



LIHTCs Finance Facelift for Aging Portland Senior Complex

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PORTLAND, ORE.

LEAD DEVELOPER
HOUSING DEVELOPMENT CENTER

CONGRESSIONAL DISTRICT
OREGON 3RD

RENTAL HOMES
301

CATEGORY
SENIOR



Photo: Courtesy of MWA Architects

LIHTCs Finance Facelift for Aging Portland Senior Complex

A 50-year-old affordable senior housing property in Portland, Ore., is getting an update, thanks to low-income housing tax credits (LIHTCs). Westmoreland’s Union Manor will be completed in nine phases wrapping up in early 2017, improving the building envelope and boosting its energy-efficiency, fire safety, accessibility and seismic resistance.

“It’s great to take a building that has good bones, a great residential community and make it last another 50 years,” said Phillip Dochow, senior project manager of developer Housing Development Center. Westmoreland’s Union Manor was one of 12 developments in the country awarded federal rent subsidies through the initial round of the

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United States Department of Housing and Urban Development’s (HUD’s) Senior Preservation Rental Assistance Contract (SPRAC) program. HUD granted 67 new rent subsidies and extended 217 existing subsidies at Westmoreland’s Union Manor, with all contracts for 20 years and automatically renewable for another 20. It helped spur a \$15 million LIHTC equity investment by PNC.

Union Manor opened in 1966 as the first affordable housing project by Union Labor Retirement Association (ULRA), a volunteer-led nonprofit that began four years earlier. For five decades, it provided 301 rental homes in southeast Portland.

“I love the fact that residents get an update,” said Patrick O’Toole, property manager for Manor Management Services.

Dochow said it was due. “It was built in 1966 and is a seven-story, reinforced-concrete building,” he said. “The insulation is almost nonexistent and it leaked heat. The entire skin will be replaced ... it will provide better thermal performance.”

Developers had to contend with the fact that seismic codes changed significantly since 1966, as well as dealing with a spring-fed stream that is a critical habitat for Coho salmon. The experience for residents, who have to be relocated for about 50 days at a time, had a good start. “They’re really, really supportive,” said O’Toole. “More than 99 percent realize that it’s a good thing that really needs to happen.”

“It’s a fantastic project. It’s a big one for the area, to take a 50-year-old institution in the neighborhood and give life to the units for another 40 to 50 years.”

Matt Harrington, vice president and regional manager of originations at LIHTC investor PNC Real Estate, liked the goal. “I think it’s a well-executed project that’s going to preserve some important senior affordable housing in a great area,” he said.

O’Toole, who has been around Westmoreland’s Union Manor since 1986, was equally pleased. “It’s a fantastic project,” he said. “It’s a big one for the area, to take a 50-year-old institution in the neighborhood and give life to the units for another 40 to 50 years.”

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FINANCING

- ◆ \$26 million FHA 221(d)(4) mortgage
- ◆ \$15 million LIHTC equity from PNC
- ◆ \$1.3 million in grants and reserves
- ◆ \$800,000 in project income.