



PHOTOS BY ANNA REED/STATESMAN JOURNAL

A 180-unit affordable housing apartment complex is under construction in northeast Salem on Sunday.

MORE HOUSING ON THE HORIZON

Affordable complex underway in north Salem

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A 180-apartment housing complex is under construction in north Salem, funded by millions of dollars in taxpayer subsidies, to address a housing crunch that has left thousands waiting for affordable places to live.

The Cornerstone Apartments at 3350 Portland Rd. NE will feature a mix of 95 two-bedroom units and others ranging in size from studios to three bedrooms. They are expected to open in December 2019.

According to city officials, rent, which includes water, sewer, and garbage removal, will be:

- » Studio Apartment: \$613
- » One-Bedroom Apartment: \$595 to \$657
- » Two-Bedroom Apartment: \$789
- » Three-Bedroom Apartment: \$911

Renters will pay for electricity separately.

Like many Oregon cities, Salem is struggling to overcome a housing shortage.

The complex is meant to serve households living right at or under 60 percent of the area's median income level. Most recently, Marion County's median family income was \$58,400, according to the U.S. Department of Housing and Urban Development

More than \$24 million in public and private investment are poised to fund the project.

Salem Mayor Chuck Bennett said funding these projects is complicated. "If it were easy, we'd have lots of affordable housing," he said.



The complex will feature a mix of 95 two-bedroom units and others ranging from studios to three-bedrooms.

With its ground breaking on Aug. 10, the project became one of the first receiving money from a state program called Local Innovation and Fast Track to begin construction.

More than \$4.87 million from that pool of funds is slated to help raise Cornerstone Apartments, according to the housing finance agency.

The program is supposed to fund almost 920 new homes with \$40 million in awards for developments slated in Portland and other places including Ya-

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chats, Sisters and Ontario.

In 2015, lawmakers poured \$40 million into the Local Innovation and Fast Track program, according to the agency. The Legislature doubled that with an \$80 million investment this year.

Oregon Housing and Community Services is facilitating an \$9.28 million tax-exempt bond issuance with a private lender for the project.

The project also qualifies for roughly \$8.2 million in Low Income Housing Tax Credit incentives.

The development is within one of Salem's urban renewal areas. The city's urban renewal agency committed nearly \$1.5 million to the project and road work, according to city officials.

As much as \$849,000 will go toward site preparation, construction and permitting. Up to \$650,000 will pay for an internal street called Rose Garden Street NE and upgrades to Portland Road NE, according to officials.

In addition, the city is committing \$300,000 through the federally-funded HOME Investment Partnerships Program.

The complex's total cost is \$24,412,676, according to Oregon Housing and Community Ser-

vices, with an average per-unit cost of \$137,924.72.

That will get 177 units for residents and three for managers, according to the agency.

A private firm, Shelter Management, Inc., will oversee the Cornerstone Apartments. Residents will have access to services in a 4,500 square-foot community center.

Organizations such as the Oregon Department of Human Services, Marion-Polk Food Share, the Mid-Willamette Valley Community Action Agency and Northwest Human Services will provide services including life skills and financial courses and a health clinic.

•It's the services that really make this project special, and they have been integral to the planning since day one. Jason Tokarski, Vice President of Mountain West Investment Corp., said in a statement.

Mountain West, a Salem real estate firm, is developing the project.

•The goal is to help stabilize families in need and support them on their path to self-reliance. Thanks to our partner organizations and agencies, that goal will be a reality, Tokarski said.

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