



Oregon

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Recovery Act reservations totaling \$28.6 million approved for low-income housing

Salem – Governor Ted Kulongoski announced reservations totaling \$28.6 million in federal Recovery Act dollars that will reinvigorate and aid completion of 17 low-income housing projects in Oregon.

“These resources will help our state continue to recover from the economic downturn by creating affordable housing, jobs and investment opportunities throughout Oregon,” **Governor Kulongoski** said.

This gap financing consists of two federal programs, both of which bolster affordable housing by supporting the low-income-housing-tax-credit industry. They are the federal Tax Credit Assistance Program (TCAP) and the Tax Credit Exchange Program (Exchange), administered by the Oregon Department of Housing and Community Services.

TCAP (overseen by U.S. Housing and Urban Development) and Exchange (by the U.S. Treasury) are components of the American Recovery and Reinvestment Act, signed by President Obama in February 2009. The Recovery Act allocates monetary assistance in conjunction with or in lieu of federal tax credits to address equity and capital investment gaps that have threatened the financing and completion of previously approved low-income housing developments across the nation.

“Creatively utilizing these types of programs is vital during lean times such as these,” **OHCS Director Victor Merced** explained. “Loss of capital has threatened many affordable housing developments, but the TCAP and Exchange programs will allow them to move forward. We are grateful for the Recovery Act and excited that it allows us to continue to help Oregonians.”

On Friday, September 25, the State Housing Council, which oversees Oregon Housing and Community Services, took action that will result in the development, acquisition and rehabilitation of 17 housing projects providing 725 multifamily units throughout Oregon, as follows:

- **Rockwood Building** in Gresham, \$1,985,439 for new construction of 47 units of affordable housing.
- **Hood River Crossing** in Hood River, \$1,885,502 for new construction of 40 units of affordable housing.

- **Iris Glen Townhomes** in Klamath Falls, \$770,000 for new construction of 37 units of affordable housing.
- **The Knoll @ Tigard** in Tigard, \$824,917 for new construction of 48 units of affordable housing.
- **Astoria Gateway II** in Astoria, \$1,170,000 for new construction of 33 units of affordable housing.
- **Miracles Club** in Portland, \$882,656 for new construction of 40 units of new affordable housing.
- **Bridge Meadows** in Portland, \$2,033,210 for new construction of 27 affordable units (along with nine market-rate units not financed with TCAP or Exchange).
- **Uptown Tower** in Portland, \$1,304,222 for acquisition and rehabilitation of 72 units of affordable housing.
- **Indian Creek Court** in Hood River, \$1,554,588 for acquisition and rehabilitation of 48 units of affordable housing.
- **Stewart Terrace** in Sherwood, \$1,326,315 for acquisition and rehabilitation of 29 units of affordable housing.
- **Villa West** in McMinnville, \$2,198,414 for acquisition and rehabilitation of 48 units of affordable housing.
- **Fairview Apartments** in Ontario, \$1,830,759 for acquisition and rehabilitation of 40 units of affordable housing.
- **Buttercreek Apartments** in Hermiston, \$2,726,079 for acquisition and rehabilitation of 86 units of affordable housing.
- **Boardman Apartments** in Boardman, \$758,840 for acquisition and rehabilitation of 12 units of affordable housing.
- **Cedar Grove** in North Bend, \$1,989,157 for acquisition and rehabilitation of 42 units of affordable housing.
- **Hewitt Place** in Troutdale, \$2,794,664 for acquisition and rehabilitation of 44 units of affordable housing.
- **Sandhill Apartments** in Seaside, \$2,502,406 for acquisition and rehabilitation of 32 units of affordable housing.

This is the second round of housing reservations. One month ago, the State Housing Council approved TCAP and Exchange financing of \$19 million for affordable housing projects.

Together, the programs will support funding for 24 projects consisting of 997 units with a total cost of \$157 million. These programs in aggregate provide about 30 percent (or \$47.3 million) of the financing for those projects unexpectedly stalled due to declining market conditions. The remaining costs come from a variety of sources, including government and private nonprofit grants and loans, equity investments, bank loans, local funding support and deferral of developers' fees.

OHCS Director Merced applauded Oregon's community of tax credit investors and affordable housing developers: "They are deeply committed to pulling together and searching for solutions to

meet the need for affordable housing. We need and appreciate their dedication and look forward to working with them to as these projects move forward to completion.”

Both TCAP and Exchange are temporary programs. Their implementation will end in 2012 and 2011, respectively. By design, these two programs are intended to stabilize the low-income housing tax credit market which has been hard hit by diminishing or complete lack of capital for investment in affordable housing projects.

Oregon Housing and Community Services is the state’s housing finance agency and community services program administrator. The department provides financial and program support to create and preserve opportunities for quality, affordable housing serving Oregonians of lower and moderate income, and administers federal and state antipoverty, homeless, energy assistance and community service programs. Go to www.ohcs.oregon.gov.