



Portland Housing Bureau

Mayor Ted Wheeler • Director Shannon Callahan

Incenting the Pipeline MULTE Application

18th Avenue Apartments

Cassie Graves, Housing Program Coordinator

Dory Van Bockel, Program Manager

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MULTE Program Overview

History

- Adopted by the City in 2012
- Encourages private developers to include affordable housing units in otherwise market-rate developments
- Basic historical program requirements
 - 10-year property tax exemption on residential improvements
 - 10 years of affordability on at least 20% of residential units
- In February 2017 MULTE program changed to better match with IH Program
- Group of projects that were not subject to IH and had not applied for the MULTE program prior to the rule change
- December 2018 City Council & Mult. County approved “Incenting the Pipeline” MULTE Program

MULTE Program Comparisons

The new “Incenting the Pipeline” MULTE program is a combination of the benefits and requirements of the historical version of MULTE and the current IH MULTE program.

Benefits & Requirements	Pre-IH MULTE Program	IH MULTE Program (Rental)	“Incenting the Pipeline” MULTE Program
Partial or Full Residential Exemption	Full	Partial or Full	Full
Level of Affordability	At least 20% @80% MFI or <	Depends on IH Option chosen 80% MFI or <	At least 20% @ 60% MFI or <
Ability to Reconfigure	No	Yes	Yes
Length of Affordability	10 years	99 years (under IH requirements)	10 years
Duration of Exemption	10 years	10 years	10 years
Fees to Applicant	\$17,000	\$0	\$17,000
Financial Requirements	Financial Review for need	Calibrated into IH Program	Financial Review for need
Approval Process	Review at HIC, hearing @ PHAC w/ public notice, City Council approval	City Council approval only	Review at HIC, hearing @ PHAC w/ public notice, City Council approval

MULTE Program Overview

Public Benefits of the “Incenting the Pipeline” MULTE program

- **Affordability:** At least 20% of the units/bedrooms must be rented to households earning no more than 60% MFI, with rent restrictions at that same level
- **Reconfiguration:** Projects can opt to reconfigure their base requirements into larger type units, meaning more family size units made affordable.
- **Accessibility:** At least 5% of the units must be adaptable to be fully accessible to meet the needs of people with disabilities and seniors
- **Equity:** Projects are required to engage a consultant to provide more Minority, Women and Emerging Small Business (MWESB) contracting opportunities.

New “Incenting the Pipeline” MULTE program applications

18th Avenue Apartments is
the second project to utilize
the new MULTE program



18th Avenue Apartments

Project Details:

Address: 5209 SE 18th Avenue

Property Type: Residential Only

Total Units: 59

Base Affordability Requirements:

12 units @ 60%MFI (17 bedrooms)

- (4) studios
- (4) one-bedroom
- (3) two-bedroom
- (1) three-bedroom

Estimated 1st year foregone revenue: \$86,122

\$14,354per affordable unit

Owner/ Developer: Southeast Portland Investors LLC

Composition of Units: (19) studio, (20) one-bedroom, (15) two-bedroom and (5) three-bedroom units

Affordable Units using Reconfiguration:

6 units @ 60%MFI (17 bedrooms]

- (1) Two-bedroom
- (5) Three-bedroom