This covenant is recorded with the title of the property and requires that rents will be affordable to households at 30%, 45% and 60% of area median income and significantly below market rents. Half of the units are three and four bedroom apartments serving larger families who are often unable to find affordable rental opportunities in Tigard.

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 ensure that our programs are well-coordinated with other community resources. CPAH works closely with Community Action and other agencies to provide information and referral as well as emergency services such as food boxes as well as rent and utility assistance. Coordination agreements with social service programs such as HopeSpring (a partnership of Lutheran Family Services, Community Action Organization, Good Neighbor Center, Luke-Dorf, and Lifeworks NW enhance ongoing case management and link stable housing with successful program outcomes.

CPAH offers a variety of programs for youth including after school and summer programs as well as adult services including Neighborhood Watch, classes in support of parenting skills, budgeting and other financial literacy skills, and nutritional shopping and cooking. The Community Center is also host to HopeSpring self-sufficiency classes.

The Village at Washington Square is located within a census tract (309) which has a higher than average concentration of low-income rental households. The number of residents without a high school diploma is notably higher than for Tigard as a whole. This area has the 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 and at annual re-certification. 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 (lower rents) as operating costs are lower due to tax abatement. 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.

S M Greenlaw-Fink

Sheila Greenlaw-Fink, Executive Director

2·24·14

Date

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

DEPARTMENT OF THE TREASURY

Date:
MAR 11 1998

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,

C. Ashley Bullard

District Director

Letter 1050 (DO/CG)