



Portland Housing Bureau

Mayor Ted Wheeler • Director Shannon Callahan

190051

Tax Exemption Applications under Inclusionary Housing

Cesar Apartments, Prov 3 Apartments,
Burney 1, Burney 2,
& Pepsi Blocks- Phase 1A, Building A

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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

- **Cesar Apartments at 1604 SE Cesar Chavez Blvd**
- **Prov 3 Apartments at 5505 NE Glisan St**
- **Burney 1 at 5980 E Burnside St**
- **Burney 2 at 5960 E Burnside St**
- **Pepsi Blocks- Phase 1A, Building A at 827 NE 27th Ave**

Cesar Apartments

Project Overview

1604 SE Cesar Chavez Blvd

Building description:

- 4 stories
- Residential Only
- 51 unit apartment building

Unit Composition:

(24) Studio (Average SF: 285)

(19) One-bedroom (Average SF: 396)

(4) Two-bedroom (Average SF: 630)

Market Rate Units: 43

(24) Studio, (16) One-bedroom, (3) Two-bedroom

Affordable Units: 8 @ 80% MFI

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

Cesar Apartments

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	\$1,069	\$10,687	\$108
Tax Exemption for Total Building	\$8,550	\$85,493	\$864

Cesar Apartments

Rent Discount

RENT DISCOUNT		
	Monthly	Annually
Studio Market Rate Rents	\$1,302	\$15,624
Studio Affordable Rents	\$1,290	\$15,480
One-bedroom Market Rate Rents	\$1,630	\$19,560
One-bedroom Affordable Rents	\$1,382	\$16,584
Two-bedroom Market Rate Rents	\$1,960	\$23,520
Two-bedroom Affordable Rents	\$1,658	\$19,896
Average Rent Discount	\$188	\$2,248

Burney 1

Project Overview

5980 E Burnside St

Building description:

- 4 stories
- Residential Only
- 29 unit apartment building

Unit Composition:

- (17) Studio (Average SF: 352)
- (5) One-bedroom (Average SF: 485)
- (1) Two-bedroom (Average SF: 629)

Market Rate Units: 25

(15) Studio, (4) One-bedroom, (6) Two-bedroom

Affordable Units: 4 @ 80% MFI

(2) Studio, (1) One-bedroom, (1) Two-bedroom

Burney 1

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	\$1,125	\$11,246	\$114
Tax Exemption for Total Building	\$4,499	\$44,982	\$455

Burney 1

Rent Discount

RENT DISCOUNT		
	Monthly	Annually
Studio Market Rate Rents	\$1,302	\$15,624
Studio Affordable Rents	\$1,290	\$15,480
One-bedroom Market Rate Rents	\$1,630	\$19,560
One-bedroom Affordable Rents	\$1,382	\$16,584
Two-bedroom Market Rate Rents	\$1,960	\$23,520
Two-bedroom Affordable Rents	\$1,658	\$19,896
Average Rent Discount	\$187	\$2,248

Burney 2

Project Overview

5960 E Burnside St

Building description:

- 4 stories
- Residential Only
- 42 unit apartment building

Unit Composition:

(23) Studio (Average SF: 331)

(14) One-bedroom (Average SF: 442)

(5) Two-bedroom (Average SF: 621)

Market Rate Units: 36

(20) Studio, (12) One-bedroom, (4) Two-bedroom

Affordable Units: 6 @ 80% MFI

(3) Studio, (2) One-bedroom, (1) Two-bedroom

Burney 2

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	\$1,161	\$11,610	\$118
Tax Exemption for Total Building	\$6,966	\$69,658	\$704

Burney 2

Rent Discount

RENT DISCOUNT		
	Monthly	Annually
Studio Market Rate Rents	\$1,352	\$16,224
Studio Affordable Rents	\$1,290	\$15,480
One-bedroom Market Rate Rents	\$1,730	\$20,760
One-bedroom Affordable Rents	\$1,382	\$16,584
Two-bedroom Market Rate Rents	\$2,060	\$24,720
Two-bedroom Affordable Rents	\$1,658	\$19,896
Average Rent Discount	\$271	\$3,248

Pepsi Blocks-Phase 1A, Building A

Project Overview

827 NE 27th Ave

Building description:

- 8 stories
- Mixed-Use
- 219 unit apartment building
- 1st of 5 new buildings on site
- Proposed IH Consolidated Building

Unit Composition:

(68) Studio (Average SF: 553)
 (85) One-bedroom (Average SF: 813)
 (54) Two-bedroom (Average SF: 1,143)
 (12) Three-Bedroom (Average SF: 1,294)

Market Rate Units: 175

(61) Studio, (72) One-bedroom, (42) Two-bedroom

Total Affordable Units: 44 @ 60% MFI

Minimum IH Obligation:

(2) Studio
 (4) One-bedroom
 (3) Two-bedroom
 (4) Three-bedroom

Additional IH Units restricted at onset:

(5) Studio
 (9) One-bedroom
 (9) Two-bedroom
 (8) Three-bedroom

Pepsi Blocks-Phase 1A, Building A

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	\$1,249	\$12,485	\$127
Tax Exemption for Total Building	\$54,934	\$549,333	\$5,549

Pepsi Blocks-Phase 1A, Building A

Rent Discount

RENT DISCOUNT		
	Monthly	Annually
Studio Market Rate Rents	\$1,695	\$20,340
Studio Affordable Rents	\$967	\$11,604
One-bedroom Market Rate Rents	\$2,121	\$25,452
One-bedroom Affordable Rents	\$1,036	\$12,432
Two-bedroom Market Rate Rents	\$3,148	\$37,776
Two-bedroom Affordable Rents	\$1,243	\$14,916
Three-bedroom Market Rate Rents	\$3,575	\$42,900
Three-bedroom Affordable Rents	\$1,437	\$17,244
Average Rent Discount	\$1,464	\$17,568

Questions?