

July 17, 2013

14-011

APPROVE RESOLUTION TO SUPPORT NONPROFIT  
LOW-INCOME HOUSING PROPERTY-TAX  
EXEMPTION IN THE CITY OF BEAVERTON, OREGON  
IN ACCORDANCE WITH ORS 307.540 TO 307.548

PREPARED BY: Wing-Kit Chung, Vice President, Administrative Services

FINANCIAL

RESPONSIBILITY: Jim Langstraat, Associate Vice President, Financial Services

APPROVED BY: Dr. Jeremy Brown, President

REPORT: The City of Beaverton is in the process of establishing and adopting a streamlined tax exemption policy that will improve the long-term financial stability of nonprofit low-income housing providers serving low-income working families in the City of Beaverton. The program would permit 501(c) (3) and (4) nonprofit housing providers serving residents earning 60 percent or less of the median income to apply for an annual, renewable property tax exemption.

As with other types of tax incentive systems or programs in Oregon, such as Urban Renewal and Enterprise Zones, this program will impact the College by diverting a small portion of College's property tax collection to the program. Throughout the last few years whenever this type of requests came to the College, staff shared with the Board their concerns about all these small cuts could add up to impact the College significantly. In addition, due to our small share of the property tax collection in all the jurisdictions that are in the College district, the College's influence on the matter at hand is very minimal. Staff needs to evaluate any such request on a case by case basis and be vigilant in assessing the cumulative effects on all these requests before making any recommendations to the Board.

In this particular case from the City of Beaverton, staff has worked with the City of Beaverton and determined that the financial impact of this tax exemption to the College is estimated to be approximately \$3,600 in lost property tax collections in the first year of

implementation, assuming all eligible property owners apply and are approved for a property-tax exemption as authorized in ORS 307.540 through 307.548. In ten years, the impact would grow to about \$8,500 using the same assumptions. Since the impact is determined to be minimal, both in the short and long term, staff recommends the Board support this program by the City of Beaverton.

**RECOMMENDATION:** That the Board approve this resolution in support of the use of exemptions from College-assessed property taxes on the value of certain properties that qualify for property administered by the City of Beaverton in the non-profit corporation low-income housing program authorized under ORS 307.540 through 307.548.

**ATTEST:**

**APPROVED:**

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Dr. Jeremy Brown  
President

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Denise Frisbee  
Chair, Board of Directors