



**Portland  
Housing Bureau**

190296

# Tax Exemption Applications under Inclusionary Housing

**The BridgeHead  
& North Lombard Apartments**

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February 17, 2021**

# Inclusionary Housing Options

- Buildings with 20+ new residential units are subject
- 5 options to choose from
- Inclusion rate varies by location (for on-site options)

## Provide Affordable Units On-Site

### 80% MFI

In buildings with 20 or more units, 15% of the units must be affordable at **80% MFI**, except within the Central City and Gateway Plan Districts, where 20% of the units must be affordable.

### 60% MFI

Applicants can elect to make 10% of units affordable at **60% MFI** in buildings within the Central City and Gateway Plan Districts, or 8% of units for buildings in all other areas.

## Reconfiguration

Within Options 1 and 2, applicants can provide an alternative mix of affordable units based on the total number of bedrooms. Redistributing bedrooms into affordable units of two bedrooms or more results in a building with a smaller overall number of affordable units that are greater in size.

## Affordable Units Off-Site

### Build Off-Site

Applicants can elect to build affordable units off-site in another new development (receiving building), separate from the multifamily development that is subject to the program requirements (sending building).

### Designate Existing Units

Applicants can elect to designate affordable units in an existing building (receiving building), separate from the multifamily development subject to the program requirements (sending building).

## Fee Out of Requirement

### Fee-in-Lieu

Applicants may pay a fee-in-lieu of providing affordable units. PHB staff calculate the fee amount due by multiplying the residential and residential related gross square feet of the new development by the Fee-in-Lieu Factor.

# MULTE Applications at Council Today

- **The BridgeHead at 1360 E Burnside St.**
- **North Lombard Apartments at 7550 N Lombard St**

# The BridgeHead

## Project Overview

*1360 E Burnside St.*

### Building description:

- 5 stories
- Mixed-Use
- 143-unit apartment building

### Unit Composition:

- (19) Studio (Average SF: 370)
- (115) One-bedroom (Average SF: 431)
- (9) Two-bedroom (Average SF: 698)

### Market Rate Units: 122

(16) Studio, (98) One-bedroom, (8) Two-bedroom

### Affordable Units: 21 @ 80% MFI

(3) Studio, (17) One-bedroom, (1) Two-bedroom

# The BridgeHead

## Tax Benefit

| TAX BENEFIT                       |                       |                      |  |
|-----------------------------------|-----------------------|----------------------|--|
|                                   | Per Year for 10 Years | Total After 10 Years | Per Year for 99 Years of Affordability |
| Tax Exemption per Affordable Unit | \$1,095               | \$10,945             | \$111                                  |
| Tax Exemption for Total Building  | \$22,995              | \$229,853            | \$2,322                                |

# The BridgeHead

## Rent Discount

| RENT DISCOUNT                 |              |                |
|-------------------------------|--------------|----------------|
|                               | Monthly      | Annually       |
| Studio Market Rate Rents      | \$1,410      | \$16,920       |
| Studio Affordable Rents       | \$1,290      | \$15,480       |
| One-bedroom Market Rate Rents | \$1,781      | \$21,372       |
| One-bedroom Affordable Rents  | \$1,382      | \$16,584       |
| Two-bedroom Market Rate Rents | \$2,841      | \$34,092       |
| Two-bedroom Affordable Rents  | \$1,658      | \$19,896       |
| <b>Average Rent Discount</b>  | <b>\$396</b> | <b>\$4,758</b> |

# The BridgeHead

## Tax Benefit & Rent Discount Comparison

| AVERAGE VALUE OVER 99 YEARS OF AFFORDABILITY |         |          |                 |
|--|---------|----------|-----------------|
|  | Monthly | Annually | Total Projected |
| Rent Discount per Affordable Unit            | \$396   | \$4,758  | \$471,042       |
| 10-Year Tax Exemption per Affordable Unit    | \$9     | \$111    | \$10,945        |
| Rent Discount for Total Building             | \$8,327 | \$99,918 | \$9,891,288     |
| 10-Year Tax Exemption for Total Building     | \$193   | \$2,322  | \$229,853       |

# North Lombard Apartments

## Project Overview

*7550 N Lombard St*

### **Building description:**

- 3 stories
- Residential Only
- 39-unit apartment building

### **Unit Composition:**

(2) Studio (Average SF: 456)  
(37) One-bedroom (Average SF: 629)

### **Market Rate Units: 33**

(2) Studio, (31) One-bedroom

### **Affordable Units: 6 @ 80% MFI**

(6) One-bedroom



# North Lombard Apartments

## Tax Benefit & Rent Discount

| TAX BENEFIT                       |                       |                      |  |
|-----------------------------------|-----------------------|----------------------|--|
|                                   | Per Year for 10 Years | Total After 10 Years | Per Year for 99 Years of Affordability |
| Tax Exemption per Affordable Unit | \$1,153               | \$11,531             | \$116                                  |
| Tax Exemption for Total Building  | \$6,919               | \$69,187             | \$699                                  |

| RENT DISCOUNT                   |              |                |
|---------------------------------|--------------|----------------|
|                                 | Monthly      | Annually       |
| [One-bedroom] Market Rate Rents | \$1,783      | \$21,396       |
| [One-bedroom] Affordable Rents  | \$1,382      | \$16,584       |
| <b>Average Rent Discount</b>    | <b>\$401</b> | <b>\$4,812</b> |

# North Lombard Apartments

## Tax Benefit & Rent Discount Comparison

| AVERAGE VALUE OVER 99 YEARS OF AFFORDABILITY |         |          |                 |
|--|---------|----------|-----------------|
|  | Monthly | Annually | Total Projected |
| Rent Discount per Affordable Unit            | \$401   | \$4,812  | \$476,388       |
| 10-Year Tax Exemption per Affordable Unit    | \$10    | \$116    | \$11,531        |
| Rent Discount for Total Building             | \$2,406 | \$28,872 | \$2,858,328     |
| 10-Year Tax Exemption for Total Building     | \$58    | \$699    | \$69,187        |

# Questions?