

Multiple-Unit Limited Tax Exemption (MULTE) Program

Public Hearing at PHAC

February 2, 2016

3:00 – 5:00pm

MULTE Program

- The MULTE Program encourages private developers to include affordable units and other public benefits in their projects
- Projects approved for the program receive a ten-year exemption from the taxes due on the newly built structure

Long-term Affordability

- The MULTE Program allows for the extension of an existing tax exemption for the affordable units of projects with other restrictions on affordable rents
- Low-Income Housing Tax Credit (LIHTC), tax exempt bonds through Oregon Housing & Community Services (OHCS) and PHB-restricted loans are examples of what can make a project eligible

Application Approval

- PHB's Housing Investment Committee reviews the staff analysis of applications
- Notice of this public hearing was sent out 3 weeks before the meeting
- Final approval of applications received at City Council
- PHB can approve up to \$3 million of foregone revenue based on applications received each year, including extensions

2015 Applications

Applications already approved:

- Vancouver Avenue Apartments – N Portland
- Mississippi Avenue Apartments – N Portland
- North Hollow Apartments – SW Portland
- SE 9th & Belmont – SE Portland

Total new units to be built: 509

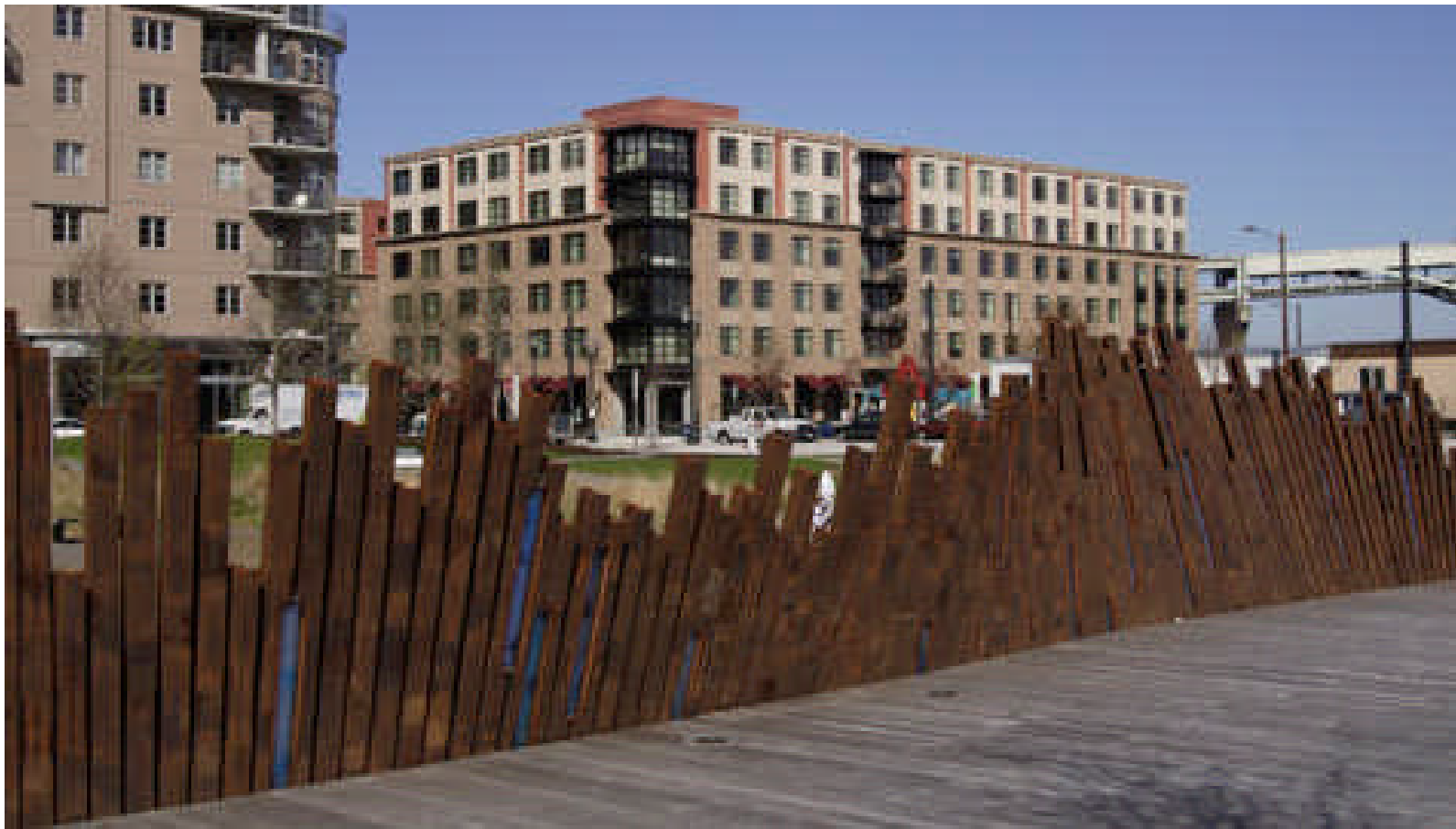
Total new affordable units: 101

Total estimated 1st year of exemption: \$1,399,920

City of Portland, Oregon

Portland Housing Bureau

Sitka Apartments



www.portlandoregon.gov/phb

Sitka Apartments

- Tax exemption first approved in 2004
- Project completed in 2005
- 10-year exemption is expiring June 30
- 30 and 60-year affordability restrictions still apply to project

Sitka Apartments

- Pearl District – NW 12th & Northrup
- Two 6-story buildings – mixed-use
- Ground-floor commercial space in east building
- 209 residential rental units – **203 units (97%) affordable at 50% or 60% MFI**
 - 60 studios
 - 102 1-bedroom units
 - 47 2-bedroom units

Sitka Apartments Amenities

- Energy-efficient building
- Adjacent to Tanner Springs and The Fields Parks
- Ground floor lounge with fireplace
- Fitness room
- Furnished guest suite available to rent

Sitka Apartments

Parking & Transportation

- 125 structured parking spaces for residential use
- 2 secure bike parking rooms, plus a bike corral
- On streetcar line; discounted transit passes

Sitka Apartments

Unit Mix & Rents

Unit Type	Total Units	50% MFI Units	50% MFI Rents*/w Utilities	60% MFI Units	60% MFI Rents*/w Utilities	Market Rate Units	Market Rate Rents*/w Utilities
Studio	60	20	\$494/ \$543	40	\$644/ \$693	NA	NA
One Bedroom	102	42	\$636/ \$697	60	\$745/ \$812	NA	NA
Two Bedroom	47	10	\$750/ \$836	31	\$908/ \$1003	6	\$1782/ \$1877
Total / Average	209	72	\$612/ \$674	131	\$753/ \$821	6	\$1782/ \$1877

*Utility allowances used for the project are \$49 for studios, \$61 and \$67 for 1-bedroom units and \$86 or \$95 for 2-bedroom units.

Sitka Apartments

Exemption Amount

Estimated value of exemption

First year:	\$176,925
10-year:	\$1,547,668
10-year (City 1/3):	\$510,730

Monthly value per unit

Affordable unit:	\$73
Affordable unit (City 1/3):	\$24
Average difference in (2BR) rents:	\$1029
(between market and restricted)	