

Program Overview

Completed by snordquist@brhabitat.org on 11/7/2023 11:26 AM

Case Id: 30232

Name: Daly Estates - Downpayment Assistance - 2024

Address: 224 NE Thurston Ave, Bend, OR 97701

Program Overview



CITY OF BEND

CITY OF BEND
AFFORDABLE HOUSING DEVELOPMENT APPLICATION

City of Bend
710 NW Wall St.
Bend, Oregon 97703
(541)323-8550
housing@bendoregon.gov

This section provides general information regarding the Community Development Block Grant Fund (CDBG) and Affordable Housing Fund (AHF) programs and the types of activities that are eligible for funding. For more detailed information on the CDBG and AHF programs and eligible activities, please contact the City's Affordable Housing Program at housing@bendoregon.gov, or (541) 323-8550, or P.O. Box 431, 710 NW Wall Street, Bend, OR 97709 or visit the HUD website at www.hud.gov.

Objectives

Funding from these sources shall only be spent for affordable housing programs and projects evaluated pursuant to the priorities established through the City of Bend Consolidated Plan and administration of the affordable housing programs and projects. Any loan proceeds from this source shall be returned to the fund.

Eligible Proposals

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All funding from these sources must be targeted as housing opportunities for households at or below 100% of Area Median Income (AMI) for AHF funds, and at or below 80% for CDBG funds.

CDBG Proposals

Community Development Block Grant (CDBG) is authorized under Title 1 of the federal Housing and Community Development Act of 1974, as amended. The primary objective of the CDBG Program is the development of viable urban communities through:

- The provision of decent housing,
- The provision of a suitable living environment, and
- The expansion of economic opportunities.

The Community Development Block Grant Program is administered at the federal level by the Department of Housing and Urban Development (HUD).

National Objectives

Federal regulations specify that all activities undertaken using CDBG funding must meet at least one of the following national objectives:

- Benefit to low- and moderate-income persons,
- Aid in the prevention or elimination of slums or blight, or
- Meet a need having a particular urgency.

HUD considers persons below 80% AMI low-income and persons at 80% AMI moderate-income. The three national objectives are summarized below:

1. Benefit to Low- and Moderate-Income Persons

Under this objective, CDBG-assisted activities must primarily benefit low- and moderate-income persons. The income thresholds for meeting the low- and moderate-income requirement are determined by HUD. Projects funded with CDBG dollars must either:

- benefit all of the residents of a particular area, where at least 51% of the residents are low- and moderate-income,
- benefit specific populations (e.g., homeless persons, elderly persons, or persons living with HIV/AIDS), as long as 51% of those served are low- or moderate-income,
- provide or improve permanent residential structures for low- and moderate-income persons, or
- create or retain permanent jobs, at least 51% of which will be made available to or held by low- and moderate-income persons.

2. Elimination of Slum and Blight

Under this objective, CDBG-assisted activities must help to prevent or eliminate slums and blighted conditions. These activities must either:

- prevent or eliminate slums or blight in a designated area in which slums or blighted or deteriorating conditions exist,
- prevent or eliminate slums or blight on a spot basis in an area not located in a slum or blighted area, in cases where a specific condition is detrimental to public health and safety, or
- be in an urban renewal area.

3. Urgent Need

The Urgent Need category is designed only for activities that alleviate emergency conditions of recent origin that pose a serious and immediate threat to the health or welfare of the community, and for which no other sources of funding are available. An example of an eligible project under this category would be a major flood that causes serious

damage to buildings and infrastructure, thereby threatening the safety of occupants or nearby residents.

Basic CDBG Eligible Activities

In order to meet local needs within the national objectives, the CDBG Program provides a great deal of flexibility in the eligible uses of CDBG funds. According to federal CDBG regulations outlined in 24 CFR 570, the basic eligible activities include a variety of uses.

Eligible Activities Under AHF

The AHF funds can support eligible activities to include a variety of uses such as homeownership activities, rental housing activities and special needs housing including, but not limited to:

- Acquisition of real property by purchase
- Construction, reconstruction, and rehabilitation of housing
- Direct homeownership assistance to low- or moderate-income households
- Construction and permanent financing of both rental and homeownership projects
- Rehabilitation and Preservation - rehabilitation of privately owned buildings or low-income public housing

Ineligible Activities

In general, activities that are not specifically identified as eligible are considered to be ineligible. The following activities are specifically identified as activities that are not eligible for the CDBG and AHF funds. Please contact the City’s Affordable Housing Manager or Coordinator for more information on ineligible activities.

- Acquisition, construction, or reconstruction of buildings for the general conduct of government
- General government expenses
- Political activities
- Purchase of construction equipment, fire protection equipment, furnishings and personal properties
- Operating and maintenance expenses
- Income payments

Eligible Applicants

AHF applications will be accepted from property owners, private sector for-profit developers, certified Community Housing Development Organizations (CHDO’s), government housing providers and qualified 501(c)(3) organizations. Only CHDO’s, government housing providers and qualified 501(c)(3) organizations may apply for CDBG funds. Any such organizations currently under investigation regarding previously awarded federal, state, or local government funding are ineligible for assistance from the City of Bend’s Affordable Housing Program.

Income Limits

Initial tenants or homeowners of AHF assisted units must have an annual household income which does not exceed 100% of the area median income for the City of Bend (adjusted for family size) and initial homeowners and tenants of CDBG assisted units must have an annual household which does not exceed 80% of the area median income for the City of Bend (adjusted for family size).

Persons Per Household	1	2	3	4	5	6	7	8
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Area Median Income (AMI)	\$66,640	\$76,160	\$85,680	\$95,200	\$102,816	\$110,432	\$118,048	\$125,664
Moderate Income (80% AMI)	\$53,350	\$60,950	\$68,550	\$76,150	\$82,250	\$88,350	\$94,450	\$100,550
(60% AMI)	\$40,020	\$45,720	\$51,420	\$57,150	\$61,740	\$66,300	\$70,860	\$75,420
Low Income (50% AMI)	\$33,350	\$38,100	\$42,850	\$47,600	\$51,450	\$55,250	\$59,050	\$62,850
Extremely Low Income (30% AMI)	\$20,000	\$22,850	\$25,700	\$28,550	\$30,850	\$33,150	\$35,450	\$37,700

Rent Limits

OHCS 2023 Rent Limits for HOME Projects. (Based on HUD's published Adjusted Home Income Limits)

Please note that the 60 percent limits have been calculated in accordance with current IRS guidelines to ensure consistency between the HOME Program and the Low Income Housing Tax Credit Program.

Rent Limits	0 Bedrooms	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
Fair Market	\$999	\$1184	\$1492	\$2120	\$2541	\$2922
Low Rent Limit	\$833	\$893	\$1071	\$1238	\$1381	\$1523
High Rent Limit	\$999	\$1141	\$1372	\$1576	\$1739	\$1900

Please review the following documents regarding the City of Bend Affordable Housing Development Program:

- [Affordable Housing Development Goals and Objectives](#)
- [Affordable Housing Development Evaluation of Criteria and Funding Priorities](#)
- [Affordable Housing Development Grant and Loan Policy](#)
- [Affordable Housing Development Rules and Requirements](#)
- [Affordable Housing Development Selection Process](#)
- [Other Information](#)

[504 Self-Evaluation Checklist](#)

I have downloaded and read the above documents.

A. Applicant Information

Completed by snordquist@brhabitat.org on 11/7/2023 11:27 AM

Case Id: 30232

Name: Daly Estates - Downpayment Assistance - 2024

Address: 224 NE Thurston Ave, Bend, OR 97701

A. Applicant Information

Please provide the following information.

ORGANIZATION INFORMATION

A.1. Organization Name

Bend-Redmond Habitat for Humanity

A.2. Organization Address

224 NE Thurston Ave Bend, OR 97701

A.3. Executive Director Full Name

Carly Colgan

A.4. Executive Director Email Address

ccolgan@brhabitat.org

PROJECT INFORMATION

A.5. Project Name

Daly Estates

A.6. Project Location

224 NE Thurston Ave Bend, OR 97701

CONTACT PERSON INFORMATION

A.7. Contact Full Name

Scott Nordquist

A.8. Contact Title

Director of Grants Management

A.9. Contact Address

224 NE Thurston Ave Bend, OR 97701

A.10. Contact Phone Number

(541) 241-3479

A.11. Contact Email Address

snordquist@brhabitat.org

B. Organization Information

Completed by snordquist@brhabitat.org on 11/7/2023 12:14 PM

Case Id: 30232

Name: Daly Estates - Downpayment Assistance - 2024

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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 for Humanity builds strength, stability, and self-reliance through affordable homeownership for families and individuals. Habitat is dedicated to changing lives by bringing people together to help make a difference in our communities. Since 1989, Bend-Redmond Habitat has served 223 families with affordable homeownership and repaired 145 homes, providing more than 1100 children and adults with a safe, secure, and healthy home. With Habitat's homeownership program, families & individuals complete volunteer "sweat equity," participate in financial education, and attend homeownership preparedness classes. When those requirements are fulfilled, prospective buyers purchase their home with a traditional 30-year mortgage. Habitat leverages grants and fundraising to cover the difference between construction costs and what a working-class household can afford. With its unique funding model, Bend-Redmond Habitat also owns and operates a ReStore. The Bend ReStore is a home improvement resale center that accepts and sells a wide variety of donated building materials, appliances, and home furnishings. Proceeds from the ReStore cover the majority of Bend-Redmond Habitat's operating costs, so that other funding directly supports its homeownership program.

Since 2021, Habitat has demonstrated a commitment to sustainability by building more than 50 efficient, solar powered homes. Low- and moderate-income households are disproportionately affected by energy insecurity. Due to housing costs, they often must rent older or under-maintained homes, which causes higher energy consumption and potentially unhealthy, or unsafe living conditions. By starting with an airtight, well insulated home, and then adding solar power, Habitat homeowners' energy costs are about \$12-35 per month. In building energy efficient, affordable homes, Habitat is reducing cost of living expenses, improving overall health, and ensuring families have every opportunity to thrive and grow.

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.

Habitat's Construction Management team has a combined 30 years of experience in constructing Habitat homes. This includes a wide comprehension of all aspects of construction, including land acquisition, site development, permitting, home design, construction, and all the way through finalizing Certificates of Occupancy and post-purchase support. Bend-Redmond Habitat possesses the necessary resources and capacity to complete this project upon award. The organization has a demonstrated ability to leverage local investment with funds from state & federal government, individual & businesses donors, and foundations. With Habitat's unique operating model, the ReStore funds the majority of overhead costs, so that funding is efficiently allocated toward projects. Bend-Redmond Habitat has a proven track record of utilizing funds as planned and successfully passing required audits. Recent developments include:

- 55 homes funded by LIFT (2019, 2020 & 2022 awards)
- 33 of which are already completed
- 2 Cottage communities already completed in Bend (16 homes)
- Over \$1M in City of Bend (CDBG & AHF) funds awarded in the last 5 years

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Top funding sources for FY 22-23 include:

- \$1,803,285 – LIFT Award - Oregon Housing & Community Services
- \$853,136 - Market Cost Offset – Oregon Housing & Community Services
- \$800,000 – Community Project Funds – U.S. Dept of Housing & Urban Development
- \$550,000 – Downpayment Assistance – Oregon Housing & Community Services
- \$397,420 – Homeowner Support Services – Oregon Housing & Community Services

B.3. Key Personnel Assigned to Project:

Name	Job Title	Qualifications	FTE Hours
Carly Colgan	Executive Director & CEO	>5 years as Habitat CEO, >10 years of organizational leadership	1
Juline Bodnar	CFO	CPA >14 years of financial mangagment	1
Scott Brown	Construction Manager	Former Habitat Executive Director, >12 years overseeing construction of Habitat homes	1
Scott Nordquist	Director of Grants Management	2 years with Bend-Redmond Habitat	1
			4

C. Project Description

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Case Id: 30232

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C. Project Description

Please provide a brief description of the following:

C.1. Amount Requested:

\$450,000.00

C.2. In one or two sentences, describe what the requested funds will be used for.

Our project will support homeownership through direct homebuyer assistance for buyers under 80% AMI.

C.3. Total number of units to be developed:

9

C.4. Number of accessible units:

0

C.5. Number of Affordable Units:

9

C.6. Number of market rate units:

0

C.7. Describe the need or problem your project will address.

Our project addresses the critical lack of affordable housing in Central Oregon. Homeownership is the foundation of building generational wealth in this country, and yet it is out of reach for local working-class families. With housing costs soaring in Central Oregon, Habitat is one of the few options for hardworking families and individuals seeking the stability of homeownership. Unaffordable and unavailable housing forces families to make impossible decisions. Many are moving out of the area to find a lower cost of living, and others have transitioned into houseless living as a means to maintain employment or keep their children enrolled in school. This burdens the entire community, with higher unemployment rates, lower school attendance, increased health risks, widening financial disparities, and greater instability in the community as whole. Homeownership is the key to providing families opportunities to gain stability and thrive in the community where they live and work.

Median home prices in Bend have increased from \$546K in September 2020, to \$750K in September 2023. In comparison, the current families in our program can afford about \$175K for a three bedroom home. Renting may seem like a logical solution, but 25% of Bend residents spend more than 50% of their income on housing, sacrificing food or health care costs to make ends meet.

Inflated construction and labor costs combined with rising interest rates have resulted in a significant increase in the subsidy required to keep mortgages affordable, now averaging over \$200,000 per home. We are requesting Affordable Housing Development funds for 9 families at our Daly Estates site. Accessing this assistance lowers the financial burden

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on our program families and ensures our ability to provide affordable homeownership. This results in a mortgage that families can afford and assists with the subsidy that we must provide to make homeownership a reality.

C.8. 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 site control of the land on which the Daly Estates development will be built. The project includes nine (9), single family homes. Each home will be built Net-Zero ready, with energy efficient building practices and solar power. These homes will be in a vibrant Bend neighborhood close to schools, services, and Larkspur Community Center. The nine families will be selected into Habitat's homeownership program in 2024.

Project Objectives:

Our overarching objective is to increase access to affordable homeownership in Bend. Since local wages have not kept pace with the escalating cost of housing, low and moderate income families cannot save for the down payment required to purchase a home through traditional means. Affordable Housing Development funds will allow us to assist 9 families to secure a permanent home with an affordable mortgage, 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 and closing cost assistance provides stability, 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 generational wealth of each program family.

Services to be Provided:

In addition to the construction of homes 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 homeownership.
- 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 homeownership at Daly Estates 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 families slated for our 27th St Townhomes in Bend shows that:

- *52% identify as white,
- * 24% as Latino or Hispanic,
- * 24% as two or more races

The 27th St Townhomes development consists of twelve 3bed/bath homes and includes 14 adults and 15 children.

How Affordable Housing Development Assistance will be used:

CDBG/AHF funds are a much needed resource in helping Bend-Redmond Habitat to produce well-constructed, owner-occupied affordable housing. We are seeking \$450,000 in Affordable Housing Development funds for a total of nine (9) families at Daly Estates. These Affordable Housing Development funds will have an immediate benefit in reducing their

monthly housing expenses and ensuring that prospective buyers have an affordable mortgage.

C.9. 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 niche in the market. Thistle & Nest, Rooted Homes, and First Story also build for low-to-moderate income families, but Habitat has been providing these services for much longer than our colleagues. Habitat is unique in that it has a more comprehensive homeownership program than other developers. Additionally, Habitat utilizes different criteria in selecting qualified buyers. We don't merely look at the a buyer's loan qualification amount. We have three guiding criteria: Need, Ability to Pay, and Willingness to Partner. As a result, Habitat typically serves a broader income range than other developers. 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.

Habitat has led the charge in collaboration with other developers, initiating the first-ever Affordable Housing Information Fair in Central Oregon. To date, there have been 3 such fairs in the last year, including one in Redmond, and one entirely in Spanish. Participating organizations included the above mentioned affordable housing developers, as well as NeighborImpact, Fair Housing staff, Latino Community Association, and a variety of lenders.

Data from both the City of Bend and Oregon Housing and Community Services show that the need for affordable homeownership is greater than what local developers have been able to build.

C.10. 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 regularly see an increase in credit scores, increase in savings, and a decrease in their debt.
- * Families significantly increase their net worth, providing opportunities to build generational wealth.
- * 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 are engaged in the community! As an example, a current homeowner serves on the City of Bend's Affordable Housing Advisory Committee.

The Daly Estates project will have a long-term impact on affordable housing by ensuring permanent affordability. Our shared equity model guarantees that the seller has a fixed amount of equity. Our organization maintains the Right of First Offer and plans to purchase the home back upon sale. We then plan to sell it to another qualified Habitat program family. Homes will remain affordable in perpetuity with a 99-year renewable land lease, creating affordable homeownership opportunities for generations to come.

C.11. 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.

- * 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.

C.12. 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:

Daly Estates 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 less than 80% AMI.

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 Daly Estates, this is \$1,035,000. 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.

C.13. Describe your organization's collaborations with other agencies, including those that serve protected classes under the Fair Housing Act. Briefly explain your organization's history with these agencies, including any measurable outcomes in the last 12 months. What are your expected outcomes for this project?

- NeighborImpact – They are our provider of HUD approved homebuyer education courses. They offer a matched savings program frequently utilized by our program families to save for closing costs. They are a key partner for client outreach and referrals. NeighborImpact has been an important, and neutral, organization to act as host for the three recent Affordable Housing Information Fairs.
- HousingWorks – As the regional Housing Authority, they provide a variety of services including rental housing, rental assistance, matched savings programs, credit-building loans, homeownership planning and they administer HUD's Section 8 Housing Choice Voucher Program. They are also a key partner for client outreach and referrals. In 2022, we provided homeownership to three households in HW rentals or its voucher program.
- Family Access Network – FAN works in all public schools in Central Oregon to connect families in need with resources. They are also a key partner for client outreach and referrals.
- Latino Community Association – LCA is a culturally specific organization that helps strengthen our relationship with the local Latino community. In the last few years, we have worked closely with LCA to host Housing Information Fairs, Credit building workshops, and Listening Sessions on barriers to homeownership in the Latino community. They are also a key partner for client outreach and referrals. In October, we held a home dedication for a family who was referred by staff at LCA.
- The Father's Group – TFG is a Black-led group that aims to fight discrimination and embrace collaboration in Bend. We have partnered with them to host Credit building workshops, and Listening Sessions on barriers to homeownership in the Black community. They are also a key partner for client outreach and referrals.
- Faith Organizations – We get support from a number of local faith organizations in a variety of ways including group volunteer events, making care packages for new homeowners, participating in home dedications, and client outreach and referrals. They are also a key partner for client outreach and referrals.
- Habitat for Humanity of Oregon – We recently partnered with them to offer Individual Development Accounts (IDAs) to ten BIPOC households. None of those 10 households are currently in our homeownership program.
- Central Oregon Disability Support Network – We are working with CODSN to improve the accessibility of application materials for our homeownership program.

C.14. If your project will include accessible units, please describe the planned design elements for accessibility, and reference industry design standards you plan to use. Describe how your organization will market the units.

D. Property and Project Information

Case Id: 30232

Name: Daly Estates - Downpayment Assistance - 2024

Address: 224 NE Thurston Ave, Bend, OR 97701

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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 has been under contract since February 2022. As of November 2023, we are preparing to purchase the property. Per the contract, the developer will deliver 9 shovel-ready lots.

With our LIFT application in 2022, 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. The City of Bend is currently performing an additional Environmental Review as required by separate federal funds. The site is essentially a vacant "backyard" of a larger lot.

Please attach a map showing the project's location:



Map of Project Location

Daly Estates Vicinity Map.pdf

D.2. Property Legal Description

Lot 15, REPLAT OF LOT 14, BLOCK 1, DALY ESTATES, Deschutes County, Oregon, recorded in Plat Cabinet A, Page 499, Deschutes County, Oregon

D.3. Site Condition

Vacant (previously disturbed)

D.4. Property Owner

SCHARPF INVESTMENTS LLC

Upload supporting documentation



Property Legal Description

Preliminary Title Report August 2022.pdf

Printed By: Mellissa Kamanya on 11/22/2023

D.5. Parcel Size (Acres)

.83

D.6. Site Control Status

Under Contract/Option to Purchase

If Under Contract/Option to Purchase enter expiration date:

12/15/2023

If Leased, enter expiration date:

Notes – additional information

Legal description to be determined after final plat of subdivided lots.

ZONING AND SITE PLAN STATUS

D.7. Site zoning

Standard Density Residential (RS)

D.8. Is the present zoning conforming?

Yes

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

No

Provide an estimated date of approval.

07/01/2024

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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E. Work Program

Please provide the following information.

E.1. Anticipated Start Date:

01/01/2024

E.2. Anticipated Completion Date:

08/31/2025

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

Task	Start Date	End Date
Design Phase	01/01/2024	07/01/2024
Submit permits	7/1/24	9/1/24
Foundations	9/1/24	10/1/24
Vertical construction	10/1/24	6/30/25
Certificates of Occupancy	4/1/25	6/30/25
Project closeout	7/1/25	8/31/25

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.

27

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

27

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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Case Id: 30232

Name: Daly Estates - Downpayment Assistance - 2024

Address: 224 NE Thurston Ave, Bend, OR 97701

G. Financial Information

Please also provide the following financial information:

G.1. Provide 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

Daly Estates budget.pdf

G.2. Describe 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 the 27th St Townhomes project. 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 approximately 5% increase of cost of materials and labor.

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

N/A

G.4. Explain 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 request be awarded, Bend-Redmond Habitat has cash reserves that can be drawn upon, or a short-term line of credit from which to borrow. The project would still be completed, but this and future projects would likely be slowed down in order to reduce costs.

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

Detailed Pro Forma

Daly Estates pro forma.pdf

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 and Umpqua Bank as loan funders (through the Oregon Residential Bond Program) for several years. They have remained committed to providing these loans to our homebuyers. Current estimated loan amounts are an average of \$175,000 per home, with the remainder of the funding being provided through fundraising, 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:

\$0.00

G.9. AHF Funds Requested:

\$450,000.00

G.10. Leveraged Funds:

\$3,337,200.00

H. Budget

Completed by snordquist@brhabitat.org on 11/14/2023 1:55 PM

Case Id: 30232

Name: Daly Estates - Downpayment Assistance - 2024

Address: 224 NE Thurston Ave, Bend, OR 97701

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
City of Bend - Downpayment Assistance	\$0.00	\$450,000.00	\$0.00	\$0.00	\$0.00	\$450,000.00
Oregon Bond Mortgage Loans	\$0.00	\$0.00	\$0.00	\$1,575,000.00	\$0.00	\$1,575,000.00
City of Bend - SDC Exemptions	\$0.00	\$0.00	\$0.00	\$225,000.00	\$0.00	\$225,000.00
TOTAL	\$0.00	\$450,000.00	\$0.00			\$2,250,000.00

H.2. Other Public Funds

Source	Use of Funds	Amount of Funding	Funding Status
Oregon Housing & Community Services LIFT loan	Land purchase	\$1,035,000.00	Applied For
HUD Community Project Funds	Construction costs	\$450,000.00	Committed
		\$0.00	
TOTAL		\$1,485,000.00	

H.3. Private Funds

Source	Use of Funds	Amount of Funding	Funding Status
Donations/Home Sponsorships	Construction costs	\$52,200.00	
TOTAL		\$52,200.00	

H.4. Funding Documentation



Funding Documentation - Letters of funding commitment from sources

Umpqua Bank Letter.pdf

Award Letter B-23-CP-OR-1222.pdf

LIFT HO RCL_letter 2022 Daly Estates Revised.pdf

Loan Depot Habitat Letter of Support.pdf

Letter_Of_Financing_Committment FIB.pdf

I. Project Feasibility and Readiness

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Case Id: 30232

Name: Daly Estates - Downpayment Assistance - 2024

Address: 224 NE Thurston Ave, Bend, OR 97701

I. Project Feasibility and Readiness

Please provide the following information regarding project feasibility and readiness:

I.1. Describe your organization’s administrative capacity to complete the project, including 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 has been building, selling and repairing homes in Deschutes County since 1989. In that time Bend-Redmond Habitat has served 225 families with affordable homeownership and provided significant repairs to 145 homes. Our Construction Management team has more than 20 years of cumulative experience in constructing Habitat homes. This includes a wide comprehension of all aspects of construction, including land acquisition, site development, permitting, home design, construction, and all the way through finalizing Certificates of Occupancy. Most of our developments within the past three years have been similar in size and scope to this project. We have demonstrated success in implementing deed restrictions and managing land leases. When possible, Bend-Redmond Habitat acquires multi-family or adjacent sites to create economies of scale.

Bend-Redmond Habitat staff includes 36 employees; 7 are full-time administrative team members, 5 are full-time construction team members, and 24 are ReStore team members. In addition, over 1,000 volunteers representing individuals, businesses and the faith community provide services that increase the efficient operation of the affiliate. Bend-Redmond Habitat is governed by an active and engaged Board of Directors that meets monthly to provide guidance and fiscal accountability for the organization.

Recent projects include:

- 55 homes funded by LIFT (awards in 2019, 2020, and 2022)
 - o To date, 33 of those have been sold
- More than 45 homes built since 2021

I.2. Describe the extent 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 Letters of Community Support.

See also the uploaded event program from our Humanity in Action Fall Celebration, which details some volunteer facts.

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/>

Attach Letters of Support

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

Letters of Recommendation - 4 partners.pdf

Final-Cap.Campaign Program single pgs.pdf

I.3. Describe your 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 is planning to purchase the property shovel ready in December. Preliminary design work is already underway. We will be accepting homebuyer applications in the Spring of 2024.

At the time of submission, 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 August 2025.

I.4. Describe 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.

Final plat will occur along with the property sale in December.

I.5. For CDBG applicants, describe your organization's familiarity with meeting the federal requirements listed in the [City of Bend Affordable Housing Development Rules and Requirements](#), and/or the organizations plan for ensuring that these requirements are satisfied.

Bend-Redmond Habitat for Humanity has partnered with the City of Bend since 2008, utilizing Community Development and Block Grant (CDBG) funds and various City of Bend funding sources totaling more than \$2.1 million. This funding has enabled Bend-Redmond Habitat for Humanity to purchase 19 parcels of land for affordable homeownership, and provide Homebuyer Financial Assistance to 65 homebuyers. We have a proven track record of complying with regulations and record-keeping requirements.

I.6. For CDBG applicants, will the full amount of the funds be spent by June 30, 2025? Select one option from the dropdown menu.

N/A (select this option if applying for AHF only).

J. Required Documents

Completed by snordquist@brhabitat.org on 11/16/2023 12:53 PM

Case Id: 30232

Name: Daly Estates - Downpayment Assistance - 2024

Address: 224 NE Thurston Ave, Bend, OR 97701

J. Required Documents

Please provide the following information.

Please download, complete, and upload the document (s) below:

- [504 Self-Evaluation Checklist](#)

Documentation

504 Self-Evaluation Checklist

Compliance Section 504 Accessibility Requirements.pdf

Affirmatively Furthering Fair Housing Statement and Marketing Plan

Habitat AFHMP_2023.pdf

Proof of Non-Profit or Governmental Status

501c3_Letter_0485-5080_2022.pdf

Status of Oregon Business Registry Printout

Oregon State Registry 2023.pdf

Unique Entity Identifier (UEI) Number

SAM.gov UEI.jpg

 **Map of Project Location**

Daly Estates Vicinity Map.pdf

 **Equity and Inclusion Policy**

Equity & Inclusion Policy - Board Minutes.pdf

Submit

Completed by snordquist@brhabitat.org on 11/16/2023 1:12 PM

Case Id: 30232

Name: Daly Estates - Downpayment Assistance - 2024

Address: 224 NE Thurston Ave, Bend, OR 97701

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

Scott Nordquist

Electronically signed by snordquist@brhabitat.org on 11/16/2023 1:12 PM

Deschutes County Property Information - Dial

Overview Map



Deschutes County GIS, Sources: Esri, USGS, NOAA

Map and Taxlot: 181203DD02000



Construction of Daly Estates Development

<u>Land:</u>	
Purchase	\$ 1,080,000
Land Development	
<u>Direct Construction Costs:</u>	
Site Prep/Street/ROW	\$ 45,000
Landscaping	\$ 21,600
System Development Charges	\$ 225,000
Excavation	\$ -
Foundation	\$ 126,000
Underfloor Framing	\$ 27,000
Subfloor	\$ 13,500
Framing	\$ 67,500
Sheeting	\$ 76,500
Roofing	\$ 9,000
Roofing Accessories	\$ 31,500
Siding	\$ 66,600
Electrical: Labor	\$ 9,000
Electrical: Materials	\$ 40,500
Plumbing: Labor	\$ 58,500
Plumbing: Materials	\$ 40,500
Insulation: Labor	\$ 36,000
Insulation: Materials	\$ 49,500
Heating System	\$ 63,000
Mechanical	\$ 900
Drywall: Labor	\$ 40,500
Drywall: Materials	\$ 36,000
Windows	\$ 25,200
Interior Doors	\$ 13,500
Exterior Doors	\$ 9,000
Interior Paint	\$ 9,000
Exterior Paint	\$ 9,000
Flooring	\$ 46,800
Cedar Decking	\$ 4,500
Interior Trim	\$ 5,400
Exterior Trim	\$ 13,500
Interior Finish	\$ 13,500
Exterior Finish	\$ 27,000
Cabinets	\$ 117,000
Countertops	\$ 25,200
Appliances	\$ 20,700
Specialties	\$ 14,400
Concrete Flat	\$ 20,700
Sidewalk/Curbs	\$ 29,700
Driveways	\$ 54,000
<u>Indirect Construction Costs:</u>	
Start Up	\$ 126,000
Permits Upfront	\$ 225,000
Closing Costs	\$ 58,500
Home Appraisal	\$ 9,000
Energy Audit	\$ 10,800
Equipment Lease	\$ 900
Dumping	\$ 1,800
Utilities	\$ 27,000
Legal	\$ 13,500
Program Fees	\$ 198,000
Indirect Construction Overhead/Labor	\$ 495,000
Total	\$ <u>3,787,200</u>
Cost per unit:	\$ 420,800

Daly Estates	
Uses	
Land	\$ 1,080,000
Development	\$ -
Construction (SDCs incl)	\$ 2,014,200
Const Program	\$ 495,000
Homeownership Program	\$ 198,000
Total Uses	\$ 3,787,200
Sources	
Mortgage revenue	\$ 1,575,000
OHCS LIFT	\$ 1,035,000
HUD Community Project Funds	\$ 450,000
SDC Exemptions	\$ 225,000
City of Bend AHF/CDBG	\$ 450,000
Home sponsorships	\$ 52,200
Total Sources	\$ 3,787,200



To whom it may concern,

This letter is to certify that Bend-Redmond Habitat for Humanity has a \$2,500,000 line of credit with First Interstate Bank which supports land acquisition and construction costs for affordable housing developments.

Please contact me with any questions.

Thank you.

A handwritten signature in blue ink, appearing to read 'Todd Uhrich', written over a light blue horizontal line.

Todd Uhrich
Commercial Relationship Manager
First Interstate Bank
Ph: 541-617-3608
E: todd.uhrich@fib.com

April 13, 2022

RE: Bend Redmond Habitat for Humanityh

Dear Developer Contact,

loanDepot has a long-term relationship with Bend-Redmond Habitat for Humanity and is experienced with the structure of their land lease/townhomes. We find that the structure meets current mortgage secondary underwriting criteria and should qualify for mortgage financing for qualified buyers of homes located in future projects through its partnership with Developer.

We anticipate partnering with Bend-Redmond Habitat for Humanity as they continue to develop projects in Bend and Redmond. This partnership includes underwriting and mortgages for their program families.

loanDepot currently offers the following types of mortgages to qualified buyers: **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

541-410-0768

lmcluskie@loandepot.com

Loan Consultant



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-1000

OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT

March 2, 2023

Scott Rohrer
Bend-Redmond Habitat for Humanity
224 NE Thurston Ave.
Bend, OR 97701
Email: srohrer@brhabitat.org

Dear Rohrer:

In the Consolidated Appropriations Act, 2023 (Public Law 117-328) (the FY2023 Act), Congress made funding available \$2,982,285,641 for “grants for the Economic Development Initiative (EDI) for the purposes, and in amounts, specified for Community Project Funding/Congressionally Directed Spending” in the associated table included in the accompanying joint explanatory statement (JES). These “Community Project Funding” or “CPF” awards are administered by the Department of Housing and Urban Development (HUD).

HUD received the below information about your project as listed on the JES, which was printed in the Senate section of the Congressional Record on December 20, 2022 ([CREC-2022-12-20-pt3-PgS9325-2.pdf \(congress.gov\)](https://www.congress.gov/crec-2022-12-20-pt3-PgS9325-2.pdf)). A Grant Number (noted below) has been generated by HUD and will be the unique identifier for your project throughout the grant process.

Grantee:	Bend-Redmond Habitat for Humanity
Project:	Affordable Housing Development in Central Oregon
Amount:	\$800,000
Grant Number	B-23-CP-OR-1222

Pursuant to the requirements associated with the FY2023 Act, this FY2023 Grant Award Letter outlines initial grant award requirements and information needed from you to prepare your FY2023 CPF Grant Agreement for execution. The Grant Award Letter also provides an overview of the steps to execute your Grant Agreement. Further detail is provided within the FY2023 CPF Grant Guide.

This “Grant Award Letter,” is included in the “Grant Award Package” transmitted with the corresponding email. The Grant Award Package also includes:

- the “FY2023 Community Project Funding Grant Guide” (FY2023 CPF Grant Guide),
- your FY2023 Community Project Funding Grant Agreement “FY2023 CPF Grant

- Agreement,” and
- standard forms required to execute your Grant Agreement.

A brief overview of these documents is below:

- 1) **FY2023 CPF Grant Guide:** The FY2023 CPF Grant Guide provides instructions for completing the requested information and filling out the required administrative forms to initiate your FY2023 CPF Grant Agreement. The FY2023 CPF Grant Guide also provides information on the requirements that will govern these funds, as provided by the FY2023 Act, and the cross-cutting requirements that generally apply to all HUD awards as provided by HUD regulations and other applicable Federal regulations and statutes.

The FY2023 CPF Grant Guide provides guidance and instructions for access to your grant funds and fulfilling the reporting requirements for this award. The FY2023 CPF Grant Guide provides guidance for various grant administration-related actions including the Disaster Recovery Grants Reporting (DRGR) system for the financial management of these grant funds and periodic reporting of project status and accomplishments for this grant. Please refer to this document as it includes important information and forms for accessing DRGR, as well as other information concerning reporting requirements.

- 2) **FY2023 CPF Grant Agreement for this Award:** The FY2023 CPF Grant Agreement specifies the applicable statutory provisions, regulations, and administrative requirements for this award. Please read this FY2023 CPF Grant Agreement carefully, including its incorporated appendices, which contain additional mandatory award terms as well as information specific to your award, such as your organization’s indirect cost information. Please make sure all grantee information and award-specific information is entered completely and accurately before signing this Agreement. The grantee’s Authorized Representative, or legal signatory, must sign and date the FY2023 CPF Grant Agreement. Please retain a “copy” (either electronic and/or printed) of the signed and dated document for your records pending receipt of the countersigned copy from HUD. Please also note that to ensure the Project Narrative and Approved Budget (Appendices 1 and 2) reflect the project and budget as approved by HUD at the time of grant execution, Appendices 1 and 2 will be added by HUD on the date that HUD signs the FY2023 CPF Grant Agreement as stated in Article III, sections A and B of the FY2023 CPF Grant Agreement.

- 3) **Standard Forms and Required Materials:**

- a. Form HUD-1044, Assistance Award/Amendment Form (Attached)
- b. Standard Form–424 Application for Federal Assistance:
<https://www.hudexchange.info/resource/306/hud-form-sf424/>
- c. SF-424-B, Assurances for Non construction Programs, or SF-424-D, Assurances for Construction Programs: <https://www.grants.gov/forms/sf-424-family.html>
- d. SFLLL Disclosure of Lobbying Activities (as applicable):
<https://www.hudexchange.info/resource/308/hud-form-sflll/>
- e. SF-1199A - Direct Deposit Sign-Up Form:
<https://www.hud.gov/sites/documents/attachmentvisf1199A.PDF>

Evidence of the American Bankers Association (ABA) number for your depository account, such as a VOIDED blank check, a deposit slip, or similar documentation. The SF1199A form is used to collect the information necessary to establish an account for the grantee in HUD's financial system. The form is to be completed by the grantee and grantee's financial institution.

Grant Award Process Overview

Below is a step-by-step walk-through of the process and necessary documents and forms to execute your FY2023 Grant Agreement. This process and the forms are also available in the FY2023 CPF Grant Guide, which can also be found on the program's webpage at:

https://www.hud.gov/program_offices/comm_planning/edi-grants.

Grant Award Process

- 1) HUD will email a Grant Award Package including:
 - a. FY2023 Grant Award Letter (this letter)
 - b. FY2023 CPF Grant Guide
 - c. FY2023 CPF Grant Agreement
 - d. Links to Standard Forms (see list above in number 3)
- 2) Grantee should review the Grant Award Package documents and send HUD the following:
 - a. Signed and dated FY2023 CPF Grant Agreement
 - b. Completed Standard Forms
 - c. Detailed Project Narrative: The detailed project narrative should:
 - i. capture the maximum anticipated scope of the proposal, not just a single activity that the CPF grant is going toward; and
 - ii. include all contemplated actions that are part of the project.
 - d. Line-Item Project Budget: The line-item budget should:
 - i. capture the maximum anticipated scope of the proposal including the use of the FY23 CPF grant funds in context of the full project budget; and
 - ii. include all contemplated actions that are part of the project, not just a single activity that the CPF grant is going toward.
- 3) Grantee should initiate or complete a Federal environmental review: If the grantee has not yet done so, they should initiate an environmental review, as applicable.
- 4) HUD reviews returned Grant Award Package for completeness: Once HUD receives a completed grant award package, HUD will review the project narrative and budget, standard forms, grantee-signed and dated FY2023 CPF Grant Agreement.
 - a. If complete, HUD will execute the FY2023 CPF Grant Agreement.
 - b. If information is missing, HUD will work with grantee to finalize the Grant Award Package.
- 5) Payment Process: Once the Grant Agreement is executed by the Grantee and HUD, HUD will assist the grantee in getting set up in HUD's financial system. Once set up in HUD's financial system, grantees will submit payment requests.

To assist you with understanding the materials that you have received, HUD will host a series of webinars and "office hours" starting the week of March 6, 2023, to review the

requirements and support grantees through the grant award process and beyond. HUD will send reminder emails prior to each session with the registration link.

Overview of the FY2023 Act

CPF grants are subject to several Federal requirements. HUD will provide additional information and further clarification regarding applicable requirements and the grant award process in upcoming webinars and additional technical assistance. The most essential requirements include:

- **Administrative Requirements:** CPF grants are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR Part 200.
- **Environmental Review Requirements:** CPF grants, like all projects funded by HUD, are subject to requirements under the National Environmental Policy Act (NEPA), HUD’s NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, and all appropriate federal environmental and historic preservation laws, regulations, and Executive Orders.
 - In keeping with the National Environmental Policy Act (NEPA) and HUD’s NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, **environmental reviews must be completed, and a Request for Release of Funds and Certification must be approved by HUD, as applicable, for all projects prior to taking any ‘choice limiting actions.’¹**
 - Environmental reviews must be completed before a grantee can undertake actions that prevent the grantee from taking an alternative action to minimize or avoid environmental harm, or that would have an adverse environmental impact (“choice limiting actions”). This step is required to avoid violations under 24 CFR 58.22 which provides limitations on activities pending clearance, and Section 110(k) of the National Historic Preservation Act which prohibits anticipatory demolition or significant harm of cultural and/or historic resources prior to completion of the historic preservation review process known as Section 106 review.
 - HUD defines the “Federal Nexus” for a program or project as the event that triggers the requirements for federal environmental review under a host of laws, regulations, and Executive Orders, including the prohibition on choice limiting actions.
- To be eligible, expenses must comply with applicable Federal requirements. This includes administrative requirements under 2 CFR Part 200, environmental laws, statutes and Executive Orders, and other “cross-cutting” federal requirements adhered to by HUD. In addition, environmental reviews are required for all HUD funded programs and project activities. This includes soft costs as well as hard costs.
- For FY2023 grants, the date of the FY 2023 Act’s enactment (December 29, 2022) is the date of eligibility for reimbursement for hard and soft costs and the date of the federal nexus

¹ Choice limiting actions constitute work, such as entering construction contract agreements/commitments and earth-moving activities/clearing/grubbing as well as building renovation/upgrades, that can have an adverse impact on cultural and / or historical resources or the environment, or prevent the avoidance, minimization, or mitigation of those impacts. Examples of ‘choice limiting actions’ include, but are not limited to, purchasing land, entering into contracts for property acquisition or construction, or physical work on the project.

for compliance with all environmental laws. Therefore, reimbursable/eligible hard costs can be incurred after enactment once a full environmental review is completed.

- HUD conducted a nationwide environmental review to clear activities such as administrative, planning, and operations and maintenance costs (including costs to prepare an environmental review).
 - After execution of the FY2023 CPF Grant Agreement, these soft costs may be reimbursed if incurred after December 29, 2022, and the costs would otherwise meet the allowability criteria in 2 CFR 200.403.
 - Hard costs can be reimbursed if incurred after a full environmental review is completed and the costs would otherwise meet the allowability criteria in 2 CFR 200.403.

Further explanation and guidance on choice limiting actions and the environmental review process, including historic preservation review, is included within the FY2023 CPF Grant Guide and on the program's webpage.

All information required for your grant award should be submitted via email to the dedicated mailbox at CPFGrants@hud.gov. In transmitting your information, please copy and paste the bolded information as the subject line of your email: **<Grant Number>: <Grantee Name>: Submission of Required Grant Materials**.

If you, or your staff, have any questions regarding how to complete or submit the required documents or about your grant in general, please feel free to contact Colton Denton , in CGD at CPFGrants@hud.gov. Please note while your grant officer may change over time, we have a team approach to managing your project. Colton Denton is the primary point of contact at HUD for this award and will be available to assist you. Include your grant number and grant name in all email correspondence.

We look forward to working with you on this important project!

Sincerely,



Robin J. Keegan
Deputy Assistant Secretary
Economic Development

ATTACHMENTS:
FY2023 Community Project Funding Grant Guide (Version 1)
FY2023 CPF Grant Agreement
Form HUD-1044 – Assistance Award/Amendment Form



November 9, 2023

Bend Redmond Habitat for Humanity (also referred to in this letter as “Recipient”)
Attn: Scott Nordquist
224 NE Thurston Ave
Bend, OR 97701-3852

Scott:

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

Project Name	Project City	OHCS Project Number
DALY ESTATES	BEND	2976

Amount	Funding Program	Grant/Loan
Up to \$1.035,00	Local Innovation Fast Track (LIFT) Homeownership Funds	Loan

Recipient Entity:

The “Recipient Entity” (Recipient), for the purposes of this Funding Reservation, is the entity to which, upon satisfaction of all associated conditions of this reservation, the funds identified in this letter will be issued and is further, the entity responsible for assuring that all conditions of this funding reservation will be satisfied.

Conditions:

This letter does not constitute a commitment of funds. Any such commitment is conditioned on satisfactory completion (as determined by OHCS) of all of the Conditions of Funding Reservation identified in this letter.

- a) The Recipient acknowledges that OHCS may re-evaluate and may rescind this funding reservation for failing to reach construction closing within 180 days of the date of this letter or the occurrence of a material change (as material change is defined or otherwise determined by OHCS) that may cause the project to fall out of conformance with funding eligibility guidelines.
- b) The Recipient acknowledges that this funding reservation is conditioned upon satisfactory completion (as determined by OHCS) of all the requirements stipulated within Attachment A, Underwriting Conditions Specific to Project & Reservation and Conditions Letter Checklist.

NOTE: Reservation Letter Attachments can be found on the OHCS Website

<https://www.oregon.gov/ohcs/development/Pages/nofa-reservation-letter-attachments.aspx>

-
- c) The Recipient (and their consultant if applicable) acknowledge that prompt, timely, and accurate attention to, and completion of, the tasks associated with the Reservation and Conditions Letter is itself a condition of this agreement.

All questions, comments, documents, and correspondence regarding the conditions of reservation are to be directed to your assigned Production Analyst via their email address or the physical address indicated on the first page of this letter. The formatting and content of all materials submitted to OHCS must be deemed satisfactory by OHCS.

ATTENTION:

To accept this funding reservation, this original Reservation and Conditions Letter must be signed on page 3 and must be returned to OHCS within 15 calendar days of the date of this letter. Not meeting this task within the stated timeframe will be regarded by OHCS as formal declination of this offer of funding reservation. Upload the signed Reservation Letter to your Procorem Development WorkCenter.

As your Homeownership Development Officer and on behalf of OHCS, congratulations on achieving reservation status for the designated funds. I look forward to working with you in maintaining your funding eligibility as you progress toward the successful completion of **Daly Estates**.

Best Regards,

Elizabeth

Elizabeth A. Thomas
Homeownership; Development Officer
Oregon Housing and Community Services
Elizabeth.Thomas@HCS.Oregon.Gov
971-239-9968

Acceptance of the Funding Reservation and Associated Conditions:

On behalf of the Recipient Entity and having legal authority to bind said entity to the terms and conditions associated with this Reservation and Conditions Letter, my signature below signifies that the Recipient has read, understands, and accepts all of the terms and conditions set forth in this letter and its associated attachments.

By: Bend Redmond Habitat for Humanity

X

Signature of Authorized Signer **Printed Name** **Date**

X

Signature of Board Chair or CEO **Printed Name** **Date**
(If different than Recipient Entity Authorized Signer above)



September 9, 2021

Re: Habitat for Humanity

To Whom it May Concern,

It is with great pride that I can recommend Bend-Redmond Habitat for Humanity to be a recipient of grant funding and community support.

Habitat does much more than provide people with shelter. They create a path for hard-working, responsible people who want to be in Central Oregon but are priced out of the housing market.

Diligently vetted applicants, once approved, go through an intense 12-24 month program to set them up to be successful homeowners. Financial management classes, sweat equity during construction of the new home, and dozens of volunteer hours are just a few of the requirements a recipient will go through before they get the keys to their new home. These are worthy, dedicated people who are passionate about owning a home in Central Oregon. Habitat provides them with the opportunity they need.

As you know, the need for affordable housing in Central Oregon has never been greater. Finding viable land and adjusting for rising construction costs are just two of the major headwinds Habitat is facing. Your contribution will help enable Habitat to keep course despite these challenges.

If you ever have any questions about the impact that Habitat provides, I would encourage you to attend a ribbon cutting ceremony. This is the moment the recipient receives their home and is a powerful, moving experience.

A typical ribbon cutting ceremony will involve tears of joy from the new homeowner, and wide-eyes from the children when they realize they have a room with a bed in it. They are so proud to have what many of us take for granted.

Thank you for your continuing generosity in our community. As a long-time resident, I am familiar with the many projects you have supported over the decades.

I appreciate your consideration to donate to Bend-Redmond Habitat for Humanity and the families they serve. I'd like to close with a sentence from the Bend-Redmond Habitat for Humanity website:

"Habitat for Humanity was founded on the conviction that every man, woman and child should have a simple, durable place to live in dignity and safety, and that decent shelter in decent communities should be a matter of conscience and action for all."

Sincerely,

Stephen McDonald

VP/County Manager
Proud Habitat for Humanity Board Member



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

To Whom it May Concern:

It is my pleasure to submit a letter of Community Support for Bend-Redmond Habitat for Humanity.

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. 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 you to support for this request.

Take care,

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



NeighborImpact

Supporting People, Strengthening Communities.

October 28, 2021

To Whom it May Concern:

It is my pleasure to submit a letter of Community Support for Bend-Redmond Habitat for Humanity.

I work with Bend-Redmond Habitat for Humanity as a member on the Homeowner Selection committee for the last 6 years. I have assisted with selection of partner families, policy research and review and updates from NeighborImpact as it relates to programs that would support homeowners. As of January 2022, I will also serve on the Habitat Oregon Board of Directors.

Serving on the Selection committee, I have an understanding of the affordability gap for families and the cost of building for Habitat, so funding makes a difference in serving the homeownership goals of our community. Additionally, even with the Individual Development Account (IDA) down payment assistance provided through NeighborImpact, it is difficult for many families to purchase affordable housing. It takes partnerships and funding support from multiple agencies to serve low and moderate-income families.

I support the efforts of Bend-Redmond Habitat for Humanity as they seek funding for their projects.

Sincerely,

Sonia Capece
HomeSource Director

2303 SW First Street Redmond, OR 97756 • tel 541.548.2380 • fax 541.548.6013 • www.neighborimpact.org.

United Way
of Deschutes County





CITY OF REDMOND
Community Development Department

411 SW 9th Street
Redmond, OR 97756
Ph: (541) 923-7721

www.redmondoregon.gov

March 28, 2022

To Whom it May Concern:

The City of Redmond expresses its community support for Bend-Redmond Habitat for Humanity.

Affordable Housing remains one of the most critical issues facing Central Oregon and has been identified as a Redmond City Council goal for the 2021-2022 fiscal year. Rising housing costs have created a major issue of affordability, threatening the livability, workability, and quality of life of our entire region. Access to decent, accessible, and affordable housing is critical to the stability and self-sufficiency of individual households and to the well-being of the community as a whole.

Bend-Redmond Habitat for Humanity is a community partner of the City of Redmond and receives financial support through HUD CDBG grants. With this funding, they have built affordable housing that is bringing stability and change to our workforce and neighborhoods. They build homes that will create long lasting legacies of hope and change for hard working families in Redmond.

The City of Redmond looks forward to a continued relationship with Bend-Redmond Habitat for Humanity, working together with the long-term goal of bringing more affordable housing to our community.

Sincerely,

John Roberts
Deputy City Manager
Redmond, Oregon