

A. Applicant Information

Completed by mkamanya@brhabitat.org on 10/26/2021 10:20 AM

Case Id: 30080

Name: Watercress Downpayment Assistance - 2021

Address: 224 NE Thurston Ave.

A. Applicant Information

Please provide the following information.

ORGANIZATION INFORMATION

A.1. Organization Name

Bend-Redmond Habitat for Humanity

A.2. Address

224 NE Thurston Ave. Bend, OR 97701-1

PROJECT INFORMATION

A.3. Project Name

Watercress Townhomes Down Payment Assistance

A.4. Project Location

63176 - 63196 Watercress Way Bend, OR 97701

CONTACT PERSON INFORMATION

A.5. First Name

Mellissa

A.6. Last Name

Kamanya

A.7. Address

224 NE Thurston Ave. Bend, OR 97701

A.8. Phone Number

(541) 636-9926

A.9. Email Address

mkamanya@brhabitat.org

B. Organization Information

Completed by mkamanya@brhabitat.org on 10/26/2021 10:22 AM

Case Id: 30080

Name: Watercross Downpayment Assistance - 2021

Address: 224 NE Thurston Ave.

B. Organization Information

Please provide the following information about your organization:

B.1. What is the organization's background, mission, and service history:

Bend-Redmond Habitat works with qualified, deserving families to help them realize the dream of owning their own home. We build strength, stability and self-reliance through affordable housing.

Our Vision – A world where everyone has a decent place to live.

Our Mission – Seeking to put God’s love into action, Habitat for Humanity brings people together to build homes, communities and hope.

Bend-Redmond Habitat is an affiliate of Habitat for Humanity International and was founded locally in 1989. In 2019, we proudly merged with Redmond Habitat for Humanity, thus officially becoming Bend-Redmond Habitat for Humanity. Since 1989, we have built more than 174 homes and repaired over 145 more, providing more than 1000 children and adults with safe, secure and healthy homes.

Statistics highlight the scope of our service impact:

- * Habitat homeowners have paid over \$1.7 million in property taxes.
- * Habitat has spent more than \$13 million to build, renovate, and repair homes.
- * The direct economic impact of our building activity in this community exceeds \$86.9 million.
- * The total assessed value of our investment in this community exceeds \$36.4 million.
- * 75% of the families served are single parents
- * Eight Veteran families have been housed

B.2. Provide a brief description of the organization’s financial stability as it pertains to the organization’s capacity to successfully complete the project, including a brief financial history and primary funding sources. The City may request copies of the organization’s financial audit or review for the last two years.

In addition to utilizing revenue generated from our ReStore, Bend-Redmond Habitat has extensive community partnerships that fund our organization and operations. In November 2020, we launched the early stages of our Humanity in Action Capital Campaign. Through the lens of the campaign, we plan to increase the number of affordable housing units constructed annually over the next few years and construct a new Redmond ReStore.

Bend-Redmond Habitat’s broad-based revenue streams include individual donors, corporations and businesses, foundations and trusts, ReStore revenue, mortgage portfolio revenue, and home transfer revenue.

It is important to note that we were able to access unique, one-time COVID-19 emergency grant funding in 2020, several of which are included in the list below. The 10 largest donors in the previous fiscal year (July 2020 to June 2021) are:

- * Oregon Housing and Community Services (\$1.27M),
- * City of Redmond (\$309,961),

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- * Oregon Health Authority (\$229,368),
- * Habitat for Humanity International (\$112,155),
- * State of Oregon (\$74,000),
- * Les and Judy Alford (\$67,000),
- * Shirley Ray Trust (\$63,000),
- * Maybelle Clark Macdonald Fund (\$50,000),
- * BendNEXT Leadership Foundation (\$36,000),
- * First Interstate Bank (\$25,000).

B.3. Key Personnel Assigned to Project:

Name	Job Title	Qualifications	FTE Hours
Scott Rohrer	President & CEO	>35 years of business management	1
Juline Bodnar	CFO	CPA, > 12 years of financial management	1
Scott Brown	Construction Manager	Former Executive Director of a Habitat affiliate, > 10 years construction supervision	1
DeeDee Johnson	VP of Homeowner Services	>10 years in social services, has a Homeownership Counseling Certification	1
Mellissa Kamanya	Director of Grants Management	> 3 years in grants	1

C. Project Description

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Case Id: 30080

Name: Watercress Downpayment Assistance - 2021

Address: 224 NE Thurston Ave.

C. Project Description

Please provide a brief description of the following:

C.1. Describe the need or problem your project will address.

Our project addresses the critical lack of affordable housing in Bend. In the last 12 months, median home prices have increased 41% in Bend, resulting in 71% of Bend residents being priced out of the housing market. At the same time, 51.3% of Bend residents are considered to be 'Rent Overburdened' (renting an apartment at / above the median rent). Homeownership is a significant challenge for most in Central Oregon, and furthermore, most that are forced to rent are doing so at a major risk to their future wealth and stability. It is projected that this expensive, highly competitive housing market could last for years. A lack of affordable housing creates challenges for the community as a whole, not just the individuals seeking shelter. Companies in Central Oregon are having trouble hiring people with mid-to-high experience levels, especially as these workers are building families and trying to find homes they can afford to purchase. Likewise, as entry-level workers are priced out of housing, they are forced to leave the area, resulting in not enough workers for minimum wage jobs.

For local working class families, homeownership is no longer attainable through traditional means. The August 2021 median home price in Bend was a shocking \$635,000. In comparison, the average Habitat for Humanity family can afford to purchase a home of \$300,000 or less, and there are no homes for sale at this price. Renting may seem like a logical solution, but many Bend residents spend more than 50% of their income on rent, sacrificing food or health care costs to make ends meet.

The subsidy we provide per Habitat family has risen to an average of \$125,000 per home, and we are requesting CDBG Down Payment Assistance for 8 families at Watercress Townhomes site. Accessing this assistance lowers the financial burden on our program families, resulting in a mortgage that is never more than 33% of their income, but also reduces the subsidy that we must provide to make homeownership a reality.

C.2. Describe how your project will address the identified need or problem, including project background, project objectives, services to be provided by the project, the populations or areas to be served, and how the Affordable Housing Development assistance will be used.

Project Background:

Bend-Redmond Habitat has ownership of the land on which the Watercress Townhomes development will be built near Empire and 18th Street, on Watercress Way. The project includes eight (8), single family townhomes on lots of approximately 2160 sq. ft. each. Each home will have two bedrooms, an open plan area combining the living, dining and kitchen areas, and a garage with hook-ups for a washer/dryer and water heater. These homes will be in a vibrant Bend neighborhood close to schools, services, and Pine Nursery Park. All eight families have been selected and the current family selection cycle ended in September 2021.

Project Objectives:

Construction has just begun at this site, with the pouring of footers and foundations in October 2021. We anticipate the completion of all 8 units in the fall of 2022. All eight (8) families will complete program requirement (below) and move in

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by late 2022.

Our overarching objective is to increase access to affordable housing in Bend. Since local wages have not kept pace with the escalating cost of housing, low income families cannot save for the down payment required to purchase a home through traditional means. This Down Payment Assistance will allow us to assist 8 families to secure a permanent home with an affordable mortgage that is within 33% of their income, providing long-term stability and relief from rent increases and relocations that are so detrimental to children's academic and social development. Giving a family a hand up through down payment assistance gives them a home, connects them to their community, and offers hope for a brighter future. A permanent, affordable home will also improve the self-esteem, health, educational attainment, safety and personal wealth of each program family.

Services to be Provided:

In addition to the construction of affordable housing and the program classes and mentoring of eligible families to occupy them, the following services are integral portions of our programming:

- Homeowner Education: Bend-Redmond Habitat requires that program families complete a minimum of 50 hours of Homeowner Education classes and seminars. The emphasis is on financial literacy (budgeting, credit, money management, etc.) and also includes topics related to home repair and maintenance. This instruction is designed to give Habitat families the knowledge and skills for a successful transition to home ownership.
- Sweat Equity: The Habitat model requires that prospective homeowners contribute 250 hours of sweat equity prior to moving into their home. Many complete this requirement on the construction site, helping to build their own or other Habitat homes, giving them hands-on experience that is valuable in future maintenance. Sweat equity requirements can also be fulfilled by working in the ReStore.

Populations to be served:

Families eligible for Habitat home ownership at Watercress Townhomes will earn less than 80% of the Area Median Income as confirmed by payroll stubs and tax returns as well as employer verification. On average, 75% of our families served are single parent / single income families, and we anticipate that this site will have a similar representation.

A recent voluntary demographic survey of current program families show that:

- * 77% of families identify as white,
- * 10% as Latino or Hispanic,
- * 5% as two or more races,
- * 2.5% as Native American
- * 2.5% declined to self-identify.

Regarding Watercress Townhomes, we report that of the program families selected, 75% self-identify as white, 12.5% as Latino or Hispanic, and 12.5% as black.

How Affordable Housing Development Assistance will be used:

CDBG funds are a much needed resource in helping Bend-Redmond Habitat to produce well-constructed, owner-occupied affordable housing. We are seeking \$200,000 in Down Payment Assistance for a total of eight (8) families at Watercress Townhomes. This Down Payment Assistance will have an immediate benefit in reducing their monthly housing expenses and ensuring that their mortgage does not exceed 33% of their income. We will allocate Down Payment assistance to each family according to the level of their individual need, rather than dividing the award evenly across all families. This ensures an equitable utilization of the funding.

C.3. Describe how your project will address the identified need or problem in a way or to a degree not already being achieved in the community. Please identify any other similar programs or projects and how your project will add to or improve upon existing services.

Bend-Redmond Habitat for Humanity is one of several affordable housing builders in Central Oregon, and each builder

has a unique niche in the market. DevNW, KOR, and Habitat all build for low-to-moderate income families, but Habitat has been providing these services for much longer than our colleagues. We have a proven track record of over 30 years, not only of homes built, but community partnerships, donor base, volunteer opportunities, and community impact.

Bend-Redmond Habitat for Humanity specializes in workforce housing, supporting families that earn between 40-80% of the area median income (AMI). As mentioned previously, we also overwhelmingly provide homeownership opportunities to single-parents, with 75% of our homeowner portfolio comprised of single mothers.

As builders, we are partners in this together. Habitat recently joined DevNW and KOR in an informational sharing session with Oregon Housing and Community Services. Land trusts are complicated (to say the least), and while our agencies complete for funding in application cycles, we also share best practices and ideas for implementation and problem solving.

C.4. Describe the ways in which your project will have a long-term impact on the need or problem being addressed.

Habitat for Humanity has long-term impacts on program families.

- * Our program is comprised of financial education, mortgage readiness training, 'good neighbor' training, and basic life coaching.

- * Families almost always see an increase in credit scores and amount in savings, and their debt-ratio decreases.

- * Families increase their net worth from approx. \$5K to over \$105K

- * 63% report better grades in their children.

- * Children also gain a 92% chance of graduating from high school, and a 116% chance of attending college.

- * 74% report better health, and almost without exception improved asthma.

- * Habitat families serve in the community! As an example, a very special current homeowner serves on the City of Bend Affordable Housing Committee.

Watercress Townhomes will have a long-term impact on affordable housing by utilizing a permanent affordability model (more details in the next section). In a traditional Habitat for Humanity model, when families are ready to sell their homes, our organization maintains the Right of First Offer and will attempt to purchase the home back from the family. Our traditional shared equity model ensures that the seller walks away with a decent portion of the sale, and we will make every effort to purchase the home back and sell it to another Habitat program family. When a family has lived in their home for less than 10-15 years, we are easily able to do this and therefore maintain our housing portfolio. However, when a family has lived in their home for longer than 15 years, or their equity has dramatically increased, we can no longer afford to purchase the home back and it is sold on the open market. This is not ideal and results in fewer affordable options for families in Bend. To resolve this, we are using a permanent affordability model for Watercress (as well as 3 other large projects). Homes will remain affordable in perpetuity with a 99-year renewable land lease.

C.5. Please indicate the time period that the project will remain affordable and how your organization plans to ensure that the project remains affordable for the specified time period:

Watercress Townhomes will remain affordable in perpetuity, utilizing a 99-year land lease, renewable upon each sale. Our Master Land Lease document was drafted over 18 months and went through several legal reviews with lawyers and the Department of Justice. It was finalized and recorded in Deschutes County on 05/13/2021.

Our team completed multiple training sessions on land leases through a partnership with Portland's Proud Ground, as well as several trainings with Habitat for Humanity Oregon and sessions with Oregon Housing and Community Services. By completing this arduous process, our staff is fully trained and conversant in land leases. Additional legal documents (our deed of trust and shared equity model, for example) have been aligned with permanent affordability, and have also

gone through a process of legal review. All of our processes are formalized, and deed restrictions ensure that homes will remain available for sale only to families earning 80% AMI or less.

Oregon Housing and Community Services (OHCS) funding requirements clearly state that if we sell a home at market rate at any point up to 40 years after the reservation of funding, either accidentally or purposefully, we will default and repay the entire note. For Watercress Townhomes, this is \$600,000. To satisfy these requirements of OHCS, we only needed to create a land lease model that is in place for 40 years, and at that point, OHCS will consider their loan forgiven. However, we have an extreme interest in maintaining our housing portfolio in perpetuity to ensure families can live and raise their families here for generations upon generations. By extending the lease terms to 99 years and requiring it to renew upon resale, we leave a legacy of affordable housing in Bend.

We also want to avoid the burden that default and repayment could incur on our organization in the future, therefore our processes are set up to ensure compliance in perpetuity and future staff will be trained accordingly.

C.6. Describe your organization's plan for evaluating the progress of the project toward addressing the identified need or problem.

To assess the long-term benefits of a secure, stable home environment, it is important to maintain relationships with our homeowners and regularly measure their academic, social, and developmental success. We will assess these factors through self-report surveys every 2 years as well as post-homeownership courses.

* Improved financial stability: With housing costs that are stable and predictable, homeowners may decide to secure additional education to increase earnings. With each survey, homeowners will be asked if they have begun new education, experienced increased wages, etc.

* Improved children's educational achievement: Children in home-owning families outperform children in renting families in both math (9% higher) and reading (7% higher) achievement; high school graduation rates increase by as much as 10% for low income families; children are more likely to enroll in college and 6% more likely to complete postsecondary education. With each survey, homeowners will be asked if their children have seen an impact on grades, graduated from high school, attended college or higher education.

* Improved health outcomes: Homeowners tend to report greater happiness and more control over their lives, leading to better physical and psychological health. General health questions will be asked with each survey.

* Improved civic participation: With a greater stake in their neighborhoods, homeowners volunteer more and are more politically active. They also have more incentive to create and participate in voluntary crime prevention programs. Homeowners will be asked if they began any new volunteer or civic services.

In addition, our portfolio and compliance will be assessed annually by Oregon Housing and Community Services through required annual reporting (through 40 years). This ensures that staff will work to ensure these homes remain in affordable housing in perpetuity, and that regular efforts are taken to document family developments and successes.

D. Property and Project Information

Case Id: 30080

Name: Watercress Downpayment Assistance - 2021

Address: 224 NE Thurston Ave.

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D. Property and Project Information

Please provide the following information.

D.1. Describe the proposed site Include information on any improvements (infrastructure, grading, etc.) and the existence of commercial or residential structures. If building(s) are occupied, include information on the type of occupants (including relationship to the seller or other entities) and the number of occupants. For vacant parcels, include information on any known critical habitats, wetlands, rivers/streams immediately on or adjacent to the property. For previously developed sites, include information on known historic significance (or construction 50 years or older) on OR adjacent to the property.

The site was purchased as an undeveloped vacant lot in 2016.

With our LIFT application in 2020, a Phase 1 Environmental Review was completed by PBS USA, and a Site Review was also completed by Becon Engineering. In both reviews, no known hazards, critical habitats, wetlands, river/streams were identified as immediately on or adjacent to the property. Both reports are available upon request.

In 2021, we developed the site, completed INFR and acquired final plat approval. All eight (8) building permits have been obtained, and the site is now in very early states of construction.

Please attach a map showing the project's location:



Map of Project Location

Watercress map.pdf

D.2. Property Legal Description

PARCEL ONE of PARTITION PLAT 2013-05 filed in Partition Cabinet 4, of Plats, Page 143, Records of Deschutes County, Oregon.

D.3. Site Condition

Developed

D.4. Property Owner

Bend-Redmond Habitat for Humanity

Upload supporting documentation



Property Legal Description

Prelim Title Report.pdf

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D.5. Parcel Size (Acres)

061

D.6. Site Control Status

Owned

If Under Contract/Option to Purchase enter expiration date:

If Leased, enter expiration date:

Notes – additional information

See DIAL for more information

<https://dial.deschutes.org/Real/Index/268748>

ZONING AND SITE PLAN STATUS

D.7. Site zoning

RM

D.8. Is the present zoning conforming?

Yes

D.9. Is the site plan for your project approved?

Yes

SERVICES TO SITE

Indicate if the following utilities and infrastructure are in place to service the project site.

D.10. Street access

Yes

D.11. Gas

Yes

D.12. Electric

Yes

D.13. Water

Yes

D.14. Sanitary sewer

Yes

D.15. Storm sewer

Yes

E. Work Program

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Case Id: 30080

Name: Watercross Downpayment Assistance - 2021

Address: 224 NE Thurston Ave.

E. Work Program

Please provide the following information.

E.1. Anticipated Start Date:

10/01/2021

E.2. Anticipated Completion Date:

11/15/2022

E.3. List of Task(s) Needed for Project

Task	Start Date	End Date
Excavation and Foundation	10/01/2021	01/15/2022
Framing	12/15/2021	04/18/2022
Roofing	02/15/2022	05/01/2022
Siding	03/01/2022	06/01/2022
Plumbing, Electrical, Mechanical, and Low-Voltage Rough In	03/01/2022	05/01/2022
Insulation	05/01/2022	05/30/2022
Drywall	05/08/2022	07/15/2022
Painting	06/01/2022	07/01/2022
Interior Finish	07/01/2022	08/15/2022
Flooring	08/15/2022	10/01/2022
Interior Trim	09/01/2022	11/01/2022
Final plumbing, electrical, mechanical	09/15/2022	11/01/2022
Final Inspection	11/07/2022	11/07/2022
Certificate of Occupancy	11/07/2022	11/07/2022
Home Dedication	11/15/2022	11/15/2022

NOTE: If funded, staff will work with you to set benchmarks for your project. Failure to meet these benchmarks could mean a reduction in funding during current or future years.

F. Project Benefit

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F. Project Benefit

Please provide a brief description of the following:

F.1. Estimate of the total number of persons to be served by the project.

20

F.2. Estimate of the total number of low-income persons to be served by the project.

20

F.3. Estimate of the total number of moderate-income persons to be served by the project.

0

G. Financial Information

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Name: Watercress Downpayment Assistance - 2021

Address: 224 NE Thurston Ave.

G. Financial Information

Please also provide the following financial information:

G.1. A detailed line-item budget describing the total project cost and operating income and expenses, including consideration of inflationary factors, maintenance costs, potential relocation costs, and increased insurance costs associated with the project.

Budget Form *Required

Watercress budget - CDBG.xlsx

G.2. A description of the assumptions used to determine the total project cost and the operating budget, including the sources consulted and how costs were determined.

The budgeted expenses for this project are based on the most recently-completed homes at Northwest Cottages (completed October 2021). Total project costs are based on experiential evidence from previous builds and expense analysis. Contractors hired for the project and materials purchased go through a rigorous process to ensure Bend-Redmond Habitat for Humanity secures the best materials and services for the least cost. For larger portions of the projects, Bend-Redmond Habitat secures multiple bids and often contracts with vendors to acquire reductions in invoices for multiple bids. This assumes a 3-5% increase of cost of materials and labor. Many market increases have already been realized in recent months.

G.3. A brief description of your organization's plan for funding the project after the first year, if applicable.

n/a

G.4. A statement regarding your organization's ability to proceed with the project without your requested Affordable Housing Development assistance, or with an award less than your requested amount.

Should only a portion of the CDBG award be given to Bend-Remond Habitat, or should funding not be available for any of this portion, Bend-Redmond Habitat has cash reserves that can be drawn upon, or a short-term line of credit from which to borrow.

G.5. For construction projects, please provide a detailed pro forma

Detailed Pro Forma

Watercress budget - CDBG.xlsx

G.6. For homeownership projects, please provide potential or confirmed mortgage lenders that will be able to access financing for purchase of proposed housing units. Please provide evidence information of penitential mortgage financing for the homebuyer. Evidence being lender information, loan program/s, financial structure (i.e. down

payment/terms).

We have been working with Loan Depot as the primary loan funder (through the Oregon Residential Bond Program) for several years. They have remained committed to providing these loans to our homebuyers. Current estimated loan amounts should be an average of \$200,000 per home, with the remainder of the funding being provided through fundraising, down payment assistance grants, and volunteer labor.

G.7. Please provide any interest rate or loan terms that vary from the [City of Bend Policy on Grants and Loans](#) and would be necessary for the implementation of the proposal. All proposals will have loan terms applied.

The Oregon Residential Bond program offers 30 year fixed mortgages at a lower-than-market interest rate to the homebuyers. LIFT Loans are carried at 0% for 40 years and then may be forgiven based on land continuing to meet affordable housing restrictions.

G.8. CDBG Funds Requested

\$200,000.00

G.9. AHF Funds Requested

\$0.00

G.10. CET Funds Requested

\$0.00

G.11. Leveraged Funds

\$0.00

H. Budget

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H. Budget

Please provide the following information.

H.1. Project Budget

Project Activities	CDBG Funds Requests	AHF Funds Requested	CET Funds Requested	Other Public Funds	Private Funds	Activity Total
Downpayment assistance	\$200,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200,000.00
Land Acquisition	\$0.00	\$0.00	\$0.00	\$80,000.00	\$0.00	\$80,000.00
Mortgage Loans	\$0.00	\$0.00	\$0.00	\$1,600,000.00	\$0.00	\$1,600,000.00
Volunteer Labor	\$0.00	\$0.00	\$0.00	\$0.00	\$40,000.00	\$40,000.00
Home Sponsorships	\$0.00	\$0.00	\$0.00	\$0.00	\$67,900.00	\$67,900.00
LIFT Funding	\$0.00	\$0.00	\$0.00	\$600,000.00	\$0.00	\$600,000.00
TOTAL		\$0.00				\$2,587,900.00

H.2. Other Public Funds

Source	Use of Funds	Amount of Funding	Funding Status
Affordable Housing Loan	Land Acquisition	\$80,000.00	Secured
Oregon Residential Bond Loans	Construction	\$1,600,000.00	Committed
LIFT Funding	Land Development	\$600,000.00	Secured
TOTAL		\$2,280,000.00	

H.3. Private Funds

Source	Use of Funds	Amount of Funding	Funding Status
Home Sponsorships	Construction	\$67,900.00	Applied For
Volunteer Labor	Construction	\$40,000.00	Secured
TOTAL		\$107,900.00	

H.4. Funding Documentation



Funding Documentation - Letters of funding commitment from sources

Loan Depot Commitment.pdf

LIFT Funding Commitment.pdf

I. Project Feasibility and Readiness

Completed by mkamanya@brhabitat.org on 10/27/2021 3:01 PM

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I. Project Feasibility and Readiness

Please provide the following information regarding project feasibility and readiness:

I.1. A description of the organization's administrative capacity to complete the project, including its experience in implementing and managing activities similar to the proposed project. If capacity is achieved through partnerships with or utilization of other organizations or agencies, describe the nature and status of these partnerships.

Bend-Redmond Habitat for Humanity has several staff committed to this project, ensuring that our administrative capacity is robust and appropriate to finish Watercress Townhomes on schedule.

Staffing for Watercress Townhomes includes:

- * CEO & President
- * CFO
- * Construction Team, including Construction Manager, Site Supervisor, AmeriCorps Volunteers, and community volunteers
- * Construction Volunteer Coordinator
- * VP of Homeowner Services and Family Services Manager
- * Director of Grants Management

Building affordable housing since 1989, our organization has ample experience with implementing and managing activities similar to this project. To date, we have built 174 new homes and repaired 145 more. The most recent and most relevant projects are listed below.

- * NW Cottages, 11 cottage homes near Newport and NW College Way in Bend. Completed in 2021.
- * Quince Townhomes, 8 townhome units in Redmond, near Quince and 6th in Redmond. Currently under construction, to be completed in 2022.
- * James Drive Cottages, 5 cottage homes near Reed Market and Bend Parkway. Completed in 2019.
- * Greenwood Triplex, 3 triplex units located near Greenwood and 12th St. in Bend. Completed in 2016.

I.2. A description of neighborhood and/or community support for the project. Attach letters of support or other evidence of neighborhood/community support.

Bend-Redmond Habitat for Humanity has passionate and vibrant community support, including over 1,000 volunteers and donors. We regularly partner with local businesses, nonprofits, faith groups, banks, foundations, and schools to construct homes, fund our operations, and support / train our program families.

See the attached Letter of Community Support.

See also the uploaded event program from our NW Cottages Open House. It lists our organizational supporters, most of which are also supporting Watercress Townhomes.

For additional evidence of community support, please refer to published press releases and visit our In the Media page on our website. <https://bendredmondhabitat.org/blog/>

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Attach Letters of Support

Evidence of Neighborhood/Community Support ***Required**

Letter of Community Support.pdf

H4H Cottages Playbill 100521.pdf

I.3. A description of the organization's readiness to proceed with the project. For example, if the purchase of property is involved, is the property currently available for purchase? Is staff currently available to work on the project, or is the organization ready to proceed with hiring staff?

Our organization owns the land, has completed development of the site, selected all eight of the program families, and is now in the early phases of construction.

At the time of submission, footings and foundations have been poured and we have the appropriate construction staff, subcontractors, and volunteer pool (with respect to both quantity and skill level) to complete the project on-schedule by fall 2022.

I.4. A description of any land use processes (such as a zone change or a conditional use permit) the project will require and what steps, if any, have been taken to address these issues.

No land zone changes or conditional use permits are needed.

As a requirement for LIFT funding, Karen Swenson, City of Bend Senior Planner, completed a Zoning Verification on 03/06/2020, and confirmed that the site is zoned RM. This signed form is available upon request.

Submit

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Case Id: 30080

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Address: 224 NE Thurston Ave.

Submit

Once an application is submitted, it can only be "Re-opened" by an Administrator. Also note: please check your Spam email folder if you have not received any emails from Neighborly.

- The applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining funding under the City's Affordable Housing Development Program.
- I understand that U.S.C. Title 18, Sec. 1001, provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies...or makes any false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both."
- I certify that the application information provided is true and complete to the best of my/our knowledge.
- I agree to provide any documentation needed to assist in determining eligibility and are aware that all information and documents provided, except as exempted pursuant to law, are a matter of public record.
- I further grant permission and authorize any bank, employer, or other public or private organization to disclose information deemed necessary to complete this application.

Authorized Signature

Mellissa Kamanya

Electronically signed by mkamanya@brhabitat.org on 11/1/2021 2:46 PM

Deschutes County Property Information - Dial

Overview Map



Map and Taxlot: 171222BB04900



Construction of Watercress Budget

<u>Land:</u>		
Land purchase	\$	175,000
<u>Direct Construction Costs:</u>		
Start Up	\$	8,000
Land Development	\$	600,000
Permits and Planning	\$	229,000
Site Prep/Street/ROW	\$	28,000
Landscaping	\$	31,200
Excavation	\$	53,600
Foundation	\$	80,000
Framing	\$	120,000
Trusses	\$	44,800
Sheeting	\$	20,000
Roofing	\$	33,600
Roofing Accessories	\$	80
Siding	\$	88,000
Electrical: Labor	\$	32,000
Electrical: Materials	\$	30,400
Plumbing: Labor	\$	36,000
Plumbing: Materials	\$	32,000
Insulation: Labor	\$	16,000
Insulation: Materials	\$	33,600
Heating System	\$	60,000
Mechanical	\$	16,000
Drywall: Labor	\$	32,000
Drywall: Materials	\$	26,400
Windows	\$	20,000
Interior Doors	\$	12,000
Exterior Doors	\$	9,600
Interior Paint	\$	16,000
Exterior Paint	\$	40,000
Flooring	\$	16,000
Cedar Decking	\$	400
Interior Trim	\$	8,000
Exterior Trim	\$	12,000
Interior Finish	\$	16,000
Exterior Finish	\$	6,400
Cabinets	\$	11,200
Countertops	\$	4,000
Appliances	\$	16,000
Utilities Setup	\$	1,600
Specialties	\$	18,400
Concrete Flat	\$	40,000
Sidewalk/Curbs	\$	16,000
<u>Indirect Construction Costs:</u>		
Closing Costs	\$	25,600
Home Appraisal	\$	3,200
Energy Audit	\$	4,000
Equipment Lease	\$	800
Dumping	\$	1,280
Utilities	\$	1,340
Legal	\$	4,000
Program Overhead	\$	368,000
Indirect Construction Overhead	\$	90,400
Total Expenses	\$	<u>2,587,900</u>
Mortgage Partnership (Loan Depot)	\$	1,600,000
CDBG Downpayment Assistance	\$	200,000
LIFT Program Funds	\$	600,000
Affordable Housing Fee Loan	\$	80,000
Volunteer Labor	\$	40,000
Home Sponsorships	\$	67,900
Total Revenues	\$	<u>2,587,900</u>

Budget Assumptions:

The budgeted expenses for this project are based on the most recently-completed homes at Northwest Cottages (completed October 2021). Total project costs are based on experiential evidence from previous builds and expense analysis. Contractors hired for the project and materials purchased go through a rigorous process to ensure Bend Area Habitat secures the best materials and services for the least cost. For larger portions of the projects, Bend-Redmond Habitat secures multiple bids and often contracts with vendors to acquire reductions in invoices for multiple bids. This assumes a 3-5% increase of cost of materials and labor. Many market increases have already been realized in recent months.

Should only a portion of the CDBG award be given to Bend-Remond Habitat, or should funding not be available for any of this portion, Bend-Redmond Habitat has cash reserves that can be drawn upon, or a short-term line of credit from which to borrow.



Oregon

Governor Kate Brown

Housing and Community Services

North Mall Office Building
725 Summer St NE, Suite B
Salem, OR 97301-1266
PHONE: (503) 986-2000
FAX: (503) 986-2020
TTY: (503) 986-2100
www.ohcs.oregon.gov

NOTICE OF FUND AVAILABILITY RESERVATION LETTER – LIFT HOMEOWNERSHIP 2020

August 13, 2020

Bend-Redmond Habitat for Humanity
Attn: Mellissa Kamanya
224 NE Thurston Ave.
Bend, OR 97701

Dear Mellissa Kamanya:

The State of Oregon, acting by and through its Housing and Community Services Department (“OHCS”), hereby reserves the following Notice of Fund Availability funding source for Yeoman Townhomes (the “Project”), as follows:

Not to exceed **\$600,000** in LIFT Funding.

Acceptance of Funding Reservation:

The resources detailed above contain funding conditions to be met prior to any grant or loan funding disbursements.

The conditions are a result of statutory requirements, federal regulations and/or OHCS criteria. Generally, the conditions are to be met 30 days prior to any resource funding. If there is concern that any of the conditions will not be met within this timeline, contact me to discuss a later agreed upon time.

Applicant will execute any and all documents required by OHCS Policy and Program Requirements in form and content satisfactory to the Department in its sole discretion.

Applicant is aware that the Department may enact a re-evaluation of the Reservation under the following circumstances:

- failure to reach construction closing within 180 days of the date of this letter; and
- material change that causes the project to not meet minimum qualifications.

As “Production Analyst” I have been assigned to the Project and will be responsible to assist in the completion of the conditions. All requirements, questions, comments and written documentation regarding the conditions are to be directed to me.



Some of the conditions are “informational” and require an “acknowledgement”. Other conditions are “action” items and will require documentation or some form of submission. Each condition is coded on the attached checklist as one or the other. Prior to any funding, it is the combined responsibility of the owner, sponsor and consultant (if applicable) to assure all NOFA requirements and conditions are completed and submitted in a timely and accurate manner. If there are questions about any of the conditions, contact me and/or discuss them at our initial conference call. **All required materials are to be submitted to Procorem.**

The grant and tax credit programs require standard documentation be completed either now or at a later time during Project development. **Please note: If a change is requested to any standard documentation, it will require approval from OHCS’ legal counsel. Recipients will be charged a reasonable legal fee for the legal review.**

All OHCS documents can be found on the website at:
http://www.oregon.gov/ohcs/pages/hrs_reservation_letter_attach.aspx.

The reserved funding sources for the Project are the final amounts. No additional OHCS funding is available should a funding gap occur. If a funding gap does occur, contact me to discuss the proposal to cure the gap without the request of additional OHCS funding.

It is a requirement of reservation that within 15 days of this letter you:

- **Sign, initial the bottom of each page, and return the entire original letter to my attention indicating acceptance of this Reservation Letter.**

Again, congratulations on receiving the funding reservation. I look forward to working with you toward a successful completion of your project.



Terry Murdock, Production Analyst



2/27/2020

Dear Developer Contact,

loanDepot has reviewed the potential structure of land lease/townhomes and finds the structure meets current mortgage secondary underwriting criteria and should qualify for mortgage financing for qualified buyers of homes located in Yeoman Townhomes (63195 Watercress Way, Bend OR) through its partnership with Developer.

loanDepot currently offers the following types of mortgage to qualified buyers in Yeoman Townhomes:

Fannie Mae/Oregon Bond Rate Advantage First Time Buyer Program

Feel free to contact me any time if you need more information

Sincerely,



Lisa McLuskie

NMLS#182183

Loan Consultant



We know the way home.

Andrew Hall
Housing Works
405 SW 6th Street
Redmond, OR 97756
10/25/2021

City of Bend
Affordable Housing
710 NW Wall Street
Bend, OR 97702

Dear City of Bend Affordable Housing Staff and Committee:

It is my pleasure to submit a letter of Community Support for the Bend-Redmond Habitat for Humanity's Watercress Townhomes project.

I have the privilege to work with Bend-Redmond Habitat for Humanity as Family Selection Committee member. I also work directly with Bend-Redmond Habitat for Humanity as a partner agency through Housing Works and the Family Self-Sufficiency program. In both roles, I have seen the hard work and dedication that Bend-Redmond Habitat for Humanity staff put into the challenging work of providing quality affordable homeownership opportunities to Central Oregonians.

I support the efforts of Bend-Redmond Habitat for Humanity as they seek funding for the Watercress Townhomes, specifically CDBG Down Payment Assistance for eight (8) Habitat program families. This type of funding helps offset the high cost of developing the quality homes Bend-Redmond Habitat for Humanity builds. These homes then provide an opportunity for the new homeowners to start pursuing generational systemic economic change. I highly encourage the City of Bend Affordable Housing Staff and Committee to support for this request.

Take care,

Andrew Hall
FSS Program Manager
Housing Works
541-323-7413
ahall@housing-works.org

Bend-Redmond Habitat for Humanity AFFIRMATIVE FAIR HOUSING MARKETING PLAN

The Affirmative Fair Housing Marketing Plan (AFHMP) is a marketing strategy designed to attract buyers of all majority and minority groups, regardless of sex, handicap and familial status to Bend-Redmond Habitat for Humanity Partnership Program and for the eventual sales of Habitat dwellings.

Affirmative marketing differs from general marketing activities because it specifically targets potential homebuyers who are least likely to apply for housing, in order to make them aware of available affordable housing opportunities. This marketing plan and procedure is a guide to assist Bend-Redmond Habitat for Humanity staff and its recipients. These procedures are intended to further the objectives of Title VIII of the Civil Rights Act of 1968 and Executive Order 11063.

Affirmatively Further Fair Housing Statement

It shall be the policy and commitment of Bend-Redmond Habitat for Humanity to ensure that fair and equal housing opportunities are granted to all persons, in all housing opportunities and development activities regardless of race, color, religion, gender, sexual orientation, marital status, lawful source of income, familial status, national origin, ancestry, age or mental or physical disability.

Habitat is committed to the goals of Affirmative Marketing which are implemented through the following:

Targeting: Habitat includes a target area within the City limits of Bend and Redmond, Oregon in Deschutes County. A larger geographic area can sometimes include property on the north end of Deschutes River Woods. According to the 2017 U.S. Census Bureau the Race and Hispanic Origin of Bend, Oregon is defined as:

White alone	92.9%
White alone, not Hispanic or Latino	86.1%
Hispanic or Latino	9.1%
Two or more races	3.0%
Asian alone	1.8%
Black or African American alone	.7%
American Indian and Alaska Native alone	.3%
Native Hawaiian and Other Pacific Islander alone	.1%

Targeted marketing and outreach will be delivered to the most under-represented populations and minority groups within the affiliate's geographic service area.

Marketing and Outreach: Marketing and outreach will include, but is not limited to;

- Flyers, posters and brochures placement at local community agencies such as Latino Community Association, faith based organizations and county library branches, retail stores like Hispanic markets, Habitat ReStore and other thrift stores. Referrals are regularly solicited from these groups.
- Intake forms, brochures and applications are available in Spanish
- Brochures clearly describe the program requirements
- Marketing materials will use also use images of under-represented populations and minority groups
- The Equal Housing Logo will be present on all applications, print and online marketing and housing materials. It will also be present on all related pages on the affiliate website.
- The Equal Housing Lending Poster will be present during all meetings with prospective homebuyers, and posted at each job/build site.
- Housing Information Sessions detail the program requirements and expectations. These sessions are also offered in Spanish
- Website posts are available Spanish

- Information will be shared with all public agency contacts, including the Family Access Network staff within the schools, on a regular basis
- Affordable Housing advertisement is displayed on one side of the donation pick-up truck
- Press Releases are also delivered through the Development Director to all available media sources for all housing information sessions and for each application cycle.
- An AFHMP checklist will be used with each marketing and outreach effort, including the information sessions, and especially during the application cycles

Assessment Indicators: The indicators used to measure the success of this inclusive marketing plan are tracked by the number of inquiries, clients, and program applications received from the following groups:

- majority and minority groups, regardless of gender, race or color; national origin, as represented in the population of the housing market area;
- familial status or age including families with children under 18 and pregnant women;
- person with disabilities and their families;
- veterans; and
- Households of all sizes.

Record-Keeping:

- All inquiries and intakes are asked to indicate where they heard about the program which is tracked in a database along with other tracking information
- Each application cycle will have a separate file that contains the completed Affirmative Fair Housing and Marketing checklist
- If Habitat uses an open-application cycle, a quarterly review of marketing materials will be updated to specific list of sites and organizations
- Habitat keeps records of each client and homeowner and follows all document retention laws.

Good Faith Effort: Documentation of all marketing and outreach is kept by fiscal year and evaluated for effective on an annual basis.

- Training on the AFHMP will be offered to all staff at a monthly staff meeting once per year
- Training will be provided to Homeowner Services Committee members as they join the committee
- Homeowner Services staff will attend annual training which will include Fair Housing Law
- Electronic copies of all advertising and marketing will be kept for each monthly housing information session and for each application cycle
- An annual metrics review by the Homeowner Services Committee and Homeowner Service Department staff will be conducted to track statistics of majority and minority inquiries, prospect clients, active clients, family partners and Habitat homeowners within the affiliate service area. Brainstorming new ideas will happen at this time in order to continue to evaluate the program effectiveness for outreach and marketing.