City of Portland, Oregon

Portland Housing Bureau

Affordable Housing in South Waterfront

QUICK FACTS

- 209 housing units in the South Waterfront neighborhood affordable to households earning 50% of Median Family Income (approximately $25,000 for a single-person household)
- 42 of the apartments are targeted to veterans earning less than 30% MFI (about $15,000)

BACKGROUND

The Portland Housing Bureau (PHB) and REACH CDC are partnering to develop the first affordable rental housing development in the emerging South Waterfront neighborhood. The project will utilize bond financing and tax credit equity, along with tax increment funds from the North Macadam Urban Renewal Area.

The Portland Housing Bureau selected REACH to develop and own the project through an open, competitive "Request for Qualifications" process.

The six-story building will have 209 apartments over ground-floor commercial space. REACH will purchase 12,000 square feet of the ground floor for their administrative offices. The location is close to public transit options, providing easy access to OHSU, the VA Medical Center and other community services.

Support services for residents will be provided by REACH and the Veterans Administration, while the Housing Authority of Portland will provide rent assistance for formerly homeless veterans.

The South Waterfront veterans housing project provides long-term affordability for low-income households in the South Waterfront neighborhood. Forty-two of the units will be targeted to homeless veterans.

KEY PROJECT MILESTONES

May 2010	Issue request for qualifications for owner/operator nonprofit general partner Work with HAP and Veterans Administration on services and operating subsidy
August 2010	PHB selection and approval of nonprofit general partner
December 2010	Obtain City Council approval of funding
April 2011	Closing and Groundbreaking
May 2011	Begin construction
November 2012	Complete construction

Financial Summary

Uses of Funds	in $ millions
Construction Costs *(with contingency)*	$33.58
Development Costs *(with contingency)*	6.66
Land	5.00
Reserves	1.90
Development Fee	3.35
Total Uses	$50.49

Sources of Funds	in $ millions
New TIF	$21.71
LIHTC Equity	11.44
OAHTC Permanent Bond	8.50
Predevelopment Loan	1.96
Land Value	5.00
REACH Capital Contribution	1.00
Deferred Developer Fee	0.25
Other	0.62
Total Sources	$50.49

Economic Stimulus

The project will constitute an important economic stimulus for the City, and will focus on:

- A strong emphasis on PDC's Business and Workforce Equity Policy, adopted by PHB
- Targeting more than 25% of total construction cost for contracting opportunities with businesses owned by women and people of color
- Living-wage jobs and apprenticeship opportunities
- Achieving Leadership in Energy and Environmental Design (LEED) Silver *"green"* building standards

Get project updates at:

http://portlandonline.com/phb/veterans