



Testimony by City of Wilsonville Mayor Tim Knapp to Support SB 737:

***Extending Sunset on Local Property-Tax Exemption Supports
“Missing Middle Housing” for Low-Income and Special Populations***

Scheduled for public hearing on February 21, 2019,
before the Senate Committee On Human Services

Co-Chairs Gelser and Heard and Members of the Committee:

As one of Oregon’s fastest growing communities for the past 20 years—doubling in population to over 25,000 during that timeframe—the City of Wilsonville has become very familiar with housing developments of all types. In fact, 50% of our residents live in single-family homes and 50% live in multi-family housing—a higher percentage of residents living in multi-family communities than even Portland.

Extending the sunset on the local property-tax exemption for rental housing for low-income and special populations is an affordable method for the State to empower local communities to directly support “missing middle housing.” This program costs state government nothing; it is the local jurisdictions that relinquish a portion of their tax base to support affordable housing opportunity for those most in need in our communities.

Providing affordable housing in our community has been a long standing goal of the Wilsonville City Council. Currently five multi-family complexes that receive a property tax-exemption status offer 366 units available for a low-income housing-rental rate-reductions with rents ranging from \$93/month to \$243/month; the five properties have an assessed value of \$24 million and receive a property tax-exemption from all taxing districts of approximately \$450,000/year.

The rate reduction per residential unit varies from complex to complex as the reduction is based on the property’s tax-exemption the property receives and the number of reduced rate units in the complex. The complex passes the tax-exemption savings onto their renters and most complexes provide additional services including monthly activities. And while the State sets the required threshold for low-income housing rental-rates, credits such as the Property Tax Abatement allows these organizations to offer rates that are lower than required to qualified tenants. Wait lists for these facilities are often one year or longer.

The City of Wilsonville respectfully urges a Do-Pass vote on SB 727. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Tim Knapp". The signature is fluid and cursive, written over the printed name.

Tim Knapp, Mayor
City of Wilsonville