

# City of Tigard

# Application for Tax Abatement

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February 20, 2015

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The Knoll @ Tigard

12291 SW Knoll Drive

Tigard, Oregon 97223

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## **A. Property Description**

The Knoll @ Tigard is located at 12291 SW Knoll Drive in Tigard (on Hall Boulevard between SW Knoll and SW Hunziker). The Knoll is a prime example of urban development, perched on the edge of the developing downtown of the City of Tigard, walking distance to the library, senior center, transportation, shopping and a variety of other amenities. Previously, three parcels of land totaling 1 acre supported only 3 single family residences. Following the recent zone change, and consistent with the long range goals of the City development plans, The Knoll @ Tigard brings this density to nearly 50 units per acre. The design takes advantage of a site with an established infrastructure of utilities, adjacent transportation and services. The Knoll receives a "very walkable" rating from Walkscore.com.

The Knoll @ Tigard is a 45,000 square foot, 48-unit apartment building along with common rooms and meeting space, providing active living for independent, low-income seniors. Streetscape improvements were required on all 3 street frontages, including development of sidewalks, planting strips with street trees and below-grade utilities. Public spaces including entry courtyards and site walks are well lit. The Knoll @ Tigard is a secure access building with a surveillance system.

The total site contains .98 acres.

Legal Description: see attached Exhibit A

Tax Lot: R458454, R458436, R458445

## **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.**

The Knoll @ Tigard is CPAH's first affordable units for seniors in Tigard and compliments CPAH's affordable units for seniors in Hillsdale. The 48 units are affordable to very low and low income residents on a permanent basis (The Knoll @ Tigard provides affordable housing for a minimum of sixty (60) years, with maximum rents regulated by covenants on the property). Rents are affordable to households at 30% to 60% of area median income and below market rents. 45 of the units are one bedroom units and 3 of the units are two bedroom units (1 of which for the on-site manager). 12 of the one bedroom units are Project Based Section 8 units through the Washington County Housing Authority and are set-aside for Veterans.

CPAH has expanded its community partnerships with the Tigard Police, the Tigard Library and the VA. The common areas include a nice living room and kitchen for residents' use as well as a computer center. The community room is available for resident potlucks, holiday events and other activities.

## **C. Certification of Resident Income Levels**

Resident income levels are certified upon application. The seniors at The Knoll may remain in their units as long as they income qualify at entry. Rents for the one bedroom units average \$677 per month for the one-bedroom apartments (18% + below market rates). Rents are \$757 per month for the two-bedroom apartments. Water, sewer and trash are included in the monthly rental.

**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 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 and is key to 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 does 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 inspect and audit the project annually. The tax credit investor (Limited Partner) also monitors and inspects the project as does Washington County.

**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

Sheila Greenlaw-Fink, CPAH Executive Director

Date: 1.18.15

