



**Portland
Housing Bureau**

Belmont Dairy

Affordable Housing Preservation

Danell Norby, Housing Investment & Portfolio Preservation Manager

October 16, 2024

Risks to Affordable Housing Stock

Preservation & Portfolio Stabilization Needs

Unaddressed Capital Needs

- Major systems
- Building envelopes
- Modernization / life safety

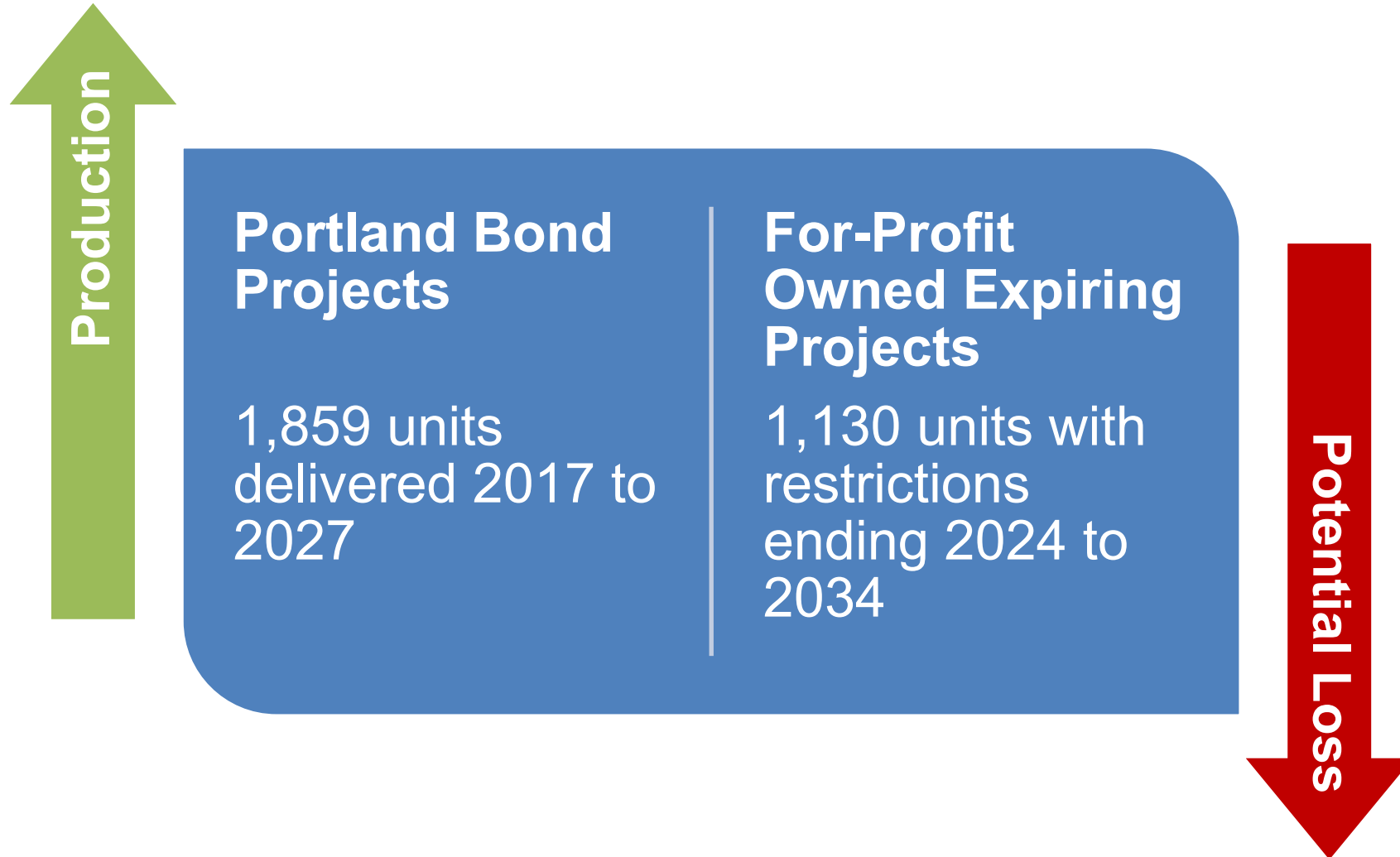
Operating Challenges

- Rent collection issues
- Escalating expenses
- Impacting nonprofit owners

Expiring Regulatory Agreements

- 30-year restrictions ending
- Potential market-rate conversion

Expiring Regulatory Agreements



Belmont Dairy Apartments

- 3340 SE Morrison Street
- Two-block redevelopment completed in 1996 with City assistance
- 85 apartments above five commercial units (H Mart)
- 65 units restricted at 60% AMI expiring December 2026
- Courtyard, 2 resident lounges, community room with kitchen, parking, on-site management
- High opportunity neighborhood



Renewal of Affordability

- Preservation-oriented buyer – Vital Housing
- City will restrict 67 units
 - 1 Studio
 - 46 1-BR
 - 19 2-BR
- 99-year affordability period
- Energy efficiency upgrades
- Avoids market rate conversion that would increase rents by \$450-\$860/mo.



City Council Request

- Authorize up to \$6,000,000 in acquisition financing to Vital Housing or an affiliate
- Authorize the Director of PHB to approve amendments and execute any related documents necessary to advance the project within the maximum approved amounts