



CITY OF SILVERTON

AFFORDABLE HOUSING TASK FORCE MEETING

Silverton City Council Chambers
421 S. Water Street

Meeting to be held in person with a virtual option
Tuesday, April 16, 2024 – 6:30 p.m.

Zoom Meeting Link: <https://us02web.zoom.us/j/85325333920>

Dial in: 1 (253) 215-8782 Webinar ID: 853 2533 3920

AGENDA

I. Call to Order, Pledge of Allegiance and Roll Call

II. Approval of Minutes – March 19, 2024

III. Public Comment – Items not on this Agenda

IV. Discussion

4.1 Affordable Housing Development – Proposals Review

- a. REACH Community Development Inc. (REACH) and Farmworker Housing Development Corporation (FHDC).
- b. DevNW and Ink Built.
- c. Hacienda Community Development Corp.
- d. Home First Development and Green Light Development.

V. Adjournment

Americans with Disabilities Act – *The City of Silverton intends to comply with the A.D.A. The meeting location is accessible to individuals needing special accommodations such as a sign language interpreter, headphones, or other special accommodations for the hearing impaired. To participate, please contact the City at 503-874-2216 at least 48 hours prior to the meeting.*

A copy of the full packet is available on the City's website at www.silverton.or.us/agendacenter. In accordance with House Bill 2560 the meeting will be held electronically using the Zoom web conference platform. Please submit written comments to jgottgetreu@silverton.or.us by 3:00 p.m. on Tuesday, April 16, 2024. Comments received will be shared with the Affordable Housing Task Force at the meeting and included in the record.

1 **CITY OF SILVERTON**
2 **AFFORDABLE HOUSING TASK FORCE MINUTES**

3 **421 South Water Street and Zoom Web Conference Platform**

4
5 **March 19, 6:30 p.m.**
6

7 **I. CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL**

8 Chairman Freilinger called the meeting to order at 6:30 p.m. The task force members and staff were present
9 both in person and through the virtual meeting platform Zoom, consistent with House Bill 2560.

Present	Excused	
X		Jason Freilinger {Chairman}
X		Dana Smith
	X	Karyssa Dow
	X	Laurie Chadwick
	X	Sarah White
X		Gene Oster
X		Barbara Rivoli
X		Hilary Dumitrescu
X		Rebecca Delmar
	X	Ray Teasley
X		Clay Flowers {Planning Commission Rep.}

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26 **STAFF PRESENT:**

27 Community Development Director, Jason Gottgetreu.
28

29 **II. APPROVAL OF MINUTES:**

30 Member Smith moved to approve the minutes of the December 19, 2023, meeting, Member Flowers
31 seconded the motion, and it passed unanimously.
32

33 **III. PUBLIC COMMENT:** There were no comments.
34

35 **IV. DISCUSSION/ACTION:**

36 **4.1 Affordable Housing Grant Program**
37

38 **a. Accessory Dwelling Unit Program, including stock plans.**
39

40 **b. Overview Sisters Examples**
41

42 Director Gottgetreu presented an affordable housing grant program in correlation with Accessory Dwelling
43 Units [ADUs]. A direct parameter of the program would wave System Development Charges [SDCs] if
44 ADUs were rented below market rent for a period. Director Gottgetreu eluded a dynamic approach to the
45 SDC credit would need to be had to ensure general impartiality for people entering the program.
46

47 There was open discussion regarding the scale for SDC calculation, and the potential credit if waved.
48 Funding sources for ADU development were then discussed in correlation with the potential credit and

1 desired Annual Median Income [AMI] for renters; 60% AMI being the target. Scaled SDC application to
2 ADUs was then considered.
3
4 Director Gottgetreu progressed with their presentation displaying local rental properties to establish market
5 rent for the City of Silverton. In general, a one-bedroom one-bathroom apartments market rent is \$1,100 a
6 month and a two-bedroom is \$1,650 a month plus utilities. To achieve the 60% AMI target rent, properties
7 would have to adhere to a \$1,128 a month combined rent with utilities.
8
9 Member Oster broached including 60%, 70%, and 80% AMI within the potential ADU program and
10 adjusting SDCs per AMI level to avoid discouraging development.
11
12 Discussion was had on removing the AMI restriction.
13
14 Director Gottgetreu introduced policy considerations for the potential ADU program. They added if the
15 program was available to the public without a caveat it could cause a financial detriment to the City.
16
17 Chairman Freilinger offered creating a concept for the program and building a quota for the first and second
18 year to initiate data relay of the impact the program had.
19
20 Member Smith stated their experience with ADU pilot programs.
21
22 Discussion was had on potential policy considerations, quota parameters, and adjusting the guidelines for
23 the program moving forward.
24
25 Director Gottgetreu inferred what potential repercussions should a property owner incur if they did not
26 follow through with program requirements. They added possibly requiring property owners to facilitate
27 annual documentation to ensure program requirements are adhered to.
28
29 Chairman Freilinger provided elucidation on contingency liens.
30
31 Member Smith stated the City of Portland requires the sum of 150% of the allotted SDC funds as penalty
32 for dishonoring a signed covenant.
33
34 Collective discussion on potential penalties and program length was then had.
35
36 Director Gottgetreu displayed preliminary stock plans for a studio, one-bedroom, and two-bedroom
37 dwelling. Applicable SDCs for each dwelling were then stated with the option to provide waiver
38 differentials dependent on the dwelling's square footage. Probable tax increases for homeowners after
39 dwelling construction were elucidated along with potential School District Excise Tax practicability.
40
41 Member Smith referred to the City of Sisters ADU program, and stated [remodels] are not eligible for their
42 program; example a garage conversion into an ADU. Member Smith encouraged the Task Force to sway
43 from this parameter.
44
45 Director Gottgetreu added the potential to add flexible options for affordable housing developers, or for-
46 profit developers that want to create affordable housing units with a grant program. Funding for the grant
47 program could be a General Fund allocation and/or the implementation of a Construction Excise Tax [CET].
48 A previous estimate of nearly \$50,000 dollars could be collected if a CET tax were implemented. Grant
49 application review processes could replicate that of the URA or TPC.
50

1 Member Smith and Director Gottgetreu discussed revenue disbursement for discussed programs. Director
2 Gottgetreu relayed their thinking was there would be separate allocations for the ADU SDC waiver program
3 and that of the affordable housing grant program.
4

5 Chairman Freilinger relayed concern for SDC wavering and funding sources for needed infrastructure
6 upgrades throughout the City of Silverton. They added they're working with the [City Manager] to obtain
7 alternate revenue sources for assistance with the mentioned programs.
8

9 Discussion led to funding sources for the SDC waiver and the affordable housing grant program along with
10 ensuring balance within the City's general fund. Legislative updates on affordable housing were then
11 mulled over. The Task Force reviewed the stock plans and potential modifications a developer may
12 perpetuate. Next steps for program development were then spoken about.
13

14 **V. ADJOURNMENT:**

15 The meeting adjourned at **7:58 pm**
16 /s/ Cleone Cantu, Planning and Permit Assistant.

DRAFT

**City of Silverton - Community Development
Department**

306 South Water Street
Silverton, OR 97381
(503) 874-2212

Jgottgetreu@silverton.or.us



MEMO

DATE: April 12, 2024
FROM: Jason Gottgetreu, Community Development Director
TO: Silverton Affordable Housing Task Force
RE: Affordable Housing Development Proposals

The City of Silverton advertised a Request for Qualifications (RFQ) for the development of Affordable Housing on the Westfield Site. The City received four Statement of Qualifications. All four development teams were invited to participate in the Request for Proposal (RFP) process and all teams submitted a Proposal.

The primary goal of the development would be to provide housing affordable primarily to households at 60% AMI or below. (Based on the known funding sources, the City assumes this would be rental housing, but would welcome owner-occupied housing as well). The intent would be for the City to retain ownership of the land and provide a long-term land lease to the developer.

The vision is for a quality development that feels like a village, where the buildings and site are attractive and incorporate quality, durable materials, design, and landscaping and seamlessly blend into the surrounding area.

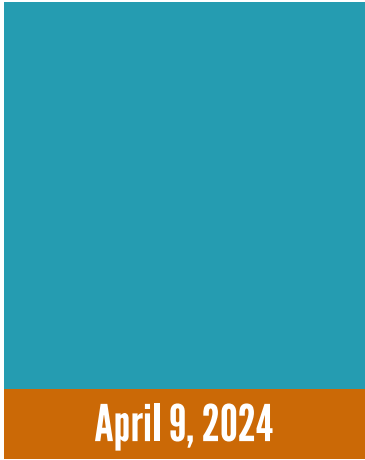
The intent of the meeting is to review the proposals and create a ranked list to provide to City Council. The next step of the process would be to invite the top two Proposers to give a presentation to the Affordable Housing Task Force and City Council in a joint meeting with the Task Force providing the Council their input on their preferred top choice with the Council then selecting the top-rated team.

The top-rated team will then enter the Due Diligence and Memorandum of Understanding (MOU) phase where the City and development team will sign an MOU Agreement summarizing the development deal.

Next steps would include Binding City-Developer Agreements with the developer to secure funding with Design, Engineering, Permitting, and Construction to follow.



WESTFIELD SITE RFP



April 9, 2024



April 9, 2024

City of Silverton
306 S. Water Street
Silverton OR 97381
Attn: Jason Gottgetreu

Dear Mr. Gottgetreu,

REACH Community Development Inc. (REACH) and Farmworker Housing Development Corporation (FHDC) have teamed up to serve the community of Silverton. Our nonprofit organizations, collectively, have over 70 years of housing development and community engagement expertise. We are community leaders coming together to provide stable, affordable housing with equity at the center to help reimagine Oregon's historical wealth and housing disparities. We aim to provide housing in a safe and amenity-rich built environment for the Silverton Westfield site. *Please accept this proposal in response to the Request for Proposals for the City of Silverton Westfield site.*

Our development team will consist of REACH as the developer and FHDC as the operator. REACH has a strong history (42 years) of delivering quality housing using a variety of funding mechanisms to serve a full spectrum of populations. REACH has a deep understanding and experience working with government partners through public-private partnership agreements such as exclusive negotiating and disposition and development agreements. FHDC has a long history (34 years) of building and bringing bilingual and bicultural services to the communities they serve. While originally formed to serve the needs of Oregon's farmworker families, they now serve not only farmworkers but also those who make up the broader community including seniors, youth, persons with disabilities, and workforce families. We are united in the belief that housing development should be led with a collaborative spirit and with the community at the center.

We have made two changes to the composition of our development team since submitting our response to the Silverton RFQ: 1) BDA Architecture & Planning, P.C., based in Eugene, Oregon will lead the design efforts with a strong commitment to a people-centered approach instead of the previously designated architect. 2) Community Vision (CV) has been added to our team. CV is a non-profit providing services, education, and advocacy to ensure that people with disabilities direct their own lives and CV will bring this perspective to the design process.

LMC Construction, our General Contractor, will bring the design to life with a cost-efficient and on-time/on-budget mindset. Evolve is a premier Property Management group and will provide for the on-site property needs. FHDC's resident services team will offer tailored services for the future residential population. We are honored by the opportunity to be considered as the development team for this important public-private partnership project. This proposal offers a dynamic community-oriented vision for the site.

Our development team confirms that we have the capacity to deliver an affordable housing project as outlined in this RFP. The primary contact for our development team is Peter Clements, Senior Housing Development Project Manager for REACH. Peter can be reached by phone at (503) 501-5731 and email at pcllements@reachcdc.org.

Sincerely,



Margaret Salazar, CEO | REACH



Maria Elena Guerra, CEO | FHDC



DESIGN



BUILDING DESIGN

The proposed design illustrated on the following pages is for 38 dwelling units in seven residential buildings, with two additional buildings for shared meeting spaces, offices, and other community amenities. The project design assumes a paved connection to the current developed end of Davenport Lane.

The proposed residential buildings are a mix of three-story buildings containing single-level 2 and 3-bedroom units and two-story buildings containing single-level 1-bedroom units. All units are stacked for design and construction efficiency. Upper story units are reached via central exterior stairs. All units are proposed with private rear balconies/patios in accordance with Silverton Municipal Code Title 18 (SMC) 2.2.200.J.3.

Eight of the 14 ground floor units will be fully ADA compliant which is 8x the minimum required by Building Code and 4x the minimum required by federal funding sources, reflecting the growing need being observed in our senior citizen and physically disabled tenant populations. It should be noted that all other ground floor units will be similar in size to the accessible units and will contain many “adaptable” features that allow for easy accommodation of residents needing greater mobility within their unit.

The proposed community buildings are single-story and are anticipated to have the following uses/features:

- ▶ The building labeled “Community Building #1” is intended to have three offices for property management and resident services, a community laundry area, a tool storage room for the community garden, a maintenance shop, and storage. The total building area is anticipated to be approximately 1100-1300 S.F.
- ▶ The building labeled “Community Building #2” is intended to have a larger community gathering space that can be subdivided by a moveable partition into two adjoining meeting spaces of approximately 500-600 S.F. each. This building will also house a community kitchen, public restrooms, and storage rooms.

- ▶ The large outdoor area between the two buildings is envisioned to be a space for ample covered outdoor seating to allow community-building events to extend to the outdoors. A generous covered outdoor space is proposed for the west end of the meeting room building as well.

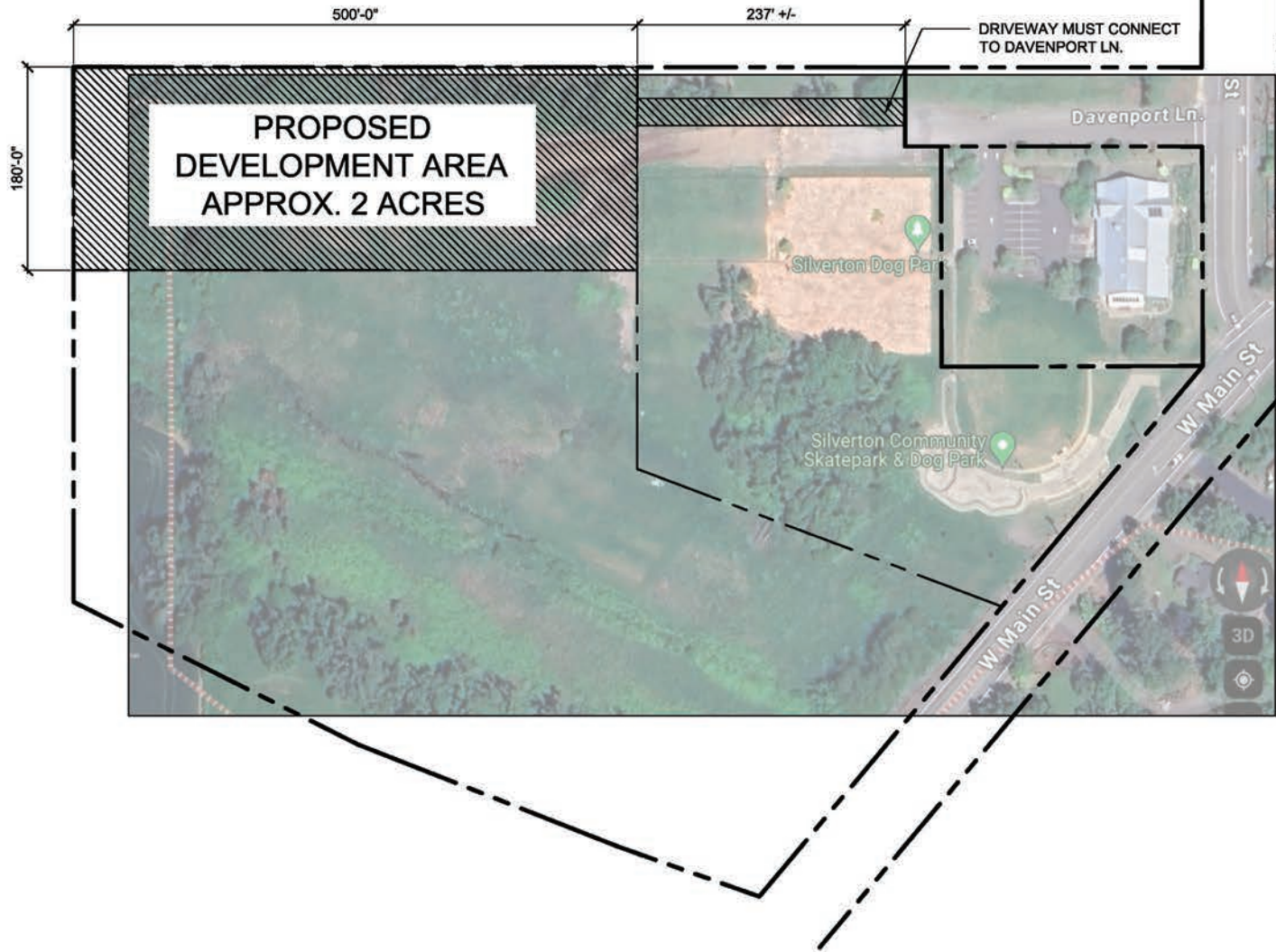
Both community buildings are planned to contain the following resiliency features to support both residents and the broader community in the event of an emergency:

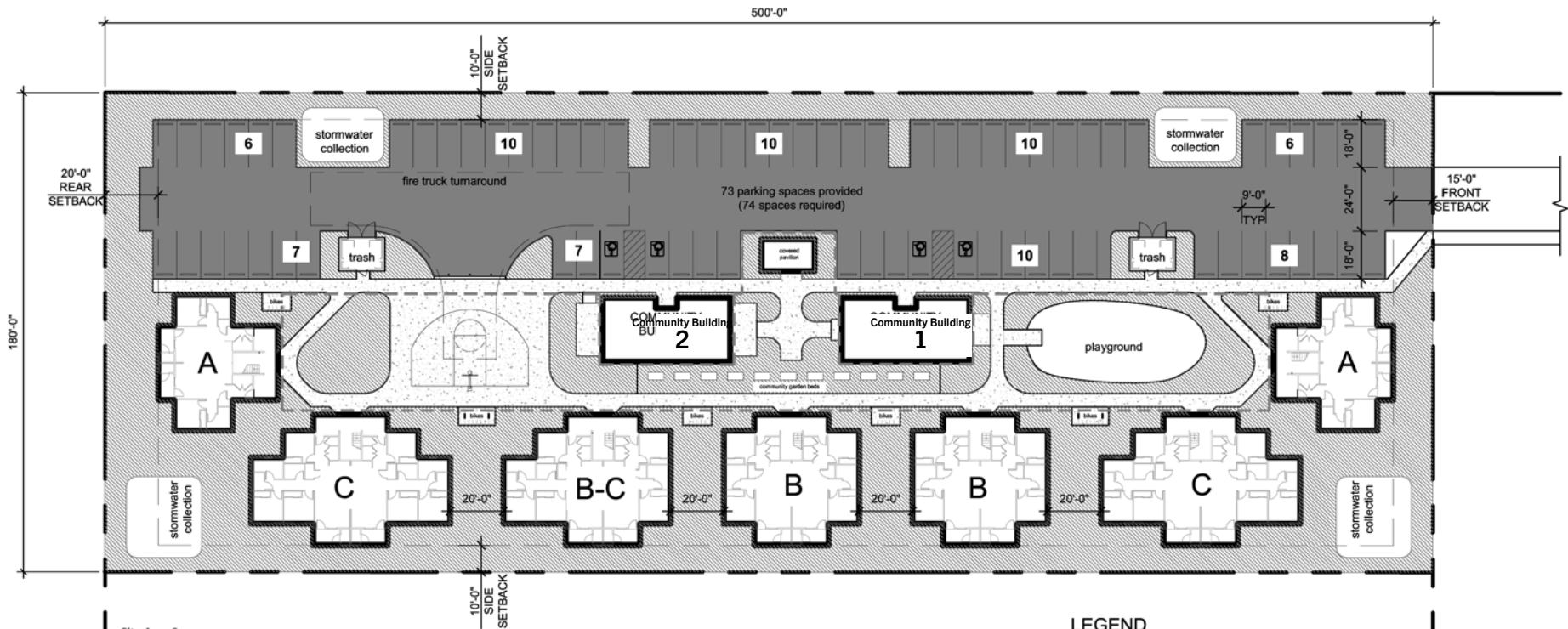
- ▶ Solar photovoltaic array with battery backup to provide ongoing power and building heating/cooling in the event of a power outage
- ▶ Additional outlets and charging areas in the community spaces to allow residents to keep devices charged
- ▶ Storage for emergency supplies
- ▶ Enhanced structural design to provide greater resistance to seismic events
- ▶ Enhanced filtration in the ventilation systems for improved air quality during smoke events

The development will be constructed with high-quality, durable, and cost-efficient materials, including fiber cement exterior siding, asphalt shingle or metal roofing, and balconies with Trex decking and steel railings.

The apartment units are designed to provide plentiful natural lighting and spacious accommodation for households of various sizes. Where possible, bedrooms are placed at corner locations to allow for windows on two sides, providing natural light and cross ventilation. Kitchens are large with pantry spaces and generous closets are provided throughout. High quality, durable interior finishes will include quartz kitchen countertops and LVT resilient flooring. Energy efficient mechanical systems will be incorporated including package terminal heat pump (PTHP) units providing individually controlled heating and cooling to each unit, in-unit electric water heaters, energy recovery ventilator (ERV) units in each apartment, low-flow plumbing fixtures, Energy Star rated appliances, and LED lighting fixtures throughout.

All buildings will be designed and constructed to exceed the requirements for Earth Advantage Certification, providing for greater levels of insulation, energy efficiency, water use efficiency, and indoor air quality than those required by the Building and Energy Codes.





Site Area Summary

Map/Tax lot: 061W34C000700
 zoning: (P) Public / (RM-10) Multifamily residential

Site Dimensions: 500 x 180

Total Site Area: 90000 s.f. 2.0661 acres

	total	% of site area	Requirement
building footprint (lot coverage):	18,219 s.f.	20%	65% maximum
building floor area:	46,029 s.f.	51%	
asphalt area:	24,796 s.f.	28%	
sidewalk/hardscape area:	9,155 s.f.	10%	
"common" open space (community garden, picnic area)	15,062 s.f.	17%	15% minimum
approx. landscape area:	31,373 s.f.	35%	

PARKING SUMMARY

spaces required:	unit	qty	multiplier	
1bd	8	1		8
2bd	15	1.5		22.5
3bd	15	2.25		33.75
visitor	38	0.25		9.5
total required				73.75
total provided				74

Project Totals

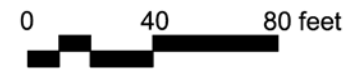
18D units	8
28D units	15
38D units	15
Total units:	38
Building A	2
Building B	2
Building C	2
Building B-C	1
total res. buildings	7
non-residential buildings	2
Total building foot print:	18,219 s.f.
Total building floor area:	46,029 s.f.

Bike Parking (long term)

total required	38
total provided	40

LEGEND

- LANDSCAPED AREAS..... [hatched pattern]
- CONCRETE..... [stippled pattern]
- ASPHALT..... [solid dark grey]
- COMMON OPEN SPACE [dashed line]





SITE DESIGN

The arrangement of buildings on the site is intended to provide every unit with comparable access to light, sun and air, as well as equitable access to all common site amenities.

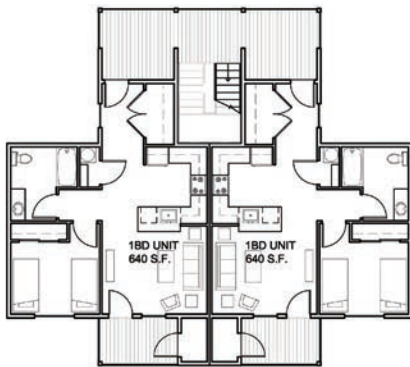
Those features and amenities include:

- ▶ Ample sidewalks for site circulation
- ▶ Hardscape play areas (which double as required fire apparatus turn-around)
- ▶ Community gardens
- ▶ Large rubber-surfaced children's playground area
- ▶ Covered outdoor seating areas adjacent and/or connected to community buildings
- ▶ Open lawn areas and generous landscape plantings throughout
- ▶ Covered bicycle parking dispersed throughout the site and complying with SMC 3.3.400
- ▶ Vehicle parking is proposed to comply with SMC 3.3300
- ▶ A total of 74 parking spaces
- ▶ Four (4) handicapped-accessible parking spaces

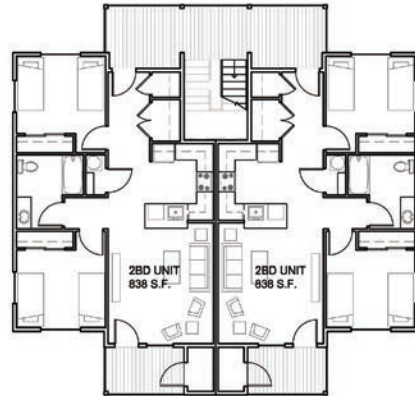
Two (2) trash collection areas are proposed to comply with SMC 2.2.200.J.4.

Stormwater collection areas are anticipated based on past project experience, with size and location to be determined after more rigorous civil engineering analysis, and other required public utility connections.

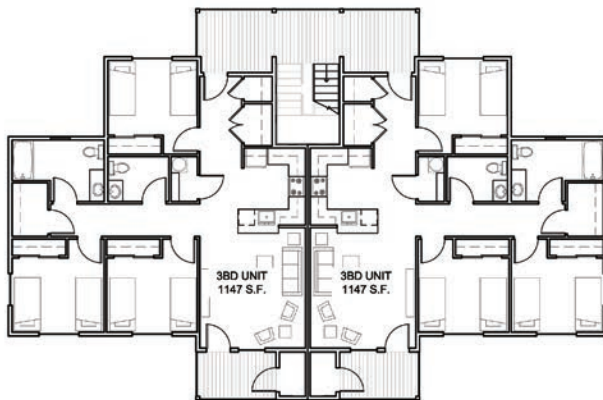
TYPICAL BUILDING FLOOR PLANS



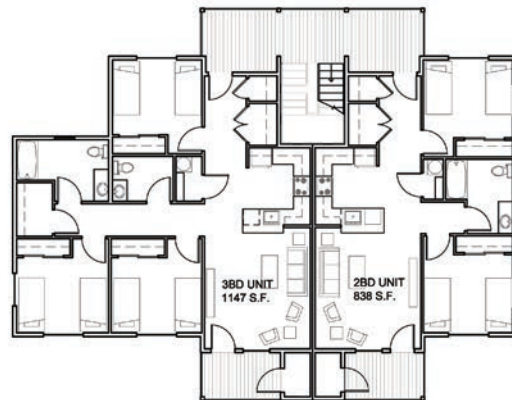
BUILDING A
2 STORIES
4 - 1BD UNITS EA.



BUILDING B
3 STORIES
6 - 2BD UNITS EA.



BUILDING C
3 STORIES
6 - 3BD UNITS EA.



BUILDING B-C
3 STORIES
3 - 2BD UNITS EA.
3 - 3BD UNITS EA.

OPPORTUNITIES AND CONSTRAINTS

The proposed design assumes a 2-acre parcel in the area indicated in the RFP solicitation, which measures 500' x 180'. It is important to clarify a few things about the proposed 2-acre site.

First, the long, narrow proportion of the proposed development site yields a correspondingly “linear” site layout, which may or may not meet the expectations intended by the term “village feel.” The shape of this proposed parcel limits opportunities to group buildings in more non-linear ways.

Second, a geotechnical report (to be commissioned) may demonstrate that certain areas of the overall development area carry greater site construction costs than others, depending on drainage patterns, soil profile, history of use of the site, etc. Once this geotechnical information is understood, this proposed site plan may need to shift.

Third, occupying the entire northern 500' of the overall future development area may limit abilities to accommodate future development plans to the south of the current proposed development area.

Fourth, specific interior and exterior materials and finishes noted in this proposal reflect our team’s intention and best understanding at this time. We are committed to the use of durable, sustainable, and cost-efficient materials. However, this design is preliminary and subject to modification due to factors including cost, inventory, and supply chain availability.

It should also be noted that Oregon Housing and Community Services (OHCS), the state agency that funds most affordable housing projects in Oregon, generally discourages use of private balconies for reasons related to building envelope durability, and many affordable housing operators find them problematic from a tenant safety and property management perspective.

For these reasons, it would seem wise to be prepared to be flexible on initial site development area, density, size, and/or location to the extent that a feasible and financeable affordable housing project is the desired outcome. This proposed development area, by virtue of not being “fixed” by established property lines on all sides at the present time, presents a unique and advantageous opportunity to adapt to project needs in order to achieve project objectives.



BDA
Architecture and Planning, PC

WESTFIELD SITE RFP
SILVERTON, OR

VIEW FROM
NORTHEAST

3



BDA
Architecture and Planning, PC

WESTFIELD SITE RFP
SILVERTON, OR

VIEW FROM
NORTHWEST

4



BDA
Architecture and Planning, PC

WESTFIELD SITE RFP
SILVERTON, OR

VIEW OF
EAST END

5



BDA
Architecture and Planning, PC

WESTFIELD SITE RFP
SILVERTON, OR

VIEW OF
WEST END

6

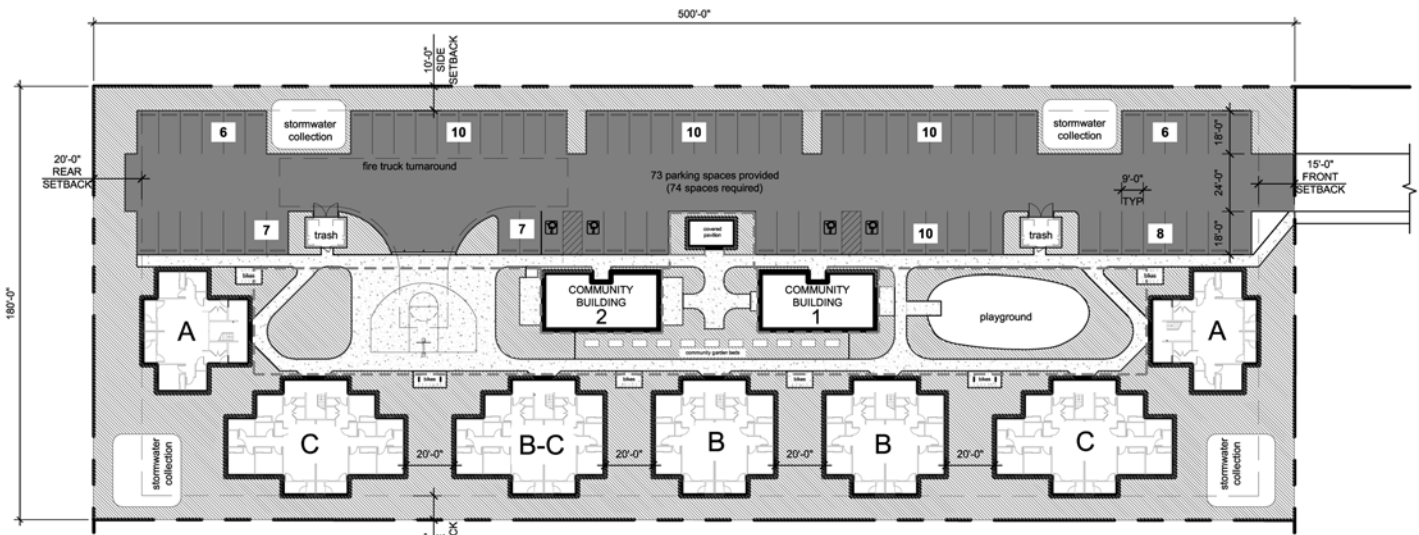
PROGRAM

This plan provides 38 apartments affordable to households earning at or below 60% of median family income. Deeper affordability is possible depending on the amount of funding secured for the project and final costs.

Unit Type	# of Units	Size	Bathrooms	AMI Restrictions	Rent	Utility Allowance	Tenant Paid Rent	Length of Affordability
1 Bedroom	8	640 sf	1	60%	\$863	\$69	\$794	60 years
2 Bedroom	15	838 sf	1	60%	\$1,036	\$94	\$942	60 years
3 Bedroom	15	1147 sf	2	60%	\$1,196	\$119	\$1,077	60 years

We envision a village-like feel to the development with one, two and three-story buildings clustered around outdoor amenities and green spaces. The 38 units are housed within seven buildings and four building types:

- ▶ **Building type A:** Two stories with two one-bedroom units on the first and second floors. Two type A buildings containing a total of eight units.
- ▶ **Building type B:** Three stories with two two-bedroom units on each of the first, second, and third floors. There are two type B buildings containing a total of 12 units.
- ▶ **Building type C:** Three stories with two three-bedroom units on each first, second, and third floor. There are two type C buildings containing a total of 12 units.
- ▶ **Building type B-C:** Three stories with one two-bedroom unit and one three-bedroom unit on each of the first, second, and third floors. One type of B-C building contains a total of six units.



The project design exceeds the number of accessible units required by state and federal regulations, providing 4 one-bedroom units, 2 two-bedroom units, and 2 three-bedroom units, all located on the ground floor with fully accessible entrances and enhanced accessibility features throughout.

In addition to the 38 apartment homes, all residents will have access to two community buildings located at the heart of the development. These buildings are designed for resilience in the event of extreme weather or natural disaster. When need and capacity align, these buildings and their resilience features will also be made available to the broader community.

Community Building #1 will house offices for on-site property management and resident services and a laundry room with sufficient washers and dryers to serve the development, gardening tool storage, a maintenance shop, and toilet facilities.

Community Building #2 will house a large meeting room with a moveable central partition that allows it to be subdivided into two meeting rooms, a kitchenette, tables/chairs for programmed events or private activities, storage spaces, and toilet facilities. The resilience features of the community buildings will include enhanced seismic resistance, solar PV array with battery backup sized to maintain heating or cooling in a power outage, enhanced filtration in the ventilation systems for improved air quality during smoke events, dedicated storage for emergency preparedness supplies, and additional power outlets/charging stations. Other outdoor amenities will include half-court basketball, a playground with children’s play equipment, BBQ grills, picnic tables, outdoor seating, community garden beds, bike storage, trash corrals, covered outdoor spaces, lawn areas, and landscaped areas planted with flowers, shrubs, and ground cover.



Seventy-four (74) parking spaces will be provided in compliance with applicable codes, including four handicapped spaces in close proximity to the Community Buildings. Two double-head EV charging stations will be provided allowing for four electric vehicles to recharge simultaneously. In addition, all remaining parking spaces on the south side of the parking lot (28 additional spaces) will be pre-wired for EV chargers. Installing underground conduit and sufficient capacity at main electrical panel for future chargers can be done much more economically during the original phase of construction. As demand increases, this will allow future EV chargers to be brought online at a fraction of the cost.

HOUSING POPULATION, PROPERTY MANAGEMENT & RESIDENT SERVICES

It is our intention that the development will house a diverse population, including senior citizens and workforce families. Applicants for housing in the proposed development will be screened on the basis of income eligibility and household size per the regulatory requirements of the public funding programs. The lease-up process will adhere strictly to Fair Housing Guidelines. There will be no discrimination on the basis of race, ethnicity, or any other protected class of applicant. To maximize the use of available public funding sources while pursuing the RFP's stated intention to serve a wide, diverse population, we propose that eight units be designated for occupancy by agricultural workers and supported by Agricultural Worker Housing Tax Credits (AWHTCs). In keeping with our goal to serve the existing residents of Silverton, FHDC will work closely with local partners, including Silverton Sheltering Services, Silverton Area Community Aid, and the Silverton Senior Center, to identify local seniors and workforce families who are eligible for available units.

After construction is completed, FHDC will operate the property. FHDC has a long history of providing affordable housing to communities that encompass youth, seniors, families, and individuals in need of housing at or below 60% of the area median income. FHDC's housing strategy starts in the visioning phase and carries through to implementation as families move in and create a home for themselves. We work collaboratively with property management and the many area service providers to bridge cultural, linguistic, and accessibility gaps for our residents. FHDC currently has 2,200+ residents living in 475 units across 11 properties throughout the mid-Willamette Valley, with locations in Woodburn, Salem, Silverton, Stayton, Sublimity, Independence, and Lebanon, Oregon. FHDC provides social services based on the identified needs within the community. On average, we support more than 500 young people a year through after-school programs, summer program recreation, and artistic activities, food service programs that prioritize food access, culturally specific nutrition, social inclusion, leadership, and education.



FHDC programs. Photo: FHDC



FHDC programs. Photo: FHDC

Evolve Property Management and Workforce Development is an independent third-party property management company with a strong mission in training and workforce development, one of the first in Oregon. Evolve is committed to serving low-income families, underserved communities, and culturally diverse individuals in order to provide culturally sensitive management services and facilitate access to better employment opportunities. Evolve features a diverse staff, both at the site level and in its central office. The staff has benefited from its historical tradition of recruiting among low-income and culturally diverse communities, along with an ongoing commitment to training, enabling employees to progress from entry-level positions up to senior supervisory positions within the organization. These employees bring a high level of commitment to their communities, and a compelling understanding of the needs and challenges of the communities they serve.

FHDC's Resident Services programs are designed to meet the expanding needs of every community we build, with an emphasis on housing stability and intergenerational prosperity. We collaborate with community partners to deliver needs-based services throughout the Willamette Valley. FHDC's programs for residents and the larger community empower both youth and families to be engaged, active members in their neighborhoods, at work, in school, and within the community at large. Our programs account for consistently high graduation rates among youth high schoolers, a sense of connection and trust between residents and the organization, and opportunities for families to grow their assets and support their dreams.

MURALS & CULTURAL HERITAGE

When FHDC and REACH develop housing, we design it to be safe and comfortable, instilling a sense of connection and meaning for residents and the surrounding communities. Murals are one way of communicating our shared histories, cultures, and visions for what stable housing can mean to families and neighbors sharing communal space. We aspire to bring this approach to this project.

Across FHDC properties, murals shine bright and serve to reflect collaboration, hope and inspiration. These projects engage youth to help paint/install the murals and allow for a long-term sense of achievement to be imprinted on the site's heritage. The murals represent collective social themes and community-centered values including environmental justice, education, multiculturalism, and social change. FHDC prioritizes murals in our design aesthetic to inspire creativity, awe, and wonder among young residents, and to create a welcoming space for intergenerational families and neighbors interacting within the space. Our murals convey messaging that highlights the natural beauty of a region, the conviction, sacrifice, and hard work achieved by our ancestors and current social fabric, the ability to embrace differences to overcome obstacles, and the message that through communal efforts and care, we can create a peaceful environment for the greater good of the community.



Mural at Colonia Unidad. Photo: FHDC

For example, the mural at Colonia Unidad is based on the celebration of unity and achievement. The two-paneled mural has a symmetrical composition in which two trees create a bigger one. The fields from which the trees are growing represent the origins of the farm labor and workforce families that this community housing project serves. The trees, painted like hands supporting each other, represent the collaborative work done by several organizations and government agencies to come together amidst adverse political rhetoric and policy affecting various groups, particularly immigrants. The mural recognizes exemplary high school graduation rates and educational achievements within the city of Woodburn, and the community's success when working together to improve opportunities for the next generation.

At some properties, exterior murals are not feasible, but interior public spaces provide opportunities to achieve these goals. At REACH's Wy'East Plaza, the residents were invited to help a local artist identify the theme and elements of an interior mural visible from the entrance lobby and located above the mailboxes. The design celebrates the property's name – Wy'East – the indigenous name for Mt. Hood which is visible from the property and depicts a variety of the plants and animals that can be encountered in this natural environment.



Mural at Wy'East Plaza. Photo: REACH

SOURCES AND USES

SOURCES	Terms	Budget	Predevelop	Construction	Conversion
Bank Loan	30 y, 6.2%	\$1,922,646			\$1,922,646
Seller Financing		\$0		\$0	
Sponsor Loan (GHAP/grants)	55 y, 0% cf	\$2,501,152			\$2,501,152
LIFT Loan	55 y, 1% cf	\$7,950,000		\$6,757,500	\$1,192,500
AWHTC	equity	\$1,916,993			\$1,916,993
Income from Operations		\$0			\$0
Energy Grants	grant	\$300,000		\$300,000	
Limited Partner Equity	equity	\$7,669,995		\$2,300,998	\$5,368,996
General Partner Equity	equity	\$10,000		\$10,000	
Deferred Fee		\$0			\$0
Accrued/Deferred Interest		\$0			
Construction Loan		\$11,055,216		\$11,055,216	(\$11,055,216)
Predevelopment Loan		\$1,211,700	\$1,211,700	(\$1,211,700)	
Total Sources		\$22,270,786	\$1,211,700	\$19,212,015	\$1,847,071

USES	Budget	Predevelop	Construction	Conversion
ACQUISITION	Budget			
Land	\$99		\$99	
Existing Improvements	\$0			
Closing Costs	\$5,000		\$5,000	
Carrying Costs	\$0			
Total Acquisition	\$5,099	\$0	\$5,099	\$0
NEW CONSTRUCTION	Budget			
Off-Site Improvements	\$350,000		\$350,000	
Environmental Remediation	\$0			
Site Work	\$963,000		\$963,000	
Structures	\$10,824,036		\$10,824,036	
Furnishings, Fixtures, Equipment	\$95,000		\$95,000	
Estimating Contingency	\$0			
Contractor Insurance/Bond	\$378,855		\$378,855	
Contractor General Conditions	\$1,256,453		\$1,256,453	
Contractor O/H and Profit	\$593,248		\$593,248	
Total Construction Costs	\$14,460,592	\$0	\$14,460,592	\$0
ARCHITECTURE /ENGINEERING				
Design/Supervision	\$1,300,000	\$975,000	\$325,000	
Geotechnical Report	\$35,000	\$35,000		
Materials Testing	\$22,500		\$22,500	
Energy	\$70,000	\$70,000		
Misc Engineering	\$75,000	\$37,500	\$37,500	
ALTA Land Survey	\$40,000	\$20,000	\$20,000	
Total Architecture & Engineering	\$1,542,500	\$1,137,500	\$405,000	\$0
CONTINGENCY COSTS	Budget			
Hard Cost Contingency	5%		\$723,030	
Soft Cost Contingency	5%		\$93,375	
Total Contingency Costs	\$816,405	\$0	\$816,405	\$0
FINANCING EXPENSES				
Construction Loan Interest	\$1,243,712		\$1,119,341	\$124,371
Origination Fees	\$129,779		\$129,779	

USES				
Lender Fees	\$160,000		\$160,000	
Investor Fees	\$75,000		\$75,000	
Tax Credit Fees	\$205,000	\$5,000	\$200,000	
Costs of Bond Issuance	\$580,000		\$580,000	
Property Taxes	\$20,000		\$20,000	
Insurance	\$200,000		\$200,000	
Prevailing Wage Monitor	\$40,000		\$40,000	
Title and Recording Fees	\$60,000		\$45,000	\$15,000
Construction Management	\$165,000		\$165,000	
Predevelopment Loan Interest	\$40,000		\$40,000	
Total Financing Expenses	\$2,918,490	\$5,000	\$2,774,119	\$139,371
LEGAL FEES	Budget	Predevelop	Construction	Conversion
Acquisition Legal Fees	\$5,000		\$5,000	
Sponsor Legal Fees	\$55,000	\$15,000	\$35,000	\$5,000
Organizational Legal Fees	\$5,000	\$5,000		
Syndication Legal Fees	\$30,000	\$10,000	\$20,000	
Total Legal Fees	\$95,000	\$30,000	\$60,000	\$5,000
OTHER SOFT COSTS	Budget	Predevelop	Construction	Conversion
Appraisal	\$12,000	\$12,000		
Market Study	\$6,000	\$6,000		
Environmental Studies	\$10,000	\$10,000		
Permit/Impact Fees	\$112,000	\$11,200	\$100,800	
Audit/Cost Certification	\$30,000		\$30,000	
Marketing	\$60,000		\$60,000	
Total Other Costs	\$230,000	\$39,200	\$190,800	\$0
CAPITALIZED RESERVES	Budget	Predevelop	Construction	Conversion
Operating Reserve	\$202,700			\$202,700
Replacement Reserve	\$0			\$0
Total Capitalized Reserves	\$202,700	\$0	\$0	\$202,700
DEVELOPER COSTS	Budget	Predevelop	Construction	Conversion
Developer Fee	\$2,000,000		\$500,000	\$1,500,000
Guarantee Fees	\$0			
Broker Fees Paid to Related Party	\$0			
Total Developer Costs	\$2,000,000	\$0	\$500,000	\$1,500,000
TOTAL DEVELOPMENT COST	\$22,270,786	\$1,211,700	\$19,212,015	\$1,847,071

Surplus/Gap

\$0

\$0

\$0

\$0

PROFORMA

Proforma is confidential. Do not distribute. Please see attached proforma in excel format.

DEAL STRUCTURE & FINANCE

OWNERSHIP STRUCTURE

REACH CDC and Farmworker Housing Development Corporation (FHDC) will be working collaboratively on this project through a joint venture agreement. REACH will be the primary developer and FHDC will be the primary operator of the property. The likely structure will be a Co-GP structure where REACH and FHDC will share ownership of the General Partner within a Limited Partnership. The Limited Partnership will own the improvements. We propose that the City of Silverton will retain ownership of the land and provide a long-term land lease to the Limited Partnership. We propose that the land lease term be 99 years with a capitalized lease payment of \$1.00 per year.

OHCS FUNDING PROCESS/STATUS

The primary funding sources potentially available to finance this development are administered by the Oregon Department of Housing and Community Services (OHCS) Affordable Rental Housing Division. These include 4% Low-Income Housing Tax Credits (4% LIHTCs), 9% Low-Income Housing Tax Credits (9% LIHTCs), the Local Innovation and Fast Track Rental Housing Program (LIFT), the HOME Investment Partnerships Program (HOME), both Grant and Tax Credit programs designated to support the development of Agricultural Worker Housing (AWHTCs) and others. OHCS recently suspended the Notice of Funding Availability (NOFA) process through which they solicited proposals for these funding sources and undertook a comprehensive evaluation and redesign of the process. While this redesign is still in process, OHCS has begun releasing preliminary information about the future process. There will no longer be competitive NOFAs, but rather an Oregon Centralized Application (ORCA) that will begin with an intake process early in the planning stages of a new project and lead to confirmed awards for funding when a project is no more than 6 months away from construction loan closing. OHCS has also indicated that no 4% or 9% LIHTCs will be available to award in 2024, so the next round of awards for those programs will be in 2025. They have indicated that initial project intake will commence in April 2024 and a full launch of the ORCA Application is projected for May 2024.

FUNDING SCENARIO

The development team proposes a financing structure for this project that includes an allocation of 4% LIHTCs paired with Private Activity Bonds, LIFT, AWHTCs, Sponsor Loan, SDC exemptions, a low-cost, long-term land lease (\$1.00 per year) and offsite infrastructure improvements funded by the City. This scenario offers an excellent likelihood of successful public funding following initial applications because: 1) The project team members all have an excellent track record over many years of both securing awards and successful completion of awarded projects, and 2) The proposed program and metrics for this development are very well aligned with funding priorities for these sources. Further, the opportunity to control costs is good because the project has a simple construction type utilizing durable and cost-efficient materials and methods of construction. The team will seek these sources and additional sources, which will help manage any unforeseen issues arising from fluctuation in interest rates and tax credit pricing, as well as impacts of real estate market forces over the next couple of years.

OHCS LIHTC EQUITY AND PRIVATE ACTIVITY BONDS

REACH has several projects in the development pipeline at various stages. This means real-time knowledge of finance options, equity, and debt pricing. This proposal assumes \$0.88 cents for LIHTC equity and a private placement permanent debt structure. The project may receive higher pricing, but most investors should be able to provide \$0.88 per \$1.00 of LIHTC.

LIHTC BASIS BOOST

This project does not currently qualify for the LIHTC basis boost that comes from being in either a Difficult to Develop Area or a Qualified Census Tract.

OHCS AGRICULTURE WORKFORCE HOUSING TAX CREDIT (AWHTC) EQUITY

FHDC brings a wealth of experience working with agricultural workers and the funding sources that help to house this critical population. FHDCs experience will greatly benefit the funding application. The AWHTC can be supplemental to LIHTC funding. The state has currently issued a standalone AWHTC NOFA that is open through September 30, 2024. The proforma assumes a successful application for one year's allocation for 8 units of agricultural workforce housing or approximately 20% of the units. The development team is confident that we can secure AWHTCs for a limited number of the units to help fund this project.

OHCS LIFT

The funding from OHCS LIFT assumes the funding cap per unit for a rural project because the project is outside the Salem Keizer Urban Growth Boundary. This funding source will require an independent application. The fact that LMC has a high level of success subcontracting with MWESB (Minority owned, Women-owned, and Emerging Small Businesses) firms, the project has a high bedroom count, and the development team has recently received LIFT funding will contribute to the chances of securing LIFT funding for the project. The development team has received all points for innovation and team capacity in the recent past. Controlling costs and increasing affordability are options for increasing the competitiveness of the project.

OHCS OREGON MULTIFAMILY ENERGY PROGRAM (OR-MEP)

This funding is dependent on the mechanical, electrical and plumbing systems, both passive and active, that are included in the project. The development team has experience working with the new energy code in Oregon and is confident that our final design will qualify for a high level of incentives from the OR MEP program.

SPONSOR LOAN

Based on the availability of public funding sources and the small number of units in our proposal we foresee that a gap will need to be filled to balance the sources and uses. If a gap remains as the proposed value of sources and uses become more certain, REACH and FHDC commit to applying for a variety of public and private grants that would then be applied to the project as a Sponsor Loan as dictated by LIHTC financing structure.

DEBT

This project financing structure will require two forms of debt – a Construction Loan and a Permanent Mortgage. Current long-term debt is priced in the range of 6.0 to 6.5% and short term debt is discounted by approximately 1%. With markets still volatile, The federal reserve has signaled continuity with possible future decreases while carefully monitoring inflation. Incorporating current information, the model assumes a 5% interest rate for the Construction loan for a term of 36 months and a 6.2% rate on the Permanent loan for a period of 30 years. The construction loan is required as a bridge source for payment of construction costs until the LIHTC equity is available at project completion.

BOLI AND DAVIS BACON

This project will not require payment of prevailed wages, either BOLI or Davis Bacon. The addition of any commercial space or a 5th floor to a project will trigger BOLI wages. As currently proposed we do not plan to receive federal funding that would trigger Davis Bacon Wages.

CITY OF SILVERTON ROLES

The development team appreciates the city's commitment to providing affordable housing. The support of local partners can be critical in securing state and local funding as well as finding a balanced budget. We expect to work collaboratively as the details of the project come into focus. The most feasible path towards success includes city support through SDC waivers, a low-cost long term land lease and funding for offsite infrastructure. The specific needs of the project will be defined after the results of funding applications and policy requests are known. Details of the drivers behind the need for city support as well as the potential request can be found below.

SDC Waivers

The development team understands that the city must balance various priorities and System Development Charges are used to improve the community. Our initial analysis requires a full SDC exemption to make the project feasible, this need could be partially offset as the amounts of other gap funding sources are determined.

Low-Cost Land Lease

The city support for the project, through a 99 year lease with a capitalized lease payment of \$1.00 per year, is proposed. This path is compatible with the legal structure that comes with tax credit financing and allows the limited revenues from rents to be spent on resident services and upkeep. The team is committed to developing the site to its maximum potential delivering a full scope of community amenities. The low-cost land will serve as a long-term investment in affordable housing and community spaces that will exist for many years.

Offsite Infrastructure

The two-acre parcel located within the larger city-owned tax lot is not directly served by water, sewer or storm drainage. Our proposal includes this project paying the cost of extending Davenport Lane, including on-street parking and sidewalks, from its current location to connect to the development site. We request that the City of Silverton provide funding for all other required infrastructure from its current locations to the perimeter of the development site. If acceptable, the development team proposes to collaborate with and support the City in applying for Community Development Block Grant funds to support this work. Please note that these funding sources include federal funds and will trigger Davis Bacon wage rates. The proposed approach whereby the City is the applicant for these funds will limit the applicability of these wage rates to the offsite work and thereby allow construction labor savings for the housing development.

ZONING

The design team believes there is a pathway to entitlement through the current zoning.

SILVERTON PARTNERSHIP STRUCTURE

An exclusive negotiating agreement (ENA) or development and disposition agreement (DDA) are two good options for structuring the partnership with the City of Silverton. Some funding applications give extra points to projects that have "secured" local funding. To the extent possible it will be helpful to have a commitment from the City of Silverton to provide contributions in the form of land and SDC exemptions. This can be discussed further as the team prepares for funding applications.

TIMING

- ▶ **Project Kick Off** – Once the team is notified that we are selected we will engage the City in developing an MOU Agreement summarizing the terms of the development deal. Concurrently we will create a Project Advisory Committee (PAC) made up of local stakeholders and individuals representative of future tenants. City participation is very welcome here to set the groundwork for early design. We anticipate community engagement efforts would begin.
- ▶ **Funding Applications** – Rolling –The development team will submit an OHCS ORCA intake form immediately upon award. Demonstrated support by the city of Silverton will increase the competitiveness of these applications.
- ▶ **+0 months – Start of Schematic Design**
 - › The team will work through due diligence and preliminary entitlement discussions with the city and create a design narrative including everything from major mechanical systems to finishes and programming. Several PAC meetings will be held during this period.
- ▶ **+3 months – Start of Land Use and Entitlement**
 - › Upon completion of schematic design, the team will submit its land use application.
 - › Work is closely coordinated with city staff for approval of full entitlement while achieving the goals and vision of the project.
 - › Initial pricing exercise with contractor.
- ▶ **+5 months – Start of Design Development**
 - › This work can overlap with the land use process. Solidify design concepts, detail major mechanical systems and work with the contractor to confirm pricing and constructability.
 - › Revisit the design with the PAC post land use approval
 - › 4% pre-application to OHCS
- ▶ **+8 months – Start of Construction Documents Development**
 - › The design team will finalize the detailing and code compliance along with value engineering efforts while preparing design documents for a full pricing exercise.
 - › A PAC meeting may be held if value engineering is required.
 - › RFP to equity investors and lenders released
- ▶ **+12 months**
 - › Start of permitting with 50% Construction Documents
 - › Equity and Lender LOIs received, and deal structure confirmed
 - › Underwriting can begin
- ▶ **+15 months**
 - › Permitting complete
 - › Final legal document negotiations and underwriting
- ▶ **+16 months – Construction closing and Notice to Proceed - Groundbreaking**
- ▶ **+28 months – Pre-leasing begins**
- ▶ **+31 months – Construction completion, Certificate of Occupancy and full leasing begins**

- ▶ +33 months – Leasing is complete - Project is fully occupied
- ▶ +36 months – Stabilization period is complete
- ▶ +40 months – Project is fully converted to permanent financing and project is complete

DEVELOPMENT SCHEDULE

Activity	Estimated Schedule
Project Kick Off (MOU Phase)	July 2024
Start of Schematic Design	July 2024
Start of Land Use and Entitlement	October 2024
Start of Design Development	December 2024
Start of Construction Documents Development	March 2025
Start of Permitting and 50% Construction Documents	July 2025
Permitting Complete	October 2025
Construction Loan Closing / Start of Construction	November 2025
Pre-Leasing Begins	November 2026
Construction Completion / C of O / Full Leasing Begins	February 2027
Leasing is Complete	April 2027
Stabilization Period is Complete	July 2027
Project converts to Permanent Financing / Project is Complete	November 2027

OUTREACH

REACH and FHDC leverage collective impact strategies for inclusive public outreach and engagement. We build personal relationships with target populations and partner with local service organizations to prioritize prosperity for individuals and families. This partnership is equity-centered and focused on diversity and inclusion efforts in the community, housing, and program development. We are excited by the opportunity to engage with a community that is supported by a strong network of service-oriented and mission-aligned organizations, including Silverton Sheltering Services, Silverton Area Community Aid, the Silverton Senior Center, and the Service Integration Team. The table below highlights our tactical approach to public outreach and engagement to deploy direct, digital, and printed connective points to the community during the design and leasing process.

HOUSING DEVELOPMENT OUTREACH & COMMUNITY ENGAGEMENT STRATEGIES

	Outreach Plan #1	Outreach Plan #2	Outreach Plan #3
In-Person Outreach	MULTI-PRONGED METHODS: <ul style="list-style-type: none"> Door-to-door or canvassing/visits. To home and businesses within 25 miles radius Open Drop-in hours at the local leasing office 	HIGH IMPACT METHODS: <ul style="list-style-type: none"> Focus Groups with community organizations around the area Visits to churches, food pantries, workplaces, and school district 	MULTI-PRONGED METHODS: <ul style="list-style-type: none"> Regular Meetings with local churches and service providers Drop-in hours at a local venue/ open to the public
Digital Outreach	MULTI-PRONGED METHODS: <ul style="list-style-type: none"> Basic Project webpage with applications and project information in English and Spanish Project Hotline Drop-in hours promoted Coordinated events and early outreach for design input and review 	MULTI-PRONGED METHODS: <ul style="list-style-type: none"> Emails to the distribution list Emails to potential applicants 	HIGH IMPACT METHODS: <ul style="list-style-type: none"> Social Media promoting drop-in hours/website and services Radio and newspaper advertisements
Printed Outreach	HIGH IMPACT METHOD: <ul style="list-style-type: none"> Door-to-door or flier to promote the project, project webpage, drop-in hours, and project hotline 	HIGH IMPACT METHODS: <ul style="list-style-type: none"> 10 to 15 posters in neighborhoods, churches, and laundry rooms to promote the project Direct mail 	HIGH IMPACT METHOD: <ul style="list-style-type: none"> Door-to-door or fact sheet (delivery to homes within 25 miles)

To increase accessibility, FHDC’s bilingual, multicultural staff will connect with local school districts, churches, community resource centers, food banks, energy assistance programs, and any other organizations that serve the population with which we are trying to connect and build reciprocal relationships. We share our mission for our organization and listen to the goals and hopes of individuals and groups. We then work with the different organizations to compile data about the area and the needs of the community, the demographics for the area, and the area’s history.

Our collaborative and community-informed development plans will be expressed and shared with organizations to ensure community needs are met, and unique voices are considered and prioritized. This allows us to maintain a presence and relationship with the community. We prioritize applicable project needs and input from these underrepresented communities to ensure an equitable project. FHDC will do this by organizing community

events, including public open houses, where we present and converse about our plans and receive input from the public. At these events, we offer free food, drinks, and a welcoming environment to ensure safe and comfortable participation from the community.

We envision working with the City's Affordable Housing Task Force to develop a liaison to assist in identifying the local area needs and assist our team in identifying local community partners and community leaders including representatives of the organizations noted in the first paragraph above. We propose to pursue early engagement with the City Council, possibly leveraging public meeting space within the city to host community events. Together, we will strategize ways in which to educate neighboring communities that may have concerns about the development of an affordable housing community in the area.

We anticipate the City of Silverton welcoming us as part of their community as we work with stakeholders to provide affordable, stable housing and supportive programs to help families meet their basic needs and build reserves for unforeseen expenses. Our collaboration will ensure an equitable mix of housing sizes to accommodate the many different households while creating access to identified services such as transportation, childcare, health, and retail opportunities to increase the residents' quality of life.

OTHER ISSUES

ASSUMPTIONS

Design

If notified that our team has been selected as developer for this project, among our first actions in the Due Diligence phase will be to commission a Phase I Environmental Site Assessment of the property and a Geotechnical Analysis of the soils. The project design and costs assume there are no hazardous materials related to past uses. However, if the Phase I study identifies any Recognized Environmental Conditions, mitigation may need to be incorporated. Additionally, the project design assumes the soil conditions support a mat slab foundation for the various buildings. Should a geotechnical report show conditions that require a different foundation system or locations of buildings, the design will need to be revised to incorporate this existing condition.

Offsite Improvements

The costs, funding sources, and timeframes for the construction of offsite public utility infrastructure are currently proposed to be carried out by the City. We have proposed a conceptual strategy whereby the City would be responsible for funding this work, and our team would support the City in securing funds to pay for the work. The development team is willing to work with the City to include these costs in the project, but the details of that scope of work, cost, schedule, and funding sources would need to be evaluated in greater detail.

OHCS Funding

This project proposes the use of four core funding programs from Oregon Housing and Community Services (OHCS) – 4% Low-Income Housing Tax Credits, Private Activity Bonds, Local Innovation and Fast Track program funds, and Agricultural Workforce Tax Credit. OHCS had launched an ambitious redesign of its entire funding program. The new Oregon Centralized Application (ORCA) process is intended to reduce funding competition and risk, which we think is incredibly beneficial for this project. However, this new process is just beginning in April 2024 and, therefore, has not been fully road-tested and refined by actual project applicants. Our assumptions about the funding timeline and availability of future resources are based on current programs and processes. If there are future revisions to this new process, this proposal may be revised as well.

Density

Based on the information provided by the RFP and review of public meeting discussions by members of the City government, we have proposed a 38-unit project. However, given this “moment in time” opportunity, we encourage the City to imagine a slightly larger proposal at this site. Both REACH and FHDC agree that this project is financially and operationally sustainable, and we also think the addition of up to 10 more units will positively support future growth and need in the City and surrounding region. Moreover, a larger unit count produces minimal cost increases, given the ability to leverage cost efficiencies in design and operations, allowing fixed costs to be spread across the increased unit count.

CONCLUSION

We believe it is prudent to identify and articulate these assumptions and acknowledge that they are all within the typical range of uncertainties for a project of this scale and at this stage of development. We embrace the opportunity to partner with the City of Silverton in tackling these challenges and any others that may arise in the process of creating a new development of safe, secure and attractive affordable housing that will fill an unmet need in Silverton for years to come.



RESPONSE TO REQUEST FOR PROPOSAL // SILVERTON

APRIL 9, 2024



DEVELOPING THRIVING COMMUNITIES



COVER LETTER

City of Silverton

Re: Request for Proposals Westfield Site

Attn: Jason Gottgetreu

DevNW and Ink Built are delighted to present our joint proposal for the development of affordable housing on the Westfield Site. With strong ties to the Willamette Valley and extensive expertise in planning, designing, constructing, and managing affordable housing, we are committed to addressing the pressing need for sustainable, equitable, and affordable housing that leverages the strengths and resources of communities. Our mission is to bring innovative thinking, design, and collaboration to the forefront as we strive not only to create exceptional buildings but also to foster justice and connection through the spaces we co-create.

DevNW and Ink Built envision a thriving new neighborhood for the Silverton community. The first phase on roughly 2 acres will begin with a multi-family rental development affordable for residents below 60% area median income. Our plan includes 48 units of housing and a community center, spread throughout 6 buildings across the site. There will be a mixture of one, two, and three bedroom apartments. Later phases on the remaining 5 acres of the site could include affordable community land trust homes (single unit detached and townhomes) for homebuyers below 80% area median income, and a cottage cluster designed to help seniors age-in-place in a community setting.

The design we envision focuses on creating community through the built environment, including thoughtful use of community spaces, green space, connectivity to neighboring resources, and the creation of micro-communities through cluster design. While the first phase (and we hope the majority of a future phase) will focus on affordable housing, we are also interested in exploring the inclusion of some market rate units in later phases for a truly mixed income neighborhood.

Together, DevNW and Ink Built offer a unique blend of experience, expertise, and commitment that positions us as ideal partners for the City of Silverton on this transformative project. We eagerly anticipate the opportunity to collaborate with you throughout the development process.

Primary Point of Contact

Nora Cronin, DevNW
Director of Real Estate Development
nora.cronin@devnw.org
541-345-7106 x2092



DEVELOPING THRIVING COMMUNITIES

212 Main Street //
Springfield, OR 97477

528 Cottage St //
Salem, OR 97301



2808 NE MLK BLVD //
SUITE G //
PORTLAND // OR // 97212

[503] 454-6793

OR WBE|ESB #11068

DESIGN - PHASE 1



PHASE 1

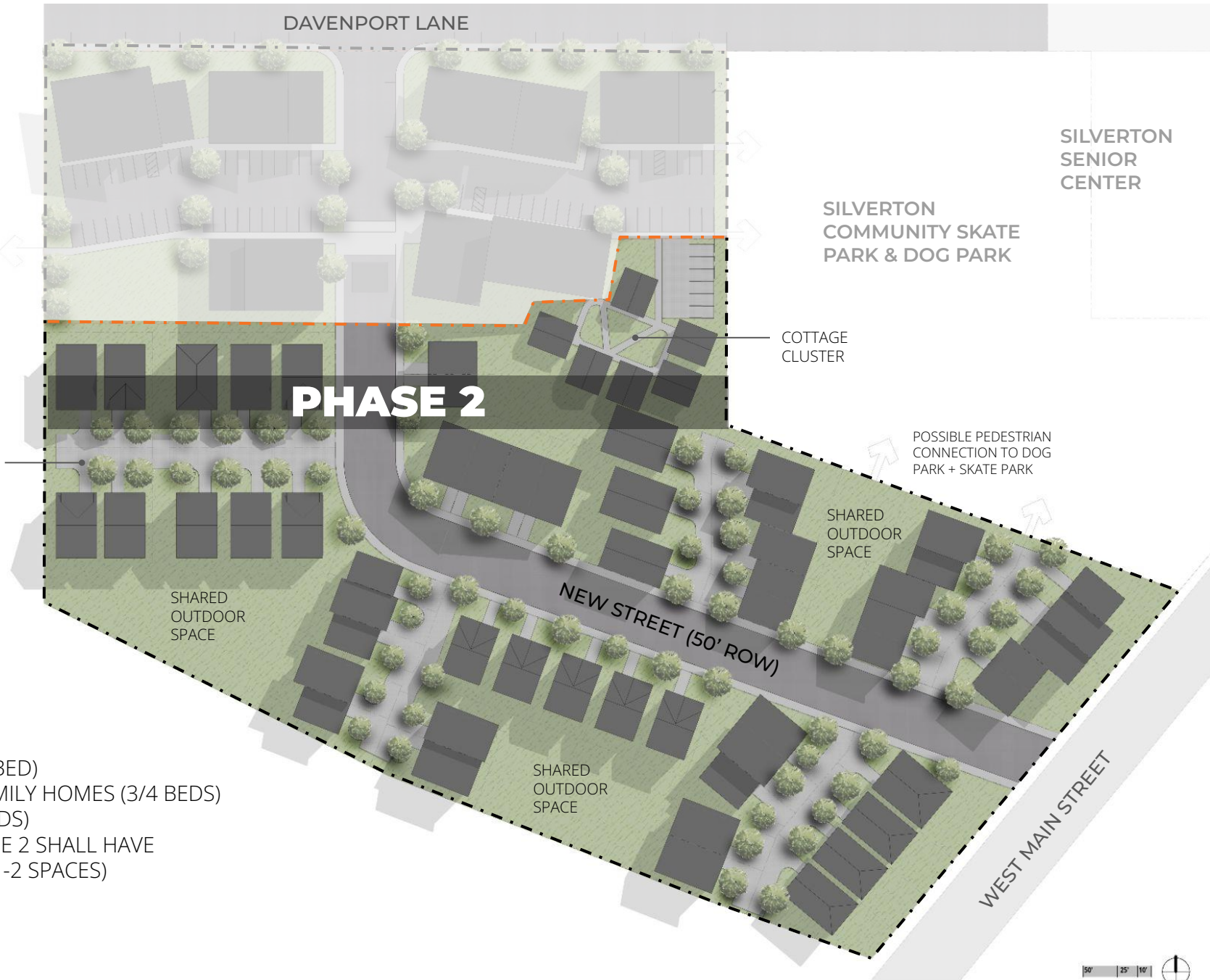
APPROX. 2 ACRES
40 - 60 UNITS MAX
(30/ACRE PER SB8)

(6) 2- STORY BUILDINGS
48 UNITS //

(22) 3 BEDROOM
(14) 2 BEDROOM
(12) 1 BEDROOM

83 PARKING // (1.7/UNIT)
62 SPACES (SURFACE LOT)
21 SPACES (ON STREET)

DESIGN - PHASE 2



PHASE 2

PHASE 2

5.7 ACRES
110 - 170 UNITS MAX
(30/ACRE PER SB8)

- 59 UNITS //
- (6) COTTAGE CLUSTERS (1 BED)
- (22) DETACHED SINGLE FAMILY HOMES (3/4 BEDS)
- (33) TOWNHOUSES (2/3 BEDS)
- NOTE: ALL HOMES IN PHASE 2 SHALL HAVE PARKING AT EACH HOME (1-2 SPACES)

DESIGN - UTILITIES

DAVENPORT LANE 1/2 STREET IMPROVEMENT



DESIGN



DESIGN



DESIGN



DESIGN



PROGRAM

SUMMARY

Taking advantage of the location adjacent to the Senior Center and Robert Frost Elementary, we envision a mix of generations living in the development community, and have planned a mix of units types: smaller, single story units for seniors (or other 1-2 person households), alongside larger 2-3 bedroom units for families. Based on community engagement, we would also be interested in the demand for 4-bedroom units for multi-generational families.

Our proposal includes 48 units of housing and a community center, spread throughout 6 two-story buildings across the roughly 2 acre site. There will be a mixture of one, two, and three bedroom apartments, along with sufficient parking and ample outdoor spaces.

DevNW will enter into a 60-year covenant with OHCS for their funding sources to keep these units affordable in perpetuity.

HOUSING DETAILS

Unit Type	# of units	Total # of bedrooms	Sq Ft per unit	Total sq ft	Affordability	Net rent per month
1 bedroom	12	12	640	7,680	60% AMI	\$782
2 bedroom	14	28	960	13,440	60% AMI	\$956
3 bedroom	22	66	1,140	25,080	60% AMI	\$1,116
Community Center			2,000	2,000		
Total	48	106		48,200		

PROGRAM

UNIT AMENITIES

Unit amenities will include the following:

- In-unit washer and dryer hookups with appliances included
- Secure bike parking
- Ductless heat pumps for energy efficient heating/cooling
- Energy Star appliances
- Durable and easy-to-clean vinyl plank flooring
- Extra insulation and tight building envelope to provide thermal comfort and energy costs savings
- Three units are ADA-compliant and accessible to people with physical disabilities
- One unit is compliant with hearing and visually impaired regulations



COMMUNITY SPACE

Our proposed design boasts a 2,000 square foot community center complemented by outdoor space and a nature play area, all designated exclusively for residents. This inviting hub features essential amenities including restrooms, a moderate-sized kitchen, a community room, a manager's office, and ample storage for maintenance, cleaning, and supplies such as folding chairs. This space will be used for facilitating community gatherings, enrichment classes, and other events. Access to this space is provided to residents free of charge and can be scheduled to use for birthday parties or family gatherings.

The community center plays a pivotal role in nurturing a robust resident community. It offers a venue for shared meals, celebrations, and various events, while also serving as a convenient meeting point for residents to connect with service providers, including those from DevNW and other partners, for accessing essential resources.



PROGRAM

SHARED/SITE AMENITIES

We envision a neighborhood that offers green space, community gardens, and walking/biking connectivity to the skate park, Senior Center, and Robert Frost Elementary. It will be a shared priority to create inviting community space on the Westfield site, while also fostering easy connections with the rest of the neighborhood. We would work closely with the City to coordinate access to these neighboring sites.

Our site design includes a variety of shared, outdoors spaces that are stitched together with connecting corridors between buildings. These open spaces can be a combination of lawn and nature play areas. Our site design also includes a community garden space and smaller garden spaces woven throughout.

The 2-acre site includes approximately 23,000 SF of open outdoor space and 3,000 SF of stormwater filtration facilities in two areas which can be expanded if required. In the event available open space doesn't allow for large scale, traditional stormwater treatment facilities (or in addition to), we're prepared for and experienced in installation of alternative, compact, engineered treatment equipment that can be installed under roadways and parking facilities.

Our parking plan, including 62 onsite parking spaces and 21 street parking spaces (on the extended Davenport Ln), attempts to minimize the space needed for parking lots while also honoring the reality that many people rely on daily use of cars: commuters to Salem or rural agricultural jobs, seniors with limited mobility, families taking kids to activities, etc.



PROGRAM

TARGET POPULATION

DevNW and InkBuilt have collaborated on a deliberately inclusive and community-oriented development, ensuring it caters to residents from diverse backgrounds.

We will provide a range of affordable housing options tailored to different income levels and family sizes. While our initial proposal targets rents affordable at 60% Area Median Income (AMI), we are exploring the addition of vouchers in partnership with the Marion County Housing Authority to accommodate households with fixed incomes or below 30% AMI.

Our design approach prioritizes elements of universal design, trauma-informed design, and cultural sensitivity. This includes creating spaces that are accessible to individuals with varying needs and abilities, fostering welcoming and calming environments, and incorporating architectural features and programming that celebrate diverse cultural identities. Language accessibility will be ensured through multilingual resources.

Throughout the development process, we will actively engage the community for input and employ affirmative marketing strategies to reach a broad audience, including traditionally underserved populations. DevNW will collaborate with community organizations and City staff to ensure the inclusion of underserved populations.

For instance, DevNW has initiated discussions with the Hope and Safety Alliance, serving Marion and Polk counties, to address the need for affordable rental units to support survivors of domestic violence within the new development.

ENVIRONMENTAL SUSTAINABILITY

Our proposal emphasizes our commitment to environmental sustainability through various strategies aimed at reducing ecological impact and promoting a healthy ecosystem. We are dedicated to pursuing the Path to Net Zero and adhering to Earth Advantage guidelines, seeking certification under their Multifamily Residential program.

The Path to Net Zero focuses on minimizing energy use in buildings and generating the remaining energy needed from renewable sources like solar power. It involves designing energy-efficient buildings with features such as better insulation, efficient appliances, and natural lighting and ventilation. This approach can lead to achieving net-zero carbon emissions.

At the core of our approach is optimizing density to protect valuable land and ecosystems. Our design incorporates energy-efficient features like high-performance building envelopes and HVAC systems, as well as carefully selected materials with recycled content and low toxicity.

Additionally, we will implement water conservation measures and responsible stormwater management to further enhance our environmental stewardship. During construction, strict protocols will be in place to minimize site disturbance and divert recyclable waste from landfills.

Moreover, our infrastructure design will include provisions for future solar energy generation. We will explore incentives in collaboration with local authorities to support this forward-thinking approach.

PROGRAM

ART

Community-based art enhances the vibrancy of any residential setting. Leveraging Silverton's commendable commitment to murals, we've engaged with a local artist who has previously contributed to the city's artistic landscape. If selected, we plan to collaborate with additional local artists, fostering a diverse artistic community.

Recognizing the City's interest in both honoring history and embracing diversity, we see an opportunity to commission a mural acknowledging Silverton's indigenous Kalapuya and Molala communities, or honoring former Mayor Stu Rasmussen, the country's first transgender Mayor. Alternatively, a mural depicting "The Old Oak" or the Oregon Gardens could serve as a tribute to Silverton's heritage while engaging contemporary residents.

With our team's expertise in mural installations and knowledge of available grants, we are well-equipped to facilitate these projects. Furthermore, we propose incorporating art and art classes into community spaces, if desired by the future residents, by partnering with local artists and artist associations, thereby fostering creativity and community engagement.



PRO FORMA

2-ACRE SITE

Project Name	Westfield Site
Project Type	New Construction
# of Units	48
Street Address	Westfield St & Davenport Ln
City/County/State	Silverton/Marion/OR
Zip Code	97381



Sources & Uses	Amount
Sources	
OHCS GHAP	\$ 600,000
9% LIHTC Funding	\$ 14,236,076
Perm. Loan	\$ 2,100,000
Total Sources:	\$ 16,936,076
Uses	
Acquisition Cost	\$ -
General Costs	\$ 1,566,045
Financing Costs	\$ 1,320,966
Construction Costs	\$ 12,175,072
Reserves & Lease Up	\$ 134,941
Developer Fee	\$ 1,739,052
Total Uses:	\$ 16,936,076

Gap: \$ -

Budget			
	Assumption	Budget	Budget / Unit
			48
Acquisition Cost			
Acquisition Cost	No Cost Land Lease	0	0
Sub Total		0	0
General Costs			
Appraisal		10,000	208
SDC	City SDC Exemption	0	0
Building Permits		384,000	8,000
Review & Inspection Fee		50,000	1,042
Architecture & Engineering	7%	814,545	16,970
Utility Distribution Engineering		100,000	2,083
Survey		30,000	625
Legal		75,000	1,563
Environmental		10,000	208
Utilities		7,500	156
Miscellaneous		5,000	104
Soft Cost Contingency	5%	80,000	1,667
Sub Total		1,566,045	32,626
Financing Costs			
Construction Loan Fee		87,500	1,823
Perm Loan Fee		10,000	208
OHCS Application Charges (9%LIHTC)	9.5%	162,625	3,388
Closing Cost (lender legal, title insurance, recording fees)		75,000	1,563
Construction Interest Exp.		985,841	20,538
Sub Total		1,320,966	27,520
Construction Costs			
Site Development		2,880,000	60,000
Vertical Construction		7,894,400	164,467
Design/Inflation Contingency	8%	861,952	17,957
Construction Contingency	5%	538,720	11,223
Sub Total		12,175,072	253,647
Reserves & Lease Up			
Lease-up Cost		24,000	500
Operating Reserve		110,941	2,311
Sub Total		134,941	2,811
Developer Fee			
Developer Fee	12%	1,739,052	36,230
Total Development Cost		16,936,076	352,835

DEAL STRUCTURE AND FINANCE

FUNDING SOURCES

DevNW proposes to finance the initial phase of affordable rental housing through a combination of funding sources. These include 9% Low Income Housing Tax Credits (LIHTC), Oregon Housing and Community Services (OHCS) GHAP grant funds, and a permanent loan using Oregon Affordable Housing Tax Credits (OAHTC). Additionally, our financial projections anticipate contributions from the City of Silverton, including a no-cost land lease, waivers for System Development Charges (SDCs), and property tax exemption.

Although not currently reflected in our proforma, DevNW plans to leverage incentives and rebates offered by the Energy Trust of Oregon for implementing energy-efficient measures, as well as tax credits for the installation of solar energy systems. These funding sources, while non-competitive, align with our commitment to sustainability and affordability.

Furthermore, DevNW has initiated preliminary discussions with the Marion County Housing Authority regarding the potential utilization of Project-Based Housing Vouchers for a portion of the units within this development. Initial indications suggest a favorable outlook, prompting DevNW to collaborate closely with authority staff to explore and potentially implement this option.

CITY ROLE IN DEVELOPMENT PROCESS

DevNW proposes that the City provide a no-cost land lease and waivers for System Development Charges (SDCs) to facilitate the development of the project. Furthermore, we suggest the City take responsibility for financing and executing the land partition for the initial phase, encompassing approximately 2 acres. We request the City collaborate closely with our design team to ensure the partition line aligns harmoniously with our building and site design objectives, including provisions for desired outdoor space, ample parking, and appropriate building setbacks.

An integral role for the City would involve championing the project and providing steadfast support in engaging with neighbors and community groups. This includes advocating for the project during funding requests and adeptly navigating and potentially expediting City development, land use, and building permit processes.

DevNW has initiated preliminary discussions with Marion County regarding the availability of HOME or Community Development Block Grant (CDBG) funds that could be utilized for this development. Currently, these funds are exclusively allocated for homeownership initiatives by the county. We believe the City could facilitate discussions with the County to explore the possibility of redirecting HOME funds toward rental housing at the Westfield site. Collaboration between the City and County in this regard could unlock additional resources vital for the success of the project.

DEAL STRUCTURE AND FINANCE

OWNERSHIP

The first phase of affordable multi-family rental housing will uphold a distinct ownership structure as per the City's request to retain ownership of the land. To honor this request, we propose establishing a separate entity—a Limited Partnership (LP)—to own the rental housing development. Under this arrangement, the City will engage in a 99-year ground lease with the Limited Partnership. Ownership of the LP will primarily be held by the Limited Partner (Tax Credit Investor) at 99.99%, with a minimal 0.01% ownership held by the General Partner (DevNW).

Additionally, DevNW has initiated discussions with the Marion County Housing Authority regarding potential participation as a Special Limited Partner within the ownership structure. This arrangement would grant them a fractional ownership stake in the project, facilitate negotiation for a portion of the developer fee, and enable the project to benefit from property tax exemption. The Housing Authority has shown interest in similar partnerships with other developers for affordable housing initiatives, indicating a promising opportunity for collaboration at the Westfield site.

Should the remaining 5 acres be developed as Community Land Trust (CLT) homes, DevNW anticipates navigating complexities stemming from the City's retention of land ownership. Typically, in the CLT model operated by DevNW, the CLT owns the land and common areas, while homebuyers acquire the homes and pay a lease for the land. The land lease needs to be a renewable 99-year lease, so that the owner's right to the land is never jeopardized. Collaboration with the City will be essential in determining the optimal ownership structure for this segment of the development.

The CLT model being used is innovative in ensuring permanent affordability of these homes in perpetuity. This model incorporates permanent income restrictions and imposes resale price limits, safeguarding long-term affordability. Upon resale, the new sales price is determined by a formula encompassing the homeowner's base price, any "qualified capital improvements" stipulated in the ground lease, and the homeowner's 25% share of the change in appraised value since their purchase.

DevNW employs this model to maintain affordability of CLT homes for subsequent generations of buyers while affording each homeowner to benefit from a portion of the appreciated value. The goal is to ensure these homes remain accessible to families who would otherwise be priced out of the market.

DEAL STRUCTURE AND FINANCE

SITE INFRASTRUCTURE

DevNW proposes to pay for site infrastructure (the extension of Davenport Ln and utilities to service the first phase of rental housing) through the combined sources listed in the proforma (9% LIHTC, OHCS GHAP grant funds, and a perm loan).

Another possibility is to apply for CDBG funding just for the Davenport Ln road extension. CDBG triggers prevailing wage rates so we would need to determine if prevailing wage rates would apply to just the road extension costs or if it would apply to the entire housing development. Marion County staff indicated that they typically fund up to \$350,000-\$500,000 in CDBG funds per project.

If the City has access to other funding that can be used for the road extension, DevNW is open to exploring the viability of other sources.



PREVAILING WAGES

The deal structure presented in our proforma will not require BOLI prevailing wage rates for this development.

If CDBG or other federal funding is used, federal Davis-Bacon wage rates would apply. This could increase the projected construction costs by roughly 10%.



DEAL STRUCTURE AND FINANCE

LIKELIHOOD OF FINANCING

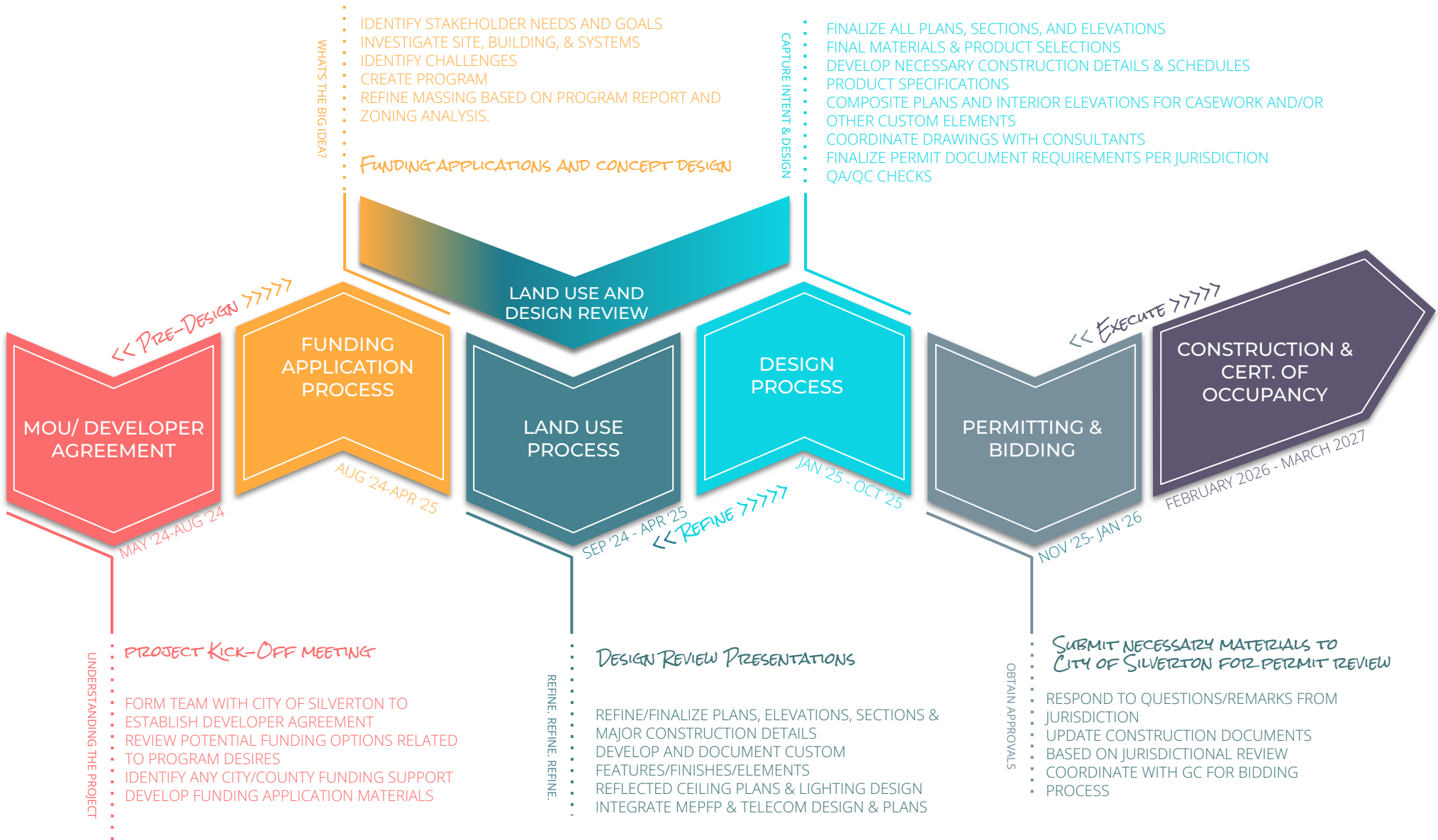
OHCS is introducing a new funding application process in 2024, moving away from the traditional NOFA (Notice of Funding Availability) format confined to a specific time of the year. This innovative approach will involve multiple steps and technical assistance from OHCS staff as we navigate through the development process. The aim is to ensure the financial structure and assumptions are robust, and there is greater amount of surety, as we progress through the stages of development.

Unlike the conventional method of submitting an application and waiting for a year if unsuccessful, this new process offers flexibility. It will be an open-ended procedure, allowing for preliminary funding commitments early on. We can then collaborate with OHCS as we move through our development process and milestones until we secure a final commitment and close on the financing.

Although 9% LIHTC is unavailable in 2024, it is slated to return in 2025. While the scoring criteria will differ in this new application process, we believe, based on the criteria from the 2023 application for 9% LIHTC and our understanding of this new process, that this funding would align well with our project. The main unknown lies in the criteria related to local funding commitments, which OHCS anticipates, particularly from HOME Participating Jurisdictions. This requirement applies to all projects in Marion County, given its allocation of HOME and CDBG funds. We will collaborate with the City, County, and OHCS to ensure the appropriate level and type of funding is secured.

Another potential funding avenue from OHCS could involve utilizing LIFT Rental funding. However, with no 4% LIHTC and Private Activity Bonds currently available to complement LIFT funds, this option appears unlikely. DevNW's financial model projected a significant gap exceeding \$1.5 million when considering LIFT funds from OHCS alone, owing to existing assumptions regarding allowable LIFT subsidies per unit. Should these assumptions or other factors change, the extensive LIFT resources available at OHCS could present a viable funding avenue.

SCHEDULE AND TIMING



PUBLIC OUTREACH/ENGAGEMENT PROCESS

OUR GENERAL APPROACH

Public outreach, engagement, and education are crucial components of any affordable housing development. Here are some general concepts that would guide your approach:

1. Transparent Communication: Ensure transparency throughout all stages of the project, from planning to implementation. This includes providing clear information about the goals, timelines, and decision-making processes involved in the development. Maintain open and honest communication with the community, providing regular updates on the progress of the project and addressing any concerns or questions that arise.

2. Community Engagement: Actively engage with community members, stakeholders, and local organizations throughout the project, seeking input and feedback at various stages. This could involve holding community meetings, small stakeholder meetings, or establishing advisory committees to ensure that community voices are heard and considered in decision-making. DevNW recognizes the diversity within the community and will tailor outreach strategies to reach different demographics effectively. We will utilize various communication channels, such as social media, local newspapers, and community newsletters, to ensure broad engagement.

3. Education: Provide opportunities for education about affordable housing, including the benefits it brings to the community, while addressing common misconceptions and dispelling myths. DevNW would offer information sessions at community meetings to help residents understand the importance of affordable housing and how they can get involved.

4. Inclusivity and Equity: Prioritize inclusivity and equity in all outreach efforts, ensuring that marginalized voices and underrepresented communities are heard and valued. Create opportunities for meaningful participation and engagement for all residents, regardless of socioeconomic status.

5. Collaboration and Partnership: Forge partnerships with local stakeholders, including government agencies, nonprofit organizations, faith-based groups, and educational institutions, to leverage resources, expertise, and community networks. By working together, we can address the complex challenges of affordable housing development. DevNW has already engaged with several government agencies and community organizations to inform our development proposal thus far. We look forward to continuing to build those relationships and collaborating to ensure that this development meets the needs of the community.

6. Long-Term Success: DevNW is dedicated to maintaining meaningful relationships with the community and neighbors throughout the lifespan of the project, fostering trust, and nurturing a sense of shared responsibility for the community's well-being. Being a good neighbor as a developer of affordable housing involves actively engaging with the community, maintaining open communication, collaborating with local organizations, empowering residents, promoting social integration, and sharing resources. This long-term approach ensures the continued success and sustainability of the affordable housing project.

PUBLIC OUTREACH/ENGAGEMENT PROCESS

DEVNW AND CITY PARTNERSHIP

DevNW envisions a collaborative approach to outreach, where city officials and staff work alongside our team to engage with residents and stakeholders in meaningful dialogue about the project.

Prior to Formal Development Agreement:

1. Initial Discussions: Seek feedback from city staff and representatives to understand their priorities and concerns regarding our proposal and assumptions of financial commitment. Engage with city planning, permitting, and public works staff to identify development challenges, city processes and timelines, and opportunities for collaboration, especially regarding the Davenport road extension design and construction.

2. Community Meetings: Collaborate with the city to organize community meetings or workshops aimed at informing residents about the proposed development. Address questions and concerns raised by community members and gather input to refine the project plan.

3. Stakeholder Engagement: Work closely with city staff to identify key stakeholders, including neighborhood associations, business groups, and advocacy organizations. Access city's communication channels, such as newsletters, social media platforms, and community calendars, to promote community meetings and events related to this project. Establish regular communication channels and opportunities for dialogue to ensure diverse perspectives are considered in the planning process.

4. Feedback Incorporation: Continuously incorporate feedback received from the city and community into the project design and development plans. Demonstrate flexibility and a willingness to adjust the proposal based on input from stakeholders.

After Formal Development Agreement:

1. Public Meetings: Participate in public meetings if required by the formal development agreement process. Present updates on the project's progress, address any concerns raised by city officials or residents, and provide transparency about next steps.

2. Regular Progress Updates: Maintain regular communication with city representatives through progress updates, reports, and meetings. Share milestones achieved, challenges encountered, and strategies for addressing them to keep all parties informed and engaged.

3. Community Events and Engagements: Continue to engage with the community through various events and initiatives, such as neighborhood meetings, informational sessions, or volunteer opportunities. Foster a sense of ownership and pride in the project among residents by involving them in its implementation.

4. Mitigation and Issue Resolution: Collaborate with the city to address any issues or concerns that arise during the development process, such as zoning challenges, infrastructure needs, or community opposition. Work together to identify solutions and mitigate potential impacts on the project's timeline or budget.

5. Celebration and Recognition: Celebrate project milestones and achievements with the city and the community to acknowledge progress and foster positive relationships. Recognize the contributions of city officials, staff, and community members who have supported the project's success.

Working together with the city is critical for the success and acceptance of this affordable housing development.

OTHER ISSUES: TOP 3 CONCERNS

1. SITE CONDITIONS

The site's conditions present significant uncertainties at this stage. If awarded this project, our immediate priority will be to conduct a comprehensive environmental assessment and a thorough geotechnical study. These assessments are vital as they will reveal any hidden conditions that may necessitate mitigation measures. Without a complete understanding of the site's environmental factors, we cannot confidently proceed with development plans.

Furthermore, without the completion of a geotechnical study, our ability to finalize site development costs is constrained. We are cognizant of the prevalence of Columbia River Basalt under Silverton, a factor that has the potential to significantly impact site costs. This emphasizes the critical importance of conducting a thorough geotechnical analysis to accurately estimate project expenses.

Additionally, the absence of a site survey raises concerns about potential unidentified elements such as easements and topographic constraints. Without this essential information, we acknowledge the possibility of encountering unforeseen obstacles during the development process.

2. SITE INFRASTRUCTURE

Connectivity to public and franchise utilities will require creativity and cooperation between DevNW and the City. We recognize the necessity of establishing a Lift Station and forced main sanitary sewer installation to meet the recommended sewer tap connection requirements to existing infrastructure at Main/Davenport. Plans entail extending electrical service and franchise utilities to Davenport Dr to cater to Phase 1 requirements. Additionally, the management of treated Stormwater will involve routing it through the land earmarked for Phase 2 development, linking it with the current stormwater infrastructure on Main St. Thoughtful consideration for the future volume of Stormwater generated during Phase 2 development must be factored into the Phase 1 installation to facilitate straightforward future connections to the installed stormwater conveyance system.

Ensuring vehicular and emergency vehicle access demands close cooperation between DevNW and Traffic Control/Local Fire Department. The Fire Department turnaround has been incorporated into the parking area in the Phase 1 conceptual design. However, provision for a secondary emergency access may be warranted, potentially connecting to Main St at the southeastern corner of the

property designated for Phase 2 development. The location of this access point, if not constrained to a specific spot, could significantly impact later phases of development. Thus, careful consideration is necessary to ensure seamless integration with the overall development plan.

Building upon the precedent established by the partial extension to Davenport Dr, DevNW proposes to continue the half-street improvement of Davenport, extending it to the northwest corner of the development. If the City requires a full street improvement, we would work with the City to see if additional local funding would be available to help with that increase in infrastructure costs.

3. POTENTIAL WETLANDS

We are concerned about potential costs linked to wetland mitigation if DSL approval is not received. Our design adjustments were made assuming a positive review from DSL, indicating no wetlands on site. If the DSL review isn't favorable, it's likely site density would decrease, or we would need to incur extra expenses for wetland mitigation, provided suitable off-site wetlands are available for credits.



The **quality of relationships** we build with the people we serve is fundamental to the quality of design we provide.

Restoring **equity** and broadening **affordability** in the housing system is our key mission and focus, and we're working to challenge the conventions that prevent the fundamental changes our communities need.

We've designed our practice around this goal, tailoring everything we do to improve **cost efficiency**, enrich **design quality**, and maximize **health, joy and livability** for the individuals and families who call our projects home.

We don't just talk collaboration, we **actively empower** residents, citizens, policy makers, owners, contractors, students, and advocates to help us make design better, **restoring community and the planet** we share.

We love the challenge of affordable housing, and the opportunity it gives us to **stretch creativity** discovering better solutions with **bigger impact**.

CITY OF SILVERTON
RFP – WESTFIELD SITE

April 9, 2024

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DESIGN



DESIGN NARRATIVE



COMMUNITY INFORMED DESIGN APPROACH

Our proposal aims to be a reflection of the community's desires for a beautiful, creative, and ADA-accessible building design that blends seamlessly with the City's aesthetic, while preserving the natural ecology that gives Silverton its unique identity. Inspiration of the design style draws from the Victorian vernacular that is emblematic of Silverton residences. Simplified articulation of ornamentation, utilizing narrow forms, steep pitched roofs, arched windows, and covered porches is a fresh take on a traditional residential style.

By additionally incorporating Universal Design principles into our placemaking strategies, we have created gathering spaces, informal indoor and outdoor meeting areas, a community room with a kitchen, and outdoor seating areas that are welcoming to all individuals. Our design process fosters a sense of community and inclusivity, empowering residents to participate in the design and to build a communal life.

SUSTAINABLE FEATURES

Our commitment to sustainability is evident in the building's features, which include energy-efficient appliances, 100% electric building systems, solar panels and lighting, passive solar design, trees for natural cooling, mini-split heating/cooling, and EV hookups on site. By prioritizing these features, we have ensured the building's longevity and efficiency for years to come.

Sustainable design approaches include:

- **Sustainable and passive house strategies** will improve health and wellness and reduce the energy and carbon footprint. Durable materials will be considered for maintenance and the overall live-cycle costs.
- **Energy, air, and water conservation** through implementation of strategies around envelope design, energy and water conservation and improved indoor air quality. The team will utilize early phase energy modeling to evaluate options and understand life-cycle costs.
- **Renewable energy strategies** to integrate a roof-top solar array and EV-ready parking. Various incentives and grants will be pursued to support these initiatives. We have a track record for successful intergration where others have found this as a funding burden.
- **Proposed systems and appliances will be all electric**, eliminating the need for natural gas in the project.
- **Maximizing repetition and building types** to generate an economy of scale and efficient use of materials to minimize waste. Prefabrication will be considered where possible to reduce labor costs and improve construction schedules.

Refer to page 14 for Environmental and Sustainable goals.

LANDSCAPE NARRATIVE

OUTDOOR ENVIRONMENT

Silverton is a community that values access to rich natural resources and public amenities. Our team understands that the new community should be a reflection of this value. We aim to provide beautiful and sensible site design through partnership with local landscape architect, Laurus Designs. Our proposal connects people of all abilities to nature and provides safe and healthy spaces for kids to play, learn, discover, and sets a scene for educational opportunities in the outdoors.

A centralized community garden celebrates the ecology of the region while providing an educational opportunity for residents of all ages. Meandering leisure trails connect the community, stitching nodes of smaller community pockets to one another. The development is surrounded by varying and amenity-rich spaces for placemaking and includes covered and uncovered outdoor seating, and a centralized community garden, and more intimate settings created through pavilions. While our proposal expresses the intent of placemaking concepts, the authors of the final design will be the community through focus groups.

DEFENSIBLE SPACE & FIRE RESISTANT DESIGN

Over the last several years the risk of wildfire across our region has increased, in particular for communities at the edges of the wildland-urban interface. The Westfield site is at a higher risk than some other areas of Silverton due to the proximity to the creek and associated vegetation.

Our proposed approach to the projects design includes Class A roof covering, metal roof valleys, metal gutters and downspouts, protected roof eaves, 1-hour exterior walls with non-combustible fiber cement siding and trim, no crawl spaces, non-combustible windows and doors. The residential structures and community building will include fire sprinkler systems.

A fire buffer around each building will be provided and landscaping will be native, drought resistant, and thoughtful in fire resistant design. Additionally, fire resistant landscaping will be addressed with ongoing maintenance of the landscape, keeping trees trimmed and free of deadwood, landscape free of leaves and needles.

ENGAGEMENT PLAN FOR OUTDOOR SPACES

For community engagement sessions focusing on design input of outdoor spaces we plan to implement the following principles:

Engage with the community. No one knows a place’s problems, weaknesses, and strengths better than the community itself. Identity and vision become the products of community engagement. Engagement will create a sense of belonging and pride, further promoting collaboration and collective thinking.

Establish a shared vision. It’s important to establish a shared vision with the community for the place that must be based on its real identity. Our team will align this vision with place identity and ensure its support by all stakeholders.

Think beyond structures. Structures can be understood as the immobile aspects of a place, its buildings, its architecture, and its landscape. We believe a place is much more than that. People bring unique experiences and cultural perspectives and activities give life to the place. This in turn creates the identity. A good place doesn’t need new products, just a good program of activities or the promotion of existing cultural characteristics.

Read more about our comprehensive community engagement plan on page 27.



PHASE 1 SITE PLAN



SITE DESIGN. The site is organized around a circulation axis, linking the housing and outdoor spaces from east to west with sidewalks and vehicular circulation running north to south in the development. The proposed north/south circulation will connect in a loop in phase 2 of the project. The east/west trail is flanked by the residential buildings and several open spaces, each with unique character. Amenities include pavilions for community gathering, play spaces, open green, community garden, and generous seating

INGRESS/EGRESS. The project provides vehicular ingress egress from Davenport Lane. For pedestrians, differentiating surface materials provides visual interest while creating easy wayfinding for pedestrian specific paths. We minimized the distance residents must travel when parking by segmenting the site into thirds.

PARKING. Parking is located along Davenport Lane and along the interior streets for a total of 61 stalls. This move allows for greater density of units on site while providing much needed parking for residents. Parking stall to unit ratio is 1.6:1

PERSPECTIVE OF OPEN AREA



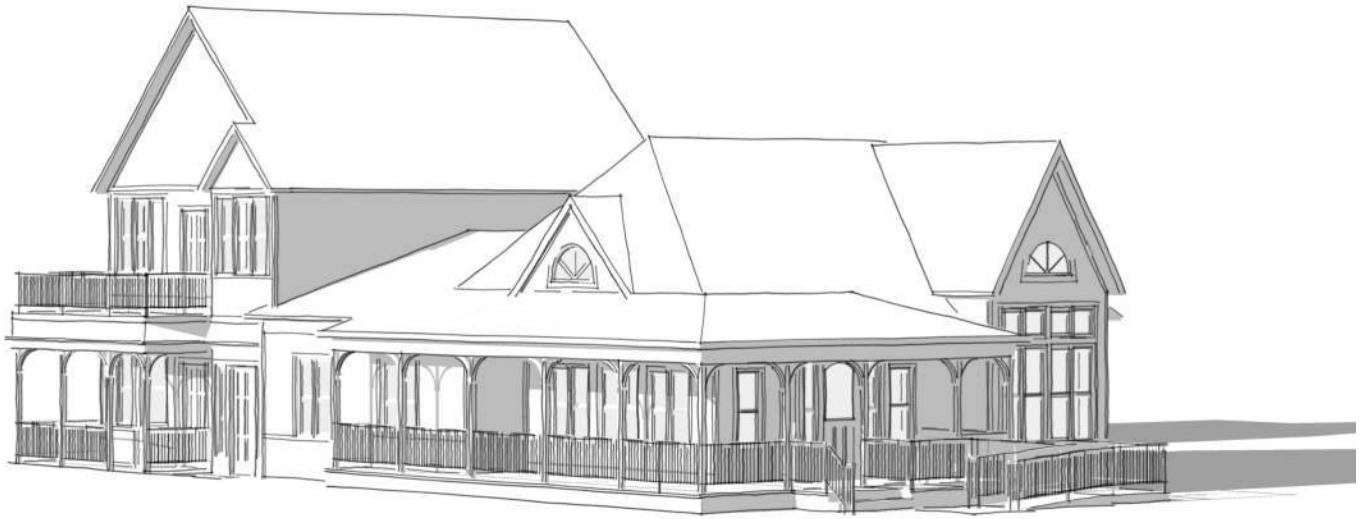
VARIETY OF PLACEMAKING. A variety of private and reflective spaces are scattered around the site and in between buildings. They are organized as focal points in front of communal porches stitched together through meandering paths. These play, gathering, and reflective spaces will provide private and safe areas for residents to get to know one another.

PERSPECTIVE OF COMMUNITY BUILDING



CENTRALIZED COMMUNITY BUILDING. At the center of the development we have proposed a community building. The community building will serve as the heart of the development with adjacent open space all linked along a central trail connecting the development east and west. Within the community building residents will have access to a management office, resident services office, central laundry, and a community room with kitchen and gathering space. The outdoor area adjacent to the community room will include barbecues, a community garden, and picnic seating.

BUILDING ELEVATIONS AND BUILDING TYPES



^ COMMUNITY BUILDING

The East to West pedestrian trail converges at the centrally located community building. Above is a concept rendering of the community building taken from a view from south east corner. There is an attached duplex with stacked flat 2-bedroom units on west side of building. A wrap-around porch provides covered community gathering space at the lower level of the community building that's adjacent to open area and community garden to the east side. The small footprint that is created by adjoining the community building and the duplex reconciles the existing grade more efficiently.

∨ RESIDENTIAL BUILDINGS

The approach taken for designing the residential buildings is to complement the scale of the varying Victorian style homes within Silverton. We are utilizing seven different building types to provide a diversity of floorplans, elevations, and character to the community. All ground level unit, over 75% of the total units, will be accessible or adaptable to people with disabilities to meet the community needs. The following pages illustrate the concept elevations of the buildings types and unit mixes proposed.



Type 1 Duplex Elevation. 1-bedroom + 2-bedroom: Side by side units with covered front porch at grade for accessibility.



Type 2 Duplex Elevation. 2-bedroom units: Ground floor unit with second floor unit access from interior stair at side of unit.

BUILDING ELEVATIONS AND BUILDING TYPES



Type 1 Triplex Elevation. Two 1-bedroom units + 2-bedroom unit: 1-bedroom and 2-bedroom ground floor unit flank a central entry that provides access to an interior stair for the second floor 2-bedroom unit.



Type 1 Fourplex Elevation. Three 1-bedroom units + 3-bedroom unit: 1-bedroom ground floor units flank a central entry porch that provides access to an interior stair for the second floor 1-bedroom and 3-bedroom units.



Type 2 Fourplex Elevation. Two 2-bedroom units + two 3-bedroom units: 2-bedroom ground floor units flank a central entry that provides access to an interior stair for the second floor 3-bedroom units.

PHASE 2 PROPOSAL

CONCEPT SUMMARY

Our proposal envisions the development of phase 2 as a continuation of clustered groupings of residences around pockets of greenspaces with plentiful meandering trails. The hiking trails make use of the undevelopable wetland buffer that consumes and restricts much of the remaining 5 acres of the Westfield site. Roads and crossing are allowed to be built over wetlands with considerable cost implications that we would like to review with the city when the time comes.

The vision for phase 2 provides an additional 24 units though 9 additional buildings as a mix of duplexes and triplexes organized along the northeast of the Westfield site. To the southeast, 9 single family homes with attached carports are proposed. The scale of residences in phase 1 and phase 2 intentionally provide a cohesive and complementary scale for these single-family homes to provide a diversity of building types and homeownership. A total of 66 additional parking spaces, not including private carports are proposed for phase 2. The parking to unit ratio for would be 2.5:1. As a project total, the parking to unit ratio is 1.9:1 for phase 1 and 2 combined.

By accessing W. Main St we can provide fire access to the south side of the site with limited environmental impacts and a lower carbon footprint by using significantly less construction materials such as concrete. Access to W. Main Street is proposed while the RFP states access to W. Main St. is challenging. We think it is a worthwhile discussion to have about access versus environment. As an alternative approach, looped vehicle access connecting the north and south roads would be required if access to W. Main Street could not be achieved.

Connecting trails from the skate park could be a potential collaborative effort with the City, effectively connecting the recreation facilities in the northeast to the wetlands as a public park though private and public ownership.

“Our development team consists of BIPOC-owned businesses, leveraging expertise through local consultants including 7Oaks Engineering and Laurus Designs based in Silverton”

SITE UTILITY SUMMARY

For phase 1 and 2 we have partnered with 7Oaks Engineering, a Civil Engineering firm based in Silverton. They have provided the following site utility summary for the phase 2 proposal:

WATER. We have assumed that the City will require the line in W. Main Street to be extended at least to the project boundary, we understand the city may further require it along the full frontage. The City may also require the line to be extended down Davenport Lane and looped through the site in a public easement and back up to W Main Street in Phase 2.

SEWER. With the location of the property, sloping away from both W Main Street and Davenport Lane a sewer lift station has been assumed.

STORMWATER. Based on area soil conditions, we have assumed on-site infiltration is not feasible. Stormwater is proposed to discharge to the creek provided we don't increase the runoff from Pre to Post Development. Alternatively, on-site stormwater basins at the south & west edge of the property can be accommodated by either require additional site area or a reduction to some combination of program, open space, parking or building area.

PHASE 2 UNIT TYPE AND QUANTITIES

TYPE	1 BR	2 BR	3 BR	TOTAL
Rental Units	12	14	0	26
Single Family Dwelling		9		9
TOTAL FAMILY-SIZED UNITS				23
TOTAL UNITS				35

PHASE 2 COMMUNITY AMENITIES

AMENITY	SQFT/QUANTITY
Developed Buildings	33,664 SQFT
Open Space	175,185 SQFT
Parking Stalls	66

MASTER PLAN - PHASE 1 & 2



DESIGN INTENT AND GOAL. Our masterplan envisions the development of phase 2 as a complementary extension of the scale of building types, amenities, and circulation of phase 1. Unique to phase 2 is the inclusion of single-family dwelling units to provide a diversity of home inventory in the City and an opportunity for homeownership. Rental units are clustered to the north to maintain a cottage style community feeling.

LIMITATIONS OF PHASE 2 SITE DESIGN. The developable area of phase 2, based on the wetland information, is fairly limited. The wetland report provided by the City contends that the stream on the site is interment and non-fish bearing. For this reason, we have based the design of phase 2 maintaining a 50-foot buffer zone along each bank conforming to state requirements of non-fish bearing streams. As you can see, this undevelopable buffer consumes much of the site. We believe, however, that an encroachment into the buffer to provide vehicle crossing of the stream is worthwhile and allows a connection of the buildable zone to the south. A park, with hiking trails make use of the wetland buffer zone which can be open to the greater community to enjoy.

PROGRAM



PROGRAM SUMMARY



HOUSING UNIT MIX AND AFFORDABILITY

Our proposal will offer apartments that will be affordable to households earning 60% and below the Area Median Income (AMI). The project proposes 37 total units, with 9 one-bedroom, 22 two-bedrooms, 5 three-bedroom units including an on-site managers unit through a mix of duplexes, triplexes, and fourplexes. State funding sources require that rent be restricted to individuals or families making 60% AMI. 27 (72%) of the apartments will be 2- & 3-bedroom units to assist the goal of providing family sized affordable homes that are multigenerational, multicultural and catering to a variety of income levels.

Our expertise and passion is serving a mix of individuals and families experiencing financial needs. Additionally, our proposal shows our commitment to accessible development with over 75% of the total units being ADA accessible or adaptable for persons with disabilities. We hope to partner with the Marion County Housing Authority to coordinate access for additional rental assistance programs and needs for permanent supportive housing, given the opportunity. See unit mix and affordability matrix to below for more information.

PHASE 1 UNIT TYPE AND QUANTITIES

TYPE	1 BR	2 BR	3 BR	TOTAL
60% Units	9	23	5	36
TOTAL FAMILY-SIZED UNITS				28
TOTAL UNITS				37

PHASE 1 COMMUNITY AMENITIES

AMENITY	SQFT/QUANTITY
Developed Buildings	32,786 SQFT
Open Space	43,063 SQFT
Community Room	1,7180 SQFT
Parking Stalls	61

RESIDENTIAL AMENITIES

The approach to resident amenities is to provide shared amenities as great as possible to maximize units and promote community gathering. Employing Universal Design Principles in these common areas will ensure access to supportive services. Universal Design Principles include providing wide pathways, generous maneuvering space, increased access, and a comprehensive, clear wayfinding system. Additionally, public restrooms will be gender neutral to respect all identities.

Central to the site will be a community room which will host supportive functions including a waiting lobby, an office for the property manager and resident service coordinator. The community room itself will be outfitted with a public kitchen to host life-enriching and supportive workshops. Its close adjacency to the outdoor community garden provides a great opportunity for cooking demonstrations and other health and wellness focused activities.

Additional building amenities and features include:

- **Flexible indoor and outdoor common spaces** with shared uses to maximize opportunities for changing needs. This includes outdoor pavilions, walking trails, and covered and uncovered bike parking
- **On-site Laundry facilities** to maximize efficiency and ease for residents
- **WiFi in common spaces** to connect residents to the web so they can pay bills, help children with schoolwork, or just to have access for recreational browsing.
- **On-site Parking** with a ratio of 1.6:1.
- **Community event space** with food prep kitchen
- **Resident Service Offices** for 1:1 meetings.
- **Communal porches** for building specific residents.
- **Bike Parking** that is covered and uncovered.
- **Centralized trash** for convenient management

BUILDING NARRATIVE

OVERALL DESIGN APPROACH SUMMARY

The project pursues a human-centered approach that considers both universal and accessible design principles through an outcome-based design process for both the site and building. The result is 13 buildings that will provide 37 new affordable units that respond to the context of the Silverton community.

The buildings will be oriented around a central community building. This is done to anchor the site and provide spacial wayfinding to establish a pedestrian presence and scale. We are proposing to divide the site into three components separated by two roads oriented north to south. This layout maximizes parking opportunities and distributes parking more evenly for resident's convenience. To further improve the pedestrian circulation and experience we are including pedestrian trails connecting the site east to west.

SITE DESIGN AND AMENITIES

The site is intentionally laid out to maximize development opportunity and to provide a balance of adequate parking, but additionally, to provide ample landscaping and open spaces. Our primary strategy for designing the site is to provide a wide variety of open and accessible spaces for gathering, including covered and open seating, a community garden with raised beds, native plant landscaping, nature-based accessible playgrounds, pavilions, picnic structures, pedestrian trails, and a thoughtful consideration to fire resistant landscape design. The result is sculpted residential spaces and outdoor amenity areas that balance public and private experiences.

ART APPROACH AND GOALS

Our art approach begins with the understanding that the built environment represents an opportunity to cultivate community and identity. Art will play a pivotal role in achieving these objectives by infusing spaces with vibrancy, color, culture, and social interaction. Our art goals are to integrate art seamlessly into the fabric of the development, reflecting the unique character of Silverton while promoting inclusivity and creativity. This will be done by a combination of murals, paintings, or sculptures to create focal points for social interaction.

Additionally, we will involve the community in the art selection process when feasible to create ownership and pride among residents. We will solicit talent from the local community to express the cultural heritage of Silverton through artwork that reflects its history, traditions, and values.

ENVIRONMENTAL SUSTAINABILITY GOALS

Our proposal consists of the following sustainability goals and features:

SITE DESIGN. Designed with Pedestrian Circulation prioritized linking residents east/west and to Phase 2 will encourage walking throughout the site and to the broader community.

LANDSCAPE. Adaptive and Native plants will be used throughout the project. Turf will be used in limited areas for resident use all year. The landscape will be irrigated with water efficient systems.

SOLAR ORIENTATION. The majority of buildings are oriented for southern roof exposure to integrate solar PV systems. The units generally integrate large windows for ample daylight within the buildings.

HIGH PERFORMANCE BUILDING ENVELOPE. The building envelope will be designed for high insulation values and air tight design to conserve energy. High efficiency windows and doors will also be included.

HIGH EFFICIENCY APPLIANCES & LIGHTING. All appliances will be Energy Star rated and all lighting will be high efficiency LED fixtures. Lighting color temperature will be designed for residential feel rather than cooler commercial lighting.

ALL ELECTRIC. The development will be proposed as all electric without the use of carbon based fuels. High efficiency electric water heaters will be proposed within each unit.

AIR QUALITY. All units will be equipped with filtered fresh air using heat recovery ventilation systems. The project will also include air conditioning accommodations to allow residents to cool their units even during poor air quality events such as wildfires.

DURABILITY. Interior and exterior materials will be selected for their durability and ability to maintain a high-quality project.

THIRD-PARTY VERIFICATION. A consultant separate from the design and construction teams will provide third-party verification the sustainable design strategies were implemented as intended.

EARTH ADVANTAGE CERTIFICATION of Gold or greater.

SOLAR PANELS. Our project aims provide 100% renewable energy production to fully cover energy demand, not just in common areas. This directly benefits the resident by allowing the developer to cover utility resident bills.



SERVICES NARRATIVE

Hacienda CDC is a unique organization as we are both a developer and service provider which means we have direct access and ability to execute needs identified by residents. As a culturally specific organization, a central piece of Hacienda's mission is to advance equity in access and outcomes to provide services that go beyond housing to support economic and educational mobility for all residents in all ages, cultural backgrounds, languages, and stages of life. The project will include several programs which will allow for enhanced resident services at the property to support and empower a resilient community. Additionally, our financial and digital literacy programs, small business coaching, and housing assistance programs are not exclusive to residents, but open to the larger community.

RESIDENT SERVICES

Hacienda delivers a suite of programs to build on the strengths of our residents and help them achieve their dreams. The Resident Services Coordinators are key to connecting residents to Hacienda's programs. As we get to know the families and their needs, we can provide warm introductions to program staff and help residents enroll. Hacienda will have 1.0 FTE Resident Services Coordinator on site.

Over the years, Hacienda has developed a suite of programs to build on the strengths of our residents and help them achieve their dreams. These programs will be accessible to this community and may include:

PATH TO HOME PROGRAM. Financial coaching and home ownership preparation by Hacienda's HUD-certified housing counselors.

SOWING SEEDS PROGRAM. Hacienda's early childhood education program brings certified parent educators into the homes of families with children age 0-5. Our Early Childhood Educators empower parents to learn about their child's development, help parents meet the needs of their child as they grow and prepare to enter school.

EXPRESSIONS PROGRAM. Hacienda offers out-of-school programming for youth in grades K-8. Students receive academic tutoring, access to enrichment opportunities, parent engagement, and resource identification

ABC'S OF SMALL BUSINESS. Workshops with one-on-one business advisors for financial coaching, access to legal clinics, and access to concept-to-consumer support to foster entrepreneurship and economic development in the city from the ground up.

PROFORMA



CONCEPTUAL FINANCIAL ANALYSIS

SOURCES AND USES SUMMARY

Sources	Total	Per Unit	Site A
LIHTC Equity	6,732,000	100,478	6,732,000
Federal Energy Credits	80,100	1,196	80,100
Permanent Loan	3,126,147	46,659	3,126,147
ORMEP	200,000	2,985	200,000
Energy Trust of Oregon	20,000	299	20,000
OHCS LIFT	7,200,000	107,463	7,200,000
Deferred Developer Fee	1,000,000	14,925	1,000,000
CDBG Funds	1,154,294	17,228	1,154,294
SDC Waiver	903,231	13,481	903,231
TOTAL SOURCES	20,415,772	304,713	20,415,772

Uses	Total	Per Unit	Site A
Acquisition	1	0	1
Construction	13,250,000	197,761	13,250,000
Soft Costs	2,699,091	40,285	2,699,091
Financing Costs	1,233,362	18,408	1,233,362
Reserves	233,318	3,482	233,318
Developer Fee	3,000,000	44,776	3,000,000
TOTAL USES	20,415,772	304,713	20,415,772

Surplus /(gap):		(0)	(0)
	Construction loan amount	8,100,000	
	Bond amount	8,090,000	

PROJECT PROFORMA

PLEASE SEE DIGITAL ATTACHMENT FOR PROFORMA WORKBOOK

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DEAL STRUCTURE AND FINANCE



DEAL STRUCTURE AND FINANCE

PRIMARY FUND SOURCE PURSUED

Affordable housing is prevalently funded with Low-Income Housing Tax Credit (LIHTC) Bonds, which are allocated by the federal government annually to the states. In Oregon, Oregon Housing and Community Services (OHCS) administers and awards these funds, among other federal and state funding sources. These LIHTC funds are separated in two different categories; 9% LIHTC, which are more competitive due to the high subsidy benefit, but limited award candidates; and 4% LIHTC, which has a larger pool to draw from, but with a smaller subsidy benefit. These LIHTC credits require affordable housing to serve individuals and families making 60% Annual Median Income (AMI) and below. Affordable Housing relies on these sources of equity, because without them there would not be enough income generated at the properties to support the project debt on the property or to attract private market investors.

For 2024, there are no 9% or 4% tax credits available for disbursement. However, we expect that there will be tax credits available in 2025 and 2026. The timing for this project, however, aligns well with the funding sources. Predevelopment activities, including architectural drawings, bidding, permitting, land use review, environmental review, etc., would position this project for a 2025 or 2026 tax credit allocation. However, there are 2024 allocations of predevelopment grants and capacity building grants that Hacienda, as a non-profit culturally specific developer, would be able to apply for and rank competitively high as compared to non- culturally specific developers.

This year, OHCS is reconfiguring the Notice of Funding Applications for tax credits. While this new process, known as the Oregon Centralized Application (ORCA), aims to streamline the application process for all available funding streams, it will certainly present some unknowns for funding distribution. However, ORCA will allow developers to get preliminary approval from OHCS for projects prior to pursuing financing, this in turn reduces the numerous rounds of financial paperwork and wait times for funding to be received. We are excited to see OHCS shifting to a more collaborative approach to affordable housing development.

PROPOSED FUNDING STRUCTURE

For this project, we have are proposed a funding structure that utilizes 4% LIHTC. For funding contingency, we are also considering a 9% LHTC structure, as we do not yet know what the tax credit allocations and changing rules at OHCS will hold in 2025 and beyond.

Our 4% LIHTC deal combines the Local Innovation and Fast Track (LIFT) housing funds from OHCS and a permanent loan, with 37 units of 1-, 2-, and 3-bedrooms at 60% AMI. The permanent loan would be secured from a partner lender. This capital stack is simple and effective and designed for 4% LIHTC and LIFT to harmoniously work together. We will also pursue grants as pertinent to the project such as Oregon Multifamily Energy Program (ORMEP), Energy Trust of Oregon (ETO), and other philanthropic granting opportunities. While its not fair to say for certain that we will be awarded funds from these sources, we can with confidence say that we have a high track record for success. By nature, because Hacienda is a non-profit and culturally specific organization and a community development corporation, we meet many of the funding sources requirements for developer qualifications. Additionally, our MWESB participation percentages of professional firms, contractors, and subcontractors contracted, has historically exceeded project goals. MWESB participation percentages are a requirement and metric measured by the state funding agencies. We believe Hacienda, Salazar, and Colas' high track record gives us an advantage in positioning for fund allocations.

Advantages of our proposed funding structure:

- 4% tax credits are plentiful and available most years.
- The only restriction for potential residents is an income restriction, which verifies financially burdened families receive access to housing.
- There is no occupational restriction unlike under funding sources.
- Funding requirements least complex as compared to other funding sources.
- LIFT funding designed to pair easily with 4% tax credits.
- Availability of credits may lead to a shorter predevelopment timeline.

CONTINGENT/ALTERNATE FUNDING STRUCTURE

As a contingent funding source, we see that 9% LIHTC is a suitable alternative financial structure. While 9% LIHTC has traditionally been competitive, the new OHCS ORCA process, may allow this fund to become more accessible. The benefit of a 9% LIHTC structure grants a deeper subsidy to the property finances, eliminating the need for a secondary, large funding source, keeping the capital stack as simple as possible.

Increased simplicity equates to less burden of applications, compliance, reporting and a potential for a streamlined project financing schedule. Fewer funding sources pursued also leads to less financial risk for the project.

For 9% LIHTC projects, Hacienda typically signs multiyear memorandum of understanding with the land-owning entity to accommodate additional funding cycles to compete for credit allocations from OHCS. Hacienda is however uniquely suited to score well for 9% tax credits as there are separate set aside allocations for Rural and for Culturally Specific organizations. In essence, we would qualify for two different pools of these 9% LIHTC funds, doubling our chances of success.

OWNING ENTITIES

We believe generational wealth is derived from the equity of appreciable assets. In real estate, homes are considered a depreciable asset, while the land they sit on appreciates in value. For this reason, we don't believe a community land-trust model is an appropriate tool for the Westfield site. Instead, Hacienda prefers LIHTC deals which allow for the appreciable assets to remain accessible with community.

The typical entity structure for LIHTC deals involve a formation of a limited liability partnership which gives investors 99.99% ownership of the project and gives the remaining .01% ownership to the non-profit partner, namely Hacienda, for 15 years. At the end of 15 years a financial exit takes place in which the investor exits the partnership and transfers their share of ownership to the non-profit. Some may think this poses an opportunity for non-profits to flip the property for market rate development, but in fact, OHCS requires that deeds maintain a 60-year affordable housing use clause for projects funded. Hacienda's current business model is to hold properties in perpetuity - we want to be a permanent resource for the community!

PROJECT ASSUMPTIONS AT AT GLANCE

For both finance structures, the following financial assumptions were used for our proforma. Please note that these are estimates based on research and Hacienda historical data:

- LIHTC equity pricing at .86 and .89 for energy credits, from consulting with multiple tax credit investors on projected appetite for area and macroeconomic conditions
- Construction loan with 6.25% rate, based on recent property funding.
- Permanent loan with 5.8% rate and 40 year amortization and 1.15 minimum year 1 Debt Service Coverage Ratio, based on recent property funding
- LIFT allocation within OHCS 2023 Rural guideless for maximums per unit size
- Developer fee under maximum 18% of total development costs per OHCS standard for property size
- SDC and waiver estimated by Salazar Architects
- Construction costs estimated by Colas Construction
- Solar costs estimated by size and cost of prior solar installations.
- Other professional and financial service fees based off of current actual development costs, resized for project scope when necessary.
- Rents and incomes based off HUD 2023 schedule for Marion County
- Rents are purposely not reduced by a Utility Allowance, as Hacienda will cover WSG and electric usage over what is produced by Solar Array (no gas)
- Operating costs based on Hacienda current portfolio performance and recent financial analysis of similar rural development in Oregon of \$6,005 per unit per year plus \$450 replacement reserves per unit per year. Operating cost assumes city currently has in place or is able and willing to adopt ORS 307.540 or similar state tax exemption measure for a full property tax exemption.
- Operating reserve sized on 6 months expenses plus debt service per OHCS and investor guidelines.
- Replacement reserve based on \$450/unit; note that this is more than OHCS guideline.
- Inflation for Income and Expenses and Vacancy Rates are in compliance with AHIC underwriting requirements used by tax credit investors and lenders.

ROLE OF THE CITY

The City of Silverton can support the development efforts through a variety of ways. The first is through permitting a full SDC waiver which helps us minimize project costs. SDC fees are typically higher than market rate costs due to additional levels of oversight and due diligence required by state and federal sources.

The second provision would be city council adoption of a 10-year minimum property tax exemption for affordable housing; taxes are our single largest line item in annual operational expenses. As incomes cannot be increased, the only way affordable housing developers can increase property net operating income is by decreasing expenses – however, it is hard to decrease expenses too far without compromising effective programming and property upkeep and quality. Tax exemptions allow us to decrease expenses without decreasing quality. With the decreased expenses, our net operating income increases, which is then leveraged at a 1:15 coverage ratio to increase permanent loan capacity, reducing funding gaps that would otherwise be insurmountable to a minimal or nonexistent level and allowing project financial feasibility.

Lastly, the City can support this development by offering multiple Land Use Review pre-application or working sessions with the jurisdiction having authority prior to the final application at no or low cost. This also contributes to the assurance that the project is truly developed jointly with the desires and concerns of the community. We typically see a need for 1 or 2 pre-application sessions.

Finally, per the RFP, we would ask the city to work with us to apply for CDBG funding for qualified public improvements, as it is our understanding Silverton is not an entitlement community with HUD and would need to compete in the twice-yearly State funding for CDBG.

ASSUMPTIONS ON PRIMARY SITE INFRASTRUCTURE

For assumptions on primary site infrastructure, we are carrying a ¾ Right of Way improvement on Davenport Lane. With the grading of the site showing that it is sloping away from both W Main Street and Davenport Lane a sewer lift station has been assumed. For water utilities we have assumed that the line will need to be extended down Davenport Lane. We anticipate site infrastructure and right of way improvements are an appropriate and eligible expense to utilize community development block grant funds.

For more site infrastructure assumptions refer to page 10.

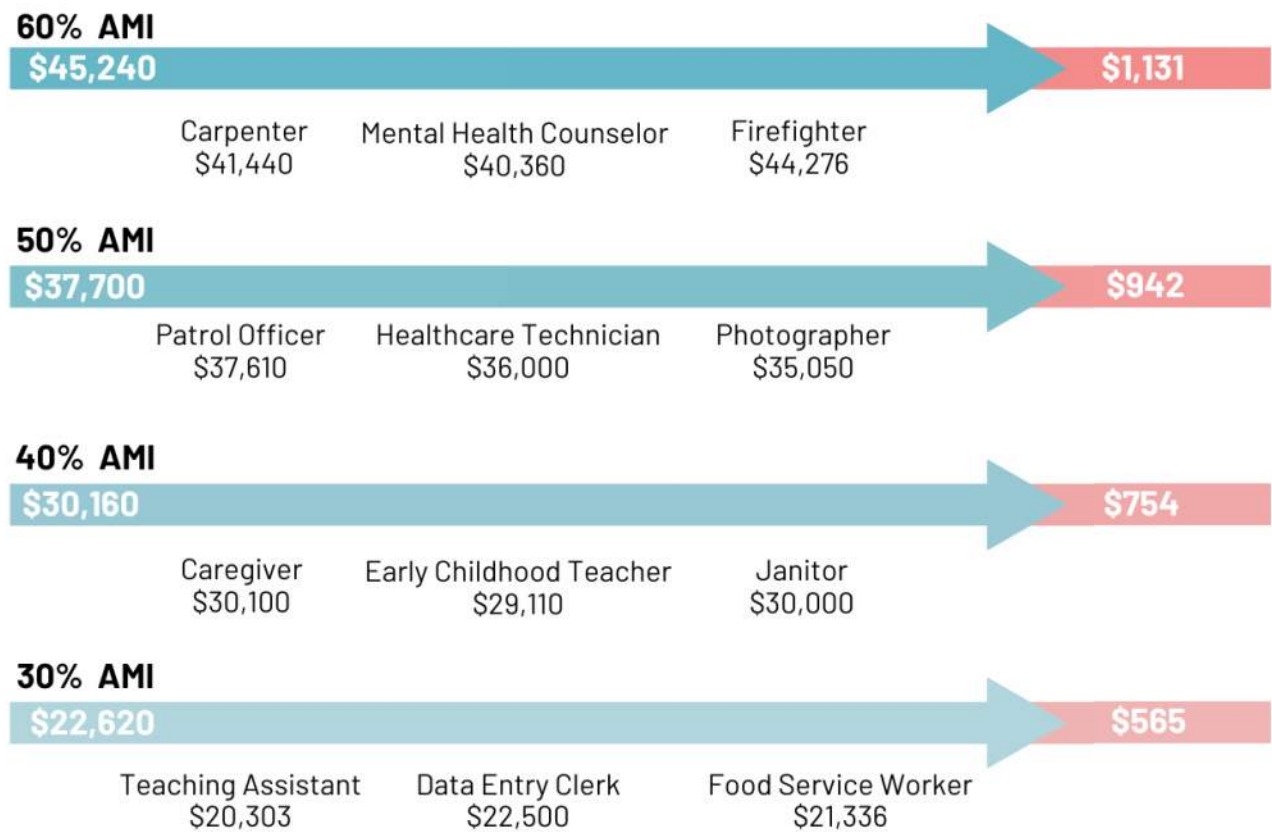
PREVAILING WAGE ASSUMPTIONS

At this time we are not anticipating prevailing wage rates. If BOLI/Davis-Bacon commercial wages are triggered we can expect to add 10% to the total project budget.

ANNUAL MEDIAN INCOME AND RENT AFFORDABILITY

The chart below illustrates examples of the household income levels at 60% AMI and less to convey the affordability and access to housing provided by affordable housing projects utilizing LIHTC funds.

IF A FAMILY OF (4) EARNS THEN THAT FAMILY MAY AFFORD*



*2023 OHCS income and rent limits - Income Limits for LIHTC & Tax-exempt Bonds

TIMING AND ANTICIPATED PROJECT SCHEDULE



ANTICIPATED PROJECT SCHEDULE

Anticipated project schedule assumes an executed award agreement in July 2024.

<u>Pre-Development</u>	
City/Developer Agreements executed	July 2024
Community Engagement Kickoff	August 2024
Design Phase Begins	August 2024
Site Acquisition	September 2024
Site Analysis	September 2024
Design Review (Type I or Type II)	December 2024
Building Permits & Fees Submitted	April 2025
Design Phase Ends/ Plans Completed	May 2025
Building Permit Completed	August 2025
Final Bids	September 2025
<u>Financing Construction Loan</u>	
CDBG Application	January 2025
Proposal	April 2025
Firm Commitment	September 2025
Syndication/Partnership Agreement (LIHTC)	October 2025
Partnership Agreement (LIFT)	October 2025
Closing/Funding of Loan	October 2025
<u>Development / Construction</u>	
Contractor Selected	April 2024
Construction Begins	October 2025
Certificate of Substantial Completion	January 2027
Construction Completed	February 2027
Construction Duration	16 months
Community Engagement Completed	January 2027
<u>Financing Permanent Loan</u>	
Proposal	January 2027
Firm Commitment	October 2027
Closing/Funding of Loan	November 2027
<u>Unit Availability</u>	
Lease Up Begins	January 2027
Lease Up Completed	June 2027
Unit Absorption	8 units per month

OUTREACH AND ENGAGEMENT PROCESS





COMMUNITY ENGAGEMENT

COMMUNITY ENGAGEMENT MODEL

Hacienda and Salazar has been deeply involved in the design and execution of extensive community engagement around affordable housing for many years. Our proven model folds environmental equity, social justice, and policy advocacy into the heart of the process to build people-first, resilient, and lasting communities. Our people-first approach describes community engagement that can be distilled down to “listen and execute”. Our goal is to deepen collaboration between the City, community, and future residents to shape the exterior and interior design of our buildings.

Our engagement strategy will include convening two separate focus groups during each phase of design (SD, DD, CD, CA) so community members and prospective residents can learn more about the proposed design. In fact, because Hacienda will also be the Resident Service Provider, this will lay the groundwork for us to understand the specific needs of future residents, which will be carried not only into the final design, but beyond.

THE CITY’S ROLE IN ENGAGEMENT

The City can have a significant role in this process by identifying and connecting us with community leaders, synchronize press release news and announcements to further broadcast our reach of community engagement events, and hosting neighborhood meeting spaces at public city facilities. The goal of engagement is to arrive at a design that honors the design principles of the City while bringing new perspectives and richness to Silverton.

Hacienda will engage community members around final design elements and amenities as well as future programming on site.

“We believe that a diverse use of methods of community engagement captures a diversity of experience.”

ONGOING ENGAGEMENT

As a way to provide ongoing engagement, we will create a project website so that all who are interested in the project can stay informed. See an example of this by visiting one of our current project’s engagement web page: EngageWithLakeGrove.com

All Hacienda community engagement includes the following main principles that we believe reduce barriers and allow for authentic engagement:

COMPENSATION. Hacienda compensates all community members who participate in community engagement activities as if they were consultants.

LANGUAGE NEEDS AND MULTILINGUAL RESOURCES. We assess interpretation and translation needs before engagement activities. We are committed to hosting both virtual and in-person engagement sessions in multiple languages and providing multilingual resources ensure that non-English speaking individuals can access our services.

MEETING FORMAT AND VIRTUAL OPTIONS. Included in our community engagement effort we plan to provide virtual programming to serve people who may not be able to attend in-person events. Although our projects have successfully instituted virtual community engagement sessions, Hacienda acknowledges that meeting in person is the best way to build relationships and community.

PARTNERSHIP WITH OTHER ORGANIZATIONS. Paramount to the success of our engagement is partnerships with local organizations. Hacienda will first reach out to other local resources and partners to amplify voices, focus reach, and serve specific communities that we otherwise could not.

TOP CONCERNS AND OTHER CONSIDERATIONS

Work about
y Preparedness:
- Outages
how events
ing people from
ng
edia Earthquake
ge of emergency
es

Communication
with neighbors
~~then~~ during
construction
process; Not using
street for ~~off~~ construction trucks

Add
your
thoughts

Designating EV spaces
if residents don't
have EV vehicles
only reduces the
number of spaces
available. Please
think about how to
make these fully
useable

Can families in these
units become
child care providers?
Co-locate child care

ADDITIONAL CONSIDERATIONS

The City has truly identified an auspicious opportunity for affordable housing in the City of Silverton, which is emphasized by its unique access to transportation and close proximity to places of leisure and play. We are enthusiastic about the possibilities and we have assembled a some additional thoughts for the development of this community for the City's consideration.

TOP CONCERNS

RECONFIGURATION OF STATE FUNDING PROCESSES

It's worth noting that Oregon's Housing and Community Services (OHCS) funding programs are undergoing restructuring. While this should streamline the delivery of affordable housing units in Oregon, we think that there will be an inherent disruption to the predictability of funding opportunities. We have additionally heard that there will not be 4% or 9% Low Income Housing Tax Credits allocations for the 2024 fiscal year.

While we can not say for certain that we will be awarded funds for the 2025 fiscal year, we realize that our organization has some advantages over other firms through the new project evaluation standards that will be implemented with the reconfiguration of the OHCS funding process. Project Evaluation Standards require that all projects must meet two of the following: culturally specific organization ownership, BIPOC ownership, plans for BIPOC business utilization, culturally specific resident services, racially equitable tenant population, tenant outcomes by race and ethnicity. Hacienda is proud to say, as a culturally specific houser and service provider, that we meet these requirements!

Our team is committed to navigating the ever-changing funding landscape and we look forward to collaborating and sharing resources with the City through this development.

WETLAND MITIGATION

The wetland report contends the stream is interment and non-fish bearing, until the state accepts these finding there is risk the majority of the Phase 2 property is undevelopable. Typically a minimum 200 foot buffer is required on each bank of a perennial or fish bearing stream, some of which can be intermittent. We have proposed a design based on a 50-foot buffer zone along each bank based on state requirements of non-fish bearing streams. Encroachments into the buffer and crossing the stream will require mitigation which is costly so we have suggested limiting impacts and crossings. The permitting time line for wetland impacts can be long through the state so this is another risk that will need to be monitored as designs are refined, in particular in Phase 2 where crossing the creek is proposed.

STORMWATER

Until a geotechnical report is completed with site specific infiltration testing we can only make assumptions based on past experience in Silverton. We assume infiltration on-site is unlikely so two options would likely be explored. Either a stormwater basin(s) on the west/south side of the site or discharge to the creek (provided we don't increase the runoff from Pre to Post Development). Including on-site stormwater basins may either require additional site area or a reduction in some combination of program - open space, parking, building area.

INDUSTRY WIDE PROCUREMENT DELAYS

The largest concern that would affect the timely delivery of affordable housing units is the procurement period for building products and equipment. Global factors have far reaching effects that disrupt material delivery. While we can't be certain that conditions will stabilize, we can employ several risk management strategies to absorb equipment delays as best as possible.

- Proactive Risk assesment and contingency planning - By developing contingency plans and alternative sourcing strategies, we minimize the impact of potential delays and maintain project momentum.
- Early on-boarding of subcontractors - By involving subcontractors during the initial planning and design phases, we gain valuable insights into project requirements and potential challenges
- Frequent communitcation with vendors - Essential for building trust, we maintain open lines of communication throughout the construction process, and with procurement, subcontractors are provided with timely updates on project timelines, specifications, and any changes or adjustments.

ADDITIONAL CONSIDERATIONS FOR THE CITY

COMPLETION OF DAVENPORT LANE

Our team has budgeted for 3/4 road right of way (ROW) improvement of Davenport Lane in our proforma. While this scope exceeds typical (ROW) responsibility for a developer, there is still a significant stretch of Davenport Lane should be improved. The existing street condition in front of the dog park which provides connectivity to the Westfield site is currently gravel. We'd like to put forward that the City considers improving the gravel road to an asphalt surface. Collaboration with the contractors construction schedule for ROW improvements would certainly lead to a successful and complete street connection.

LOW INCOME HOUSING TAX CREDIT 4% VS. 9%

Our proposal is based on the anticipation of 4% Low Income House Tax Credit (LIHTC) equity award. This tax credit is not competitive which provides a degree of certainty for funding assumptions for the project. This approach allows us to maximize the unit density of the site while also maintaining parking ratio goals of 1.6:1.

Alternatively, our team had also found that a 9% LIHTC approach for financing the project would be feasible. 9% LIHTC tends to generate around 70% of a development's equity while a 4% tax credit generates around 30% of a development's equity. If the project were to pursue a 9% LIHTC proforma this would result in less funding sources required for the project which would in turn provide greater predictability for the fund sources used the caveat is there is greater risk associated with this approach as 9% tax credits are very competitive.

9% tax credits have regional set asides as well as set asides for culturally specific nonprofit developers such as Hacienda, giving a 9% application a unique edge for this competitive credit were we to pursue it. Additionally, the uncertainty of Local Innovation and Fast Track funds available for 2025, which we are holding as an assumption in our current proforma, would position the 9% LIHTC approach as a considerable alternative.

PROJECT PHASING AND PHASE 2 CIRCULATION

The developable area of Phase 2, based on the wetland information, is fairly limited. For long term cost efficiency and to minimize disruption to Phase I residents the utilities for both phases should be master planned and constructed to at least a stub out for Phase 2. This is a costly burden for the Phase 1 project.

Access to W. Main Street is proposed while the RFP states access to W. Main St. is challenging. We think it is a worthwhile discussion to have about access versus environment. By accessing W. Main St we can provide fire access to the south side of the site with limited environmental impacts and a lower carbon footprint by using significantly less construction materials such as concrete.



Davenport Village

Proposal for a New Vibrant Affordable Housing Community
in the City of Silverton, Oregon's Garden City



WESTFIELD SITE
DEVELOPER'S PROPOSAL

SUBMITTED BY:

HOME FIRST + GREEN LIGHT
DEVELOPMENT

04-09-2024

Cover Letter

SUBMITTED TO:

City of Silverton
Attn: Mr. Jason Gottgetreu
Community Development Director
JGottgetreu@silverton.or.us
(503) 874-2212

SUBMITTED BY:

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Dear Mr. Gottgetreu, and the City of Silverton,

We are pleased to submit our proposal to bring 44 units of affordable housing to the City of Silverton.

A natural inclination in development is to maximize a site’s density. With this opportunity, we’ve taken the opposite approach. We sought to balance the benefits of economies of scale against the City’s vision to create a diverse, welcoming community that will fit seamlessly into the neighborhood and the city. While 80 units could fit on the site, we think 44 works better and is consistent with your vision.

Our design team has meticulously crafted a site plan and layout that deviates from the norm of 3-story buildings and long rows of concrete parking lots. Instead, we’ve opted for 2-story buildings nestled amidst organic amenities and discreet parking courts. This design choice creates a welcoming atmosphere for residents and pays homage to the architectural styles found throughout Silverton and our future neighbor, the Senior Center.

Our financing team has created a plan to develop the project that fully leverages the City’s contributions into an actionable path forward utilizing OHCS LIFT funds without needing competitive and oversubscribed low-income housing tax credits.

With five “LIFT-Only” projects ranging from 24-48 units under our belt, we are ideally suited to partner with the City in delivering this project. We welcome the opportunity to discuss our vision and qualifications further and thank you for your time and consideration.

Best,



Ben Pray



Mark Desbrow

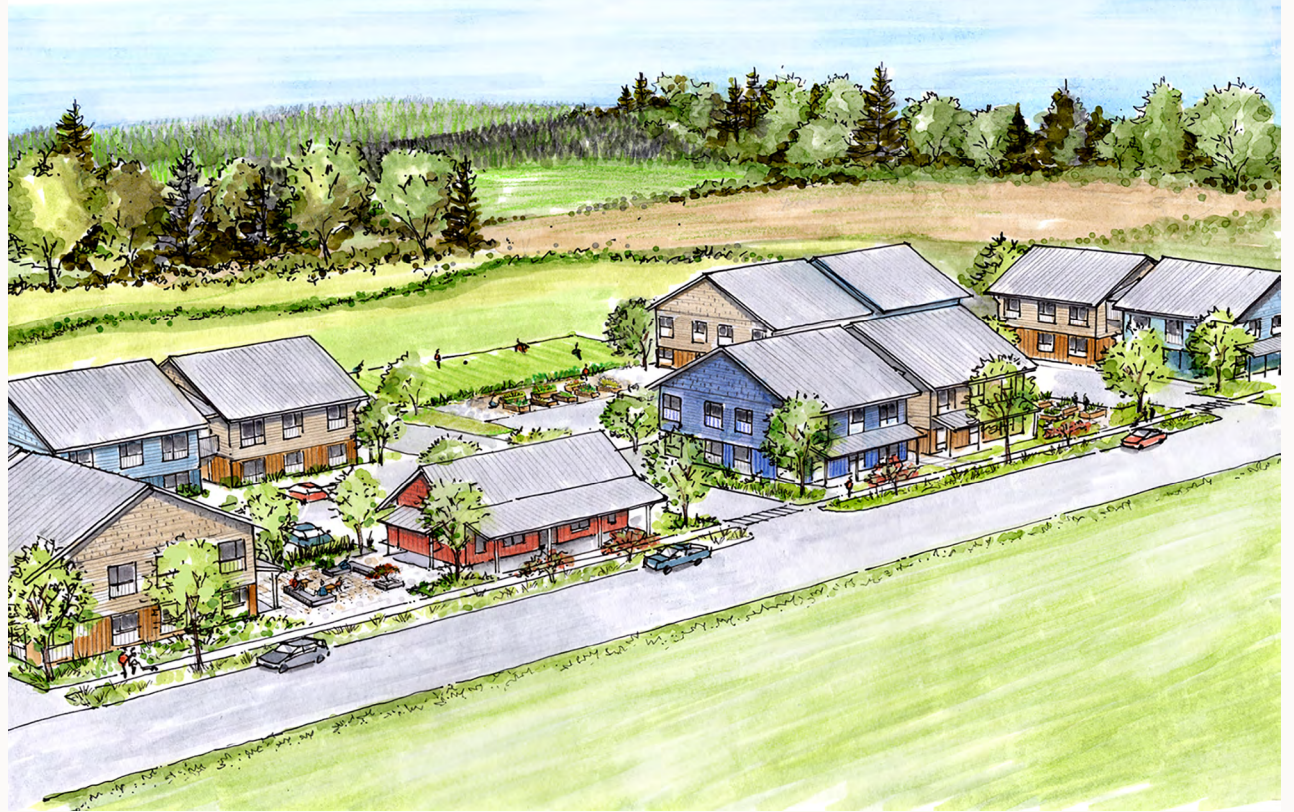


Designed for the City of Silverton

Silverton is one of the truly great towns in Oregon, with deep roots, a vibrant center, and a strong sense of community. It’s a place where people love to live, and more choose to call home each year.

Our approach to create more attainable housing is to build a village or “checkerboard” of appropriately-scaled residences that blends beautifully with the town’s fabric and presents an open and inviting face to Davenport Street. We feel it’s the right fit for this property, and offers a clear path for growth in the years ahead.

Design Expression — First and foremost, we want to create a village feel, with a genuine sense of invitation and accessibility. Instead of a dense and continuous wall of housing, our “checkerboard” concept has an appropriate sense of scale and openness. We’ve positioned our commons building and adjacent landscapes as a “front porch” to create enhanced engagement with Robert Frost Elementary and Silverton Senior Center.



Inspired by Community



Experience and Engagement

An additional advantage of the “checkerboard” concept is the placement of varied common areas along Davenport St. These allow more buildings to “see” the street while providing more views through Phase 1 into Phase 2 and the landscaped areas beyond.

Community Masterplan



Our proposal features a “checkerboard” layout of buildings and open spaces, offering an integrated concept with a blend of gardens, parking courts, and residences.

With fully accessible units on the ground level and a majority of 2 and 3-bedroom options, the design and unit mix are tailored to accommodate the needs of working families, seniors, and multi-generational households.

PHASE 1 ELEMENTS

- 2.05 acres
- 44 units — 1BR: 8 units
2BR: 6 units
3BR: 30 units
- 72 parking spaces
- 1,250 SF Community Building

PHASE 2 ELEMENTS

- ~3.75 acres (buildable area)
- 40 units — 8 cottages
32 townhomes (2 & 3BR)
- 56 parking spaces

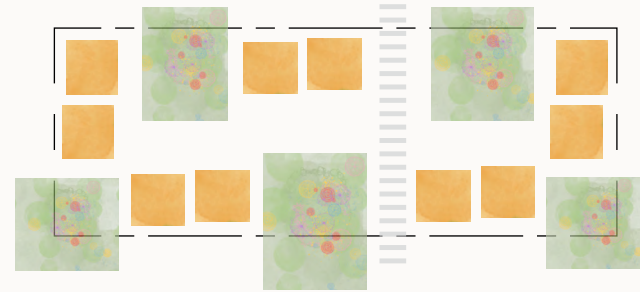
Design Concept

Our vision is to embody the scale, character, and sense of community integral to Silverton’s identity

This project is not an oversized development or building typology; rather, Davenport Village will seamlessly blend into the city: fine-grained, walkable, neighborly, and connected to nature. Rather than creating large, unbroken areas of asphalt, we positioned homes next to ‘pocket parks’ without necessitating the crossing of traffic, and situating parking courts of smaller scale adjacent to them. Our proposal addresses the shortfall in affordable and workforce housing, providing a range of options for families to grow in place. It offers a new model for building strong communities, even at the city’s edges.

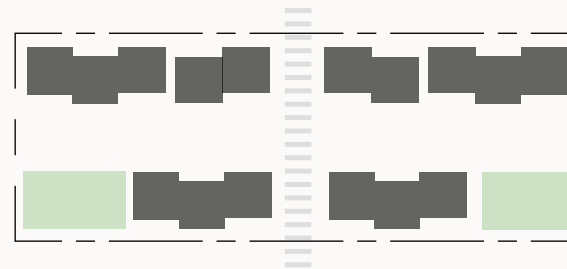
Phase 1 can function as a self-sufficient, stand-alone project for many years, fostering connections with the Senior Center and Robert Frost Elementary through the strategic placement of public open spaces and community amenities. It reaches out to the city, rather than turning inward.

Phase 2 fosters greater connection and community diversity, introducing a variety of housing options at medium density to enhance the village concept. From the south, it will serve as an inviting gateway and transition from the surrounding fields, farms, and wetlands.



**OUR CONCEPT
"CHECKERBOARD"**

Lower density, "village" feel, added green space & less paving



TYPICAL ORGANIZATION

Higher density "barracks" feel, central large parking lot



Building Design Inspiration



Silverton's DNA

Our primary inspirations for Davenport Village are the buildings and spaces, both old and new, that constitute the essential fabric of your community.



Villages & Agricultural Towns

We aim to cultivate close ties between neighbors and landscapes, drawing inspiration from rural regions of Europe and early U.S. towns across the PNW.



Building on Experience

Our team is diligently refining our designs, materials, and systems to create inviting, right-sized, and enduring places to live.

Design Framework

1

Form and Materials:

Phase 1 will primarily feature a two-story walk-up model with a traditional gable roof and porches facing the street and common spaces. With standing-seam metal roofing, a variety of cladding options (including board-and-batten, lap siding, and shingle), and an integrated window trim and climate control package, this model offers an adaptive, affordable, attractive, and low-maintenance approach.

2

Sustainable Design:

To support community resilience, our concept includes sustainable features such as fire-resistant exterior finishes, operable windows, passive shading strategies, and internally, high-efficiency HVAC, lighting, and plumbing fixtures. Our concept will meet Green Building standards comparable to Earth Advantage Gold certification and Net-zero ready, with a roof structure capable of supporting arrays of solar panels for on-site power generation. We will also provide opportunities for residents to grow vegetable gardens and harvest rainwater on site.

3

Building and Site Integration

We have collaborated closely with Laurus Landscape Design and KPFF Civil Engineering to support the housing concept with effective and responsive site planning. The use of porous paving, smaller and buffered areas of asphalt, shade trees, and ground plantings helps reduce runoff and mitigate the “heat island” effect commonly associated with large surface parking areas. Our target density and community plan ensure sufficient storm water capacity for Phases 1 + 2, as well as compliance with all fire, life safety, and accessibility regulations and project goals.

Design Precedents



Elements: Painted siding and cladding pattern variations, porches, and overhangs for shading, integrated window trim, porous and solid paving.



Scalable Site and Energy Strategies: Develop a community resilience model that can be self-supportive and thrive at all phases. For example, Waverly Commons developed by Green Light Development in Portland, OR.



Covered Porches, Native Plantings: Respect the climate, community, and landscape of the Willamette Valley by creating shared spaces in nature.



Simple Massing: Inspired by modestly-scaled Oregon homes that blend seamlessly within the landscape.

Landscape + Civil Masterplan



The “checkerboard” massing allows for more intimately scaled and diversified landscapes, providing a balance of gardens, parking courts, play areas, and gathering spaces. The design also offers engaging and walkable streetscapes, robust protection for the wetlands’ edge, and connections to the surrounding landscape.

PHASE 1 ELEMENTS

- Street-adjacent community plaza
- Raised garden beds
- Picnic areas, play spaces
- Storm-water basin
- Civil infrastructure tie-ins

PHASE 2 ELEMENTS

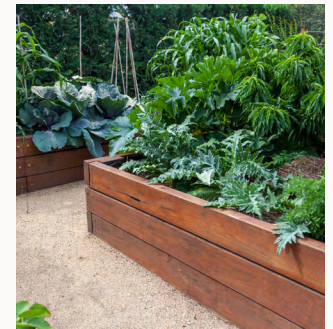
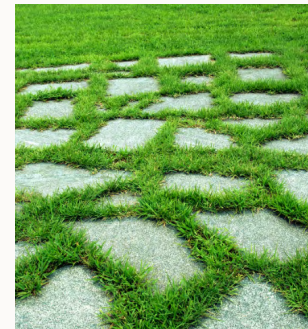
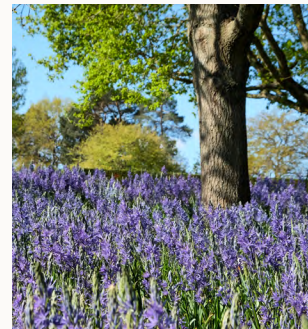
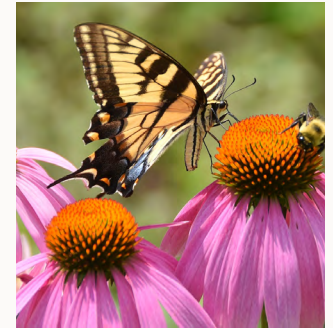
- Cottage cluster commons
- Pedestrian promenade
- Recreational ‘pocket parks’
- Boardwalk & wetlands protection

Site Design Principles

For both Phase 1 and Phase 2, our team is striving to move away from the large-scale and institutional feel often associated with affordable housing communities, which can sometimes make them feel disconnected from the cities and communities they serve. Much of this effort involves the positioning of buildings and parking, as well as a lack of sensitivity to the specific features and character of the site.

To reinforce the village concept and overall integration with the neighborhood, we plan to implement the following approaches:

- Create a sense of intimacy and adjacency between buildings and landscapes for various uses.
- Emphasize in-between areas such as porches, thresholds, and buffers between parking areas and residences.
- Break down the scale of the development and create spaces for a range of uses.
- Utilize native species and hardy, low-maintenance plantings that will grow and adapt to changing seasons.



Landscape Design Inspiration



Centers and Edges

Davenport Village serves as a new gateway to Silverton, directly engaging with agricultural lands while also providing safe spaces for residents to gather, grow, relax, and recreate.



Scale and Porosity

The site concept promotes diversity and access by avoiding large expanses of parking or unsheltered green spaces, while enhancing the variety of textures and uses.



Streets and Paths

Our concept enhances the character and vitality of Davenport Street, creating a strong central spine linking Phases 1 + 2, and offering a variety of smaller connections.

Phase 1 + 2 Summary

As Silverton grows, our vision for Davenport Village is one that honors its unique identity, tailored to fit its distinct texture, culture, and character. It will enhance the connection and value of neighboring civic resources in the immediate vicinity, building a stronger community and better supporting the needs of residents of all ages.

We see our concept as having high value and low impact: seeking the most lasting benefit to residents and neighbors while reducing strain on financial and ecological resources. These are the key principles of our approach:

- Build at an appropriate density.
- Establish a scalable and adaptive pattern for growth.
- Link on-site and off-site community resources.
- Keep forms simple and invest in higher quality and lower maintenance construction.

The design concepts we've put forth in this proposal are not a closed book; they're a point of departure for a development strategy that can be finely-tuned to your needs, both in the near term and in the years ahead.

It would be a pleasure and a privilege to serve as your partner in this important work.



Meet Our Team

The Davenport Village team is well-equipped and deeply passionate about creating a vibrant and inclusive community in Silverton

With financing and technical expertise, and deep community engagement, Home First Development and Green Light Development are strong partners and experts committed to providing efficient and effective solutions for affordable housing. This collaboration between HF + GL ensures that the future of affordable housing is rooted in quality development and connected communities. With a replicable, scalable model emphasizing efficiency, effectiveness, and profound impact, we are building homes; the City is building hope.

We are committed to delivering an enduring project that not only meets the essential needs of Silverton but also sets a new standard for excellence in affordable housing development. Each project, from conception to completion, showcases our team's ability to addressing the housing crisis, providing insights into the depth of our impact and the breadth of our capabilities. Our approach is a blend of expertise and passion, designed to serve, adapt, and transform the vision into a reality.

WAECHTER ARCHITECTURE

Waechter Architecture brings unparalleled creativity and expertise to our team. Their innovative approach to design, coupled with a deep understanding of community-building, ensures that the vision for Davenport Village will be both enduring and responsive to the unique needs of Silverton. Experts at combining design economy with design excellence, they are dedicated to working with the City in elevating design standards, promising architecture that not only serves its purpose but also enriches the fabric of the neighborhood for generations to come.

HF+GL and Waechter are working together to elevate design standards for affordable housing across our portfolio.



KPFF brings invaluable expertise in civil engineering to our team. As a trusted consultant in the development of low-impact residential projects, KPFF excels in providing cost-effective, climate-aware design solutions. Their role in the initial design and construction of the Silverton Senior Center underscores their ability to deliver comprehensive solutions that prioritize functionality, sustainability, and community integration. KPFF's civil engineering services encompass site utilities, stormwater management, entrances, and parking areas, ensuring that the infrastructure of Davenport Village is designed with efficiency and resilience in mind.



Beaudin Construction brings a wealth of experience and a steadfast commitment to excellence in housing projects. With a focus on integrating advanced building technologies and environmental sustainability standards, Beaudin ensures that every aspect of the project aligns with the highest quality standards. Their expertise lies not only in construction but also in fine-tuning stakeholders' visions into effective, efficient, and quality constructed realities. Currently serving as the general contractor for HF+GL's affordable housing portfolio, Beaudin has demonstrated their ability to deliver over 1,000 quality affordable housing units for Oregonians.



Laurus Designs

Laurus Designs, nestled in the picturesque landscape of Silverton, adds another layer of expertise to our team. Led by Laura Antonson, a registered landscape architect, their experience in affordable housing, senior housing, and wetlands mitigation ensures that the residential and shared community outdoor spaces of Davenport Village will be thoughtfully designed, integrating seamlessly with the surrounding environment while enhancing the quality of life for residents. HF+GL are currently working with Laurus on five affordable housing projects located in Salem, Estacada, Stayton, Molalla, and Mill City, Oregon.

Development Objective

Our team is committed to serving Silverton's wide, diverse population. To understand and align with the mission of the City of Silverton is our team's core principle in transforming the vision of Davenport Village into a reality.

Our development strategy is committed to inclusively serving a broad and diverse population. To achieve this, we will actively collaborate with various local entities, including organizations that specifically support historically underrepresented groups within the Silverton community.

A kickoff community engagement meeting will mark the beginning of our outreach efforts. During this meeting, we will provide a brief overview of the development, encouraging initial feedback from attendees. One month later, at another community engagement meeting, we will present an updated site plan and amenities, incorporating feedback into the building design where practical and feasible.

Two months later, we will convene another community engagement meeting or focus group to discuss unit plans, seeking feedback to improve and refine their design. Three months later, these groups will be asked to provide input on the proposed fixture and finishes package, which will influence final selections based on feedback received.

Three months prior to groundbreaking or the start of construction, focus groups will have the opportunity to provide feedback on proposed information and outreach plans. We hope this input will offer valuable insights to enhance these plans. Six months after construction begins, we will reconvene the group to discuss the application process and property management screening. Feedback gathered will be used to improve our low-barrier screening criteria and inform property rules.

Throughout this process, we are committed to not only listening but also actively integrating the community's insights into the development. Where practical and feasible, the community-driven feedback received during these meetings will guide and enhance the final design of units, on-site amenities, tenant screening policies, and property management rules. The development team is eager to collect and implement ideas aimed at improving the overall livability for future residents.

Housing Program

Phase 1 Overview

Phase 1 of our proposed design for Davenport Village includes 44 units of affordable housing available at 60% AMI, with eight (8) three-bedroom units available at 30% AMI. The unit mix of this development comprises eight (8) one-bedroom units, six (6) two-bedroom units, and 30 three-bedroom units, a mix designed to meet the needs of working families, seniors, and multi-generational households.

One-bedroom units average 545 SF and will rent for \$1,028. Two-bedroom units average 882 SF and will rent for \$1,233. Three-bedroom units average 1,134 SF and will rent for \$1,425 per month. Additionally, eight (8) three-bedroom units will have Project Based Vouchers (PBV) and be offered at \$713 per month. Residents will not be charged for parking, and the site has 72 parking spaces.

All units will remain affordable in accordance with funder requirements (typically 30 years), and the developer intends to keep this development affordable indefinitely.

In-unit amenities include nine-foot ceilings, air conditioning, quartz countertops/sills, ample storage, in-unit washer/dryer, low-flow fixtures, Energy Star appliances including a dishwasher, gooseneck kitchen faucets, and under-mount sinks.

UNIT TYPE	COUNT	SIZE	RENT
1 BR	8	545 SF	\$1,028
2 BR	6	882 SF	\$1,233
3 BR	22	1,134 SF	\$1,425
3 BR (PBV)	8	1,134 SF	\$713
TOTAL UNITS	44		
PARKING	72		

Phase 2 Overview

Phase 2 of our proposed design for Davenport Village includes 40 units, comprising eight cottages and 32 townhomes and 56 parking spaces. This design promotes greater connection and community diversity, adding a variety of housing options at medium density to enhance the village concept. Positioned from the south, it will serve as an inviting gateway and transition from the surrounding fields, farms, and wetlands.

UNIT TYPE	COUNT
COTTAGES	8
TOWNHOMES	32
TOTAL	40
PARKING	56

Shared Spaces

Blending gardens, parking courts, and residences, fostering community cohesion with intimate landscapes and diversified amenities creates an inviting and connected environment.

Residential Amenities

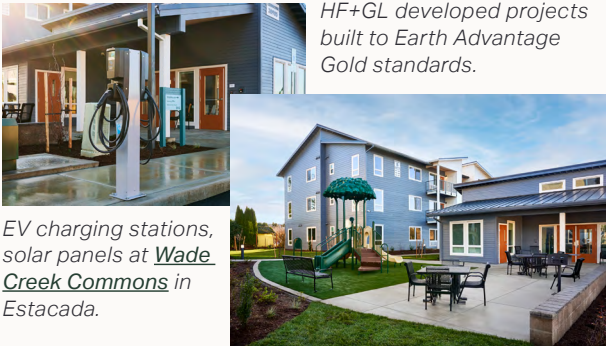
Davenport Village's shared residential amenities include a community garden with raised beds, a large community room, walking trails, abundant green space, pocket parks, picnic areas, play areas, tenant parking, and bike parking. The site is intentionally designed to blend into the surrounding neighborhood and natural landscape.

The "checkerboard" approach to the site allows for more intimately scaled and diversified landscapes, offering a balance of gardens, parking courts, play areas, and gathering spaces. The design also offers engaging and walkable streetscapes, strong protection to the wetlands' edge, and connections to the surrounding landscape.

Community Spaces

Davenport Village will feature a 1,250 SF community building, serving as a central hub for residents. This space is designed to host a wide range of activities, from cultural and holiday celebrations to significant community events, promoting a strong sense of belonging and community. It will also be a flexible space for various resident services, including educational workshops and informational sessions, enhancing the overall living experience at Davenport Village.

Sustainability + Energy Resiliency Features



HF+GL developed projects built to Earth Advantage Gold standards.

EV charging stations, solar panels at Wade Creek Commons in Estacada.



EV charging stations at Fern Ridge Apartments in Stayton and Bear Creek Apartments in Molalla.

The development team, comprised of Home First Development and Green Light Development (HF+GL), is deeply committed to environmental sustainability and energy-efficient design in all of our developments. We are proud to actively advance a variety of social, environmental, and economic goals through our work as developers, owners, and property managers.

The proposed development specifications for Davenport Village will meet Earth Advantage Gold standards. To support community resilience, our concept features fire-resistant exterior finishes, operable windows, passive shading strategies, and internally, Energy Star appliances, high-efficiency HVAC, lighting, and plumbing fixtures.

Our concept will be Net-zero ready, with a roof structure capable of supporting arrays of photovoltaic solar panels for on-site power generation and infrastructure to accommodate EV charging stations.

We will also provide opportunities for residents to grow vegetable gardens and harvest rainwater on site. Additional sustainable features include, but are not limited to, the use of low VOC paint and adhesives, Energy Star rated windows, and Formaldehyde-free insulation and cabinets.

We have worked closely with Laurus Landscape Design and KPFF Civil Engineering to support the housing concept with effective and responsive site planning. The use of porous paving, smaller and buffered areas of asphalt, shade trees, and ground plantings reduces runoff and the "heat island" effect commonly a problem with large surface parking areas.

Our landscaping plan incorporates native, low-maintenance flora that supports local biodiversity. The inclusion of grassy areas and shrubbery creates a peaceful environment for our residents to connect with nature.

Local Artist Collaborations + Community Engagement

Our commitment to utilizing the community room as a center for artistic expression underscores our dedication to nurturing a vibrant cultural hub within Davenport Village

Silverton boasts a strong community focus on arts and culture, with numerous public murals, art galleries and studios, a thriving community theater and music scene, cultural festivals, and a commitment to art education and workshops.

In our predevelopment phase, we plan to engage with Silverton's local art community. This will involve seeking input and creative ideas on how we can thoughtfully incorporate community art into the design of our development. This includes aesthetic considerations for interior and exterior spaces, as well as landscaping elements.

Building upon the connections and referrals from Silverton's art community, we intend to commission local artists to contribute unique artworks for the community room and other public areas within the development. This will not only beautify our spaces but also serve as a platform to showcase local talent.

We are particularly excited about the potential for incorporating community-inspired murals and sculptures. These will not be limited to the community room but will extend to outdoor

spaces and building exteriors, creating an immersive artistic experience throughout the development.

Our engagement process will also explore the possibility of utilizing the community room as a hub for community art. We envision hosting local artist workshops, exhibitions, and even creating a gallery space. This space could serve as a gathering place for artistic expression and learning, fostering interactions between residents and the local art scene.

In response to feedback and the level of interest we receive, we are committed to developing a robust resident art program. This program will be supported by Silverton's art community, ensuring that our residents have continuous access to the thriving art community Silverton has to offer.

From community art contests to educational workshops, our goal is to create opportunities for residents to engage with, learn from, and participate in the vibrant art community that the City of Silverton has fostered.

Pro-forma Overview

Funding Source	Initial Application	Final Application
OHCS Programs		
Other: LIFT	\$11,832,000	
Total OHCS Grants & Equity	\$11,832,000	\$0

NON-OHCS GRANTS (list)		
Manion County - Offsite	\$750,000	
OR-MEP	\$50,000	
Total NON-OHCS Grants	\$800,000	\$0

LOANS (list as applicable)		
Permanent Loan (write bank name)	\$4,503,791	
Total NON-OHCS Loans	\$4,503,791	\$0

APPLICANT CONTRIBUTIONS (list additional as applicable)		
Deferred Development Fee	\$346,766	
Total Applicant Contribution	\$346,766	\$0

TOTAL FUND SOURCES	\$17,482,557	\$0
(initial) Surplus or Gap	\$0	

Project Summary				
Project Name	Silverton - Davenport Village			
	Total	Affordable	Market	
Number of Units:	44	44	0	
Residential Unit Square Footage:	43,672	43,672	0	
Total Residential Square Footage:	43,672	43,672	0	
Total Square Footage:	43,672			

figures* based on: Initial Application

Overall Costs	Total Costs	Cost / Unit	Cost / Res Sq Ft	% of Total Costs
Total	\$17,482,557	\$397,330.84	\$400.32	-
Acquisition	\$50,000	\$1,136.36	\$1.14	0.3%
Construction	\$13,218,638	\$300,423.59	\$302.68	75.6%
Development	\$4,213,919	\$95,770.88	\$96.49	24.1%

Development & Construction Cost / Unit Type	Dev & Const	
	tot sq ft	tot units
1 bedroom	4,360	8
2 bedroom	5,292	6
3 bedroom	24,948	22

Development & Construction Costs	\$17,432,557
Dev & Const Cost / Res Sq Ft:	\$399

Construction Costs	Total Costs	Cost / Unit	Cost / Res Sq Ft
Total Construction Costs minus GCO/OP	\$11,816,134	\$268,548	\$270.57
Total Builder GCO/OP	\$1,402,504	\$31,875	\$32.11
Builder General Conditions	\$740,964	\$16,840	\$16.97
Builder Profit	\$661,540	\$15,035	\$15.15
Construction Contingency	\$483,707	\$10,993	\$11.08

Development Costs	Total Costs	Cost / Unit	% Construction
Architect's Fee	\$250,000	\$5,682	2%
Total Costs	% of Development	Cost / Unit	
Development Contingency	\$86,475	2.1%	\$1,965

Operating Income & Expense:			
Income:			
Total	Percent of EGI	\$ / Unit	
EGI without OAHTC	\$690,954	--	\$15,704
Expenses:			
Total / Unit	Percent of EGI w/o	OAHTC	
Total Op Expenses / Unit	\$6,804	1.0%	0.0%
Less resident services / Unit	\$500	0.1%	0.0%
Net Op Exp/Unit	\$6,304	0.9%	0.0%
On Site Mgmt Fee / Unit	\$1,452	0.2%	0.0%
Off Site Mgmt Fee / Unit	\$757	0.1%	0.0%
Total Mgmt Fee / Unit	\$2,209	0.3%	0.0%
Maintenance & Repairs / Unit	\$413	0.1%	0.0%
Replacement Reserve	\$261	0.0%	0.0%

Net Operating Income:			
Total	Percent of EGI	\$ / Unit	
Net Operating Income without OAHTC	\$391,578	56.7%	\$8,900
Net Operating Income with OAHTC	(\$170,500)	0.0%	-\$3,875

Debt Coverage Ratio:			
Total			
Primary DCR without OAHTC	1.20		
Total DCR without OAHTC	1.00		

Cash Flow:			
Total	Percent of EGI	\$ / Unit	
Primary Cash Flow without OAHTC	\$65,060	9.4%	\$1,479

USES OF FUNDS					
Project Name:	Silverton - Davenport Village				
	Total	Affordable			
Number of Units:	44	44			
Residential Unit Square Footage:	43,672	43,672			
Total Residential Square Footage:	43,672	43,672			
Total Square Footage:	43,672				

COSTS:	RESIDENTIAL						For LIHTC Applicants ONLY
	Total Costs (comm & res)	Initial costs		Final costs		Total Estimated Eligible Basis	
		Initial	Cost per Unit	Final	% Diff (B/A)		
		(A)	Silverton	(B)	(B/A)		
Acquisition Costs	\$0	\$0	\$0	\$0	-	n/a	
Land	\$0	\$0	\$0	\$0	-	\$0	
Improvements	\$0	\$0	\$0	\$0	-	\$0	
Liens and Other Taxes	\$50,000	\$50,000	\$1,136	\$50,000	\$0	-100.0%	\$50,000
Acquisition Costs Subtotal:	\$50,000	\$50,000	\$1,136	\$50,000	\$0	-100.0%	\$50,000

Construction Costs	Total Costs	Cost / Unit	Cost / Res Sq Ft	% of Total	Total		
Off-site Work	\$1,535,100	\$1,535,100	\$34,889	\$1,535,100	\$0	-100.0%	\$1,535,100
On-site Work	\$2,233,029	\$2,233,029	\$50,751	\$2,233,029	\$0	-100.0%	\$2,233,029
Residential Building	\$6,417,869	\$6,417,869	\$145,861	\$6,417,869	\$0	-100.0%	\$6,417,869
FF&E (Common Area Furnishings)	\$75,000	\$75,000	\$1,705	\$75,000	\$0	-100.0%	\$75,000
Internet Wiring & Equipment	\$50,000	\$50,000	\$1,136	\$50,000	\$0	-100.0%	\$50,000
Landscaping	\$99,298	\$99,298	\$2,257	\$99,298	\$0	-100.0%	\$99,298
Builder's Risk Insurance	\$63,000	\$63,000	\$1,432	\$63,000	\$0	-100.0%	\$63,000
3rd Party Const. Management	\$100,000	\$100,000	\$2,273	\$100,000	\$0	-100.0%	\$100,000
Contingency	\$483,707	\$483,707	\$10,993	\$483,707	\$0	-100.0%	\$483,707
General Conditions	\$740,964	\$740,964	\$16,840	\$740,964	\$0	-100.0%	\$740,964
Contractor Liability Insurance	\$116,872	\$116,872	\$2,656	\$116,872	\$0	-100.0%	\$116,872
Contractor Profit	\$661,540	\$661,540	\$15,035	\$661,540	\$0	-100.0%	\$661,540
GC Contingency	\$592,682	\$592,682	\$13,470	\$592,682	\$0	-100.0%	\$592,682
CET Tax	\$49,577	\$49,577	\$1,127	\$49,577	\$0	-100.0%	\$49,577
Construction Costs Subtotal:	\$13,218,638	\$13,218,638	\$300,424	\$13,218,638	\$0	-100.0%	\$13,218,638

Development Costs	Total Costs	Cost / Unit	Cost / Res Sq Ft	% of Total	Total		
Land Use Approvals	\$25,000	\$25,000	\$568	\$25,000	\$0	-100.0%	\$25,000
Building Permits/Fees	\$100,000	\$100,000	\$2,273	\$100,000	\$0	-100.0%	\$100,000
System Development Charges	\$200,000	\$200,000	\$4,545	\$200,000	\$0	-100.0%	\$200,000
Market Study	\$10,000	\$10,000	\$227	\$10,000	\$0	-100.0%	\$10,000
Environmental Report	\$15,000	\$15,000	\$341	\$15,000	\$0	-100.0%	\$15,000
Soils Report (Geotechnical)	\$12,000	\$12,000	\$273	\$12,000	\$0	-100.0%	\$12,000
Survey	\$25,000	\$25,000	\$568	\$25,000	\$0	-100.0%	\$25,000
Marketing/Advertising	\$25,000	\$25,000	\$568	\$25,000	\$0	-100.0%	n/a
Insurance	\$50,000	\$50,000	\$1,136	\$50,000	\$0	-100.0%	\$50,000
Other Consultants	\$50,000	\$50,000	\$1,136	\$50,000	\$0	-100.0%	\$50,000

General Fees	Total Costs	Cost / Unit	Cost / Res Sq Ft	% of Total	Total		
Architectural	\$250,000	\$250,000	\$5,682	\$250,000	\$0	-100.0%	\$250,000
Engineering	\$100,000	\$100,000	\$2,273	\$100,000	\$0	-100.0%	\$100,000
Legal/Accounting	\$75,000	\$75,000	\$1,705	\$75,000	\$0	-100.0%	\$75,000
Cost Certification	\$10,000	\$10,000	\$227	\$10,000	\$0	-100.0%	\$10,000
Appraisals	\$15,000	\$15,000	\$341	\$15,000	\$0	-100.0%	\$15,000
Special Inspections/Testing	\$75,000	\$75,000	\$1,705	\$75,000	\$0	-100.0%	\$75,000
Developer Fee	\$2,085,000	\$2,085,000	\$47,386	\$2,085,000	\$0	-100.0%	\$2,085,000

Construction Loan Costs/Fees	Total Costs	Cost / Unit	Cost / Res Sq Ft	% of Total	Total		
Lender Inspection Fees	\$25,000	\$25,000	\$568	\$25,000	\$0	-100.0%	\$25,000
Lender Title Insurance	\$50,000	\$50,000	\$1,136	\$50,000	\$0	-100.0%	\$50,000
Lender Legal Fees	\$45,000	\$45,000	\$1,023	\$45,000	\$0	-100.0%	\$45,000
Loan Fees	\$42,800	\$42,800	\$973	\$42,800	\$0	-100.0%	\$42,800

Permanent Loan Fees	Total Costs	Cost / Unit	Cost / Res Sq Ft	% of Total	Total		
Perm. Loan Fee	\$45,038	\$45,038	\$1,024	\$45,038	\$0	-100.0%	n/a
Perm. Loan Closing Fees	\$1,576	\$1,576	\$36	\$1,576	\$0	-100.0%	n/a

Tax Credit Fees	Total Costs	Cost / Unit	Cost / Res Sq Ft	% of Total	Total		
OHCS 1.5% LIFT Fee	\$177,480	\$177,480	\$4,034	\$177,480	\$0	-100.0%	\$177,480
Application fee	\$7,500	\$7,500	\$170	\$7,500	\$0	-100.0%	\$7,500

Interest	Total Costs	Cost / Unit	Cost / Res Sq Ft	% of Total	Total		
Construction Period	\$44,219	\$44,219	\$1,005	\$44,219	\$0	-100.0%	\$44,219
Construction Bridge Loan	\$253,884	\$253,884	\$5,770	\$253,884	\$0	-100.0%	n/a

Development Contingency	\$86,475	\$86,475	\$1,965	\$86,475	\$0	-100.0%	\$86,475
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Reserves/Cash Accounts	\$312,947	\$312,947	\$7,112	\$312,947	\$0	-100.0%	n/a
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Development Costs Subtotal:	\$4,213,919	\$4,213,919	\$95,771	\$4,213,919	\$0	-100.0%	\$3,575,474
TOTAL PROJECT COST	\$17,482,557	\$17,482,557	\$397,331	\$17,482,557	\$0	-100.0%	\$16,844,112

Pro-forma Overview

HOUSING OPERATING BUDGET - INCOME

Project Name: **Silverton - Davenport Village** Date: **Pro Forma Type: Initial Application**

Site: **Silverton** County: **MARION** pick from drop down

Income Inflation Rate: **2.00%** Assumptions Income tab.

select from drop down

		Unit		Square Feet		Median Income		Gross Monthly Rent Per		Tenant Paid Utility		Net Monthly Rent Per		# of Units		years												
Project	Unit	Afford-able vs	Type	# of	Feet	Income	Income	Unit	Per	Allow	Unit	Per	Per	Per	Per	1	2	3	4	5	10	15	20	30				
Silverton	1	Admittable	BDR	1.0	545	60%	\$1,028	865	865	993	X 12	8	=	=	\$92,448	\$94,297	\$96,183	\$98,107	\$100,069	\$110,484	\$121,983	\$134,679	\$164,173					
Silverton	2	Admittable	BDR	1.0	882	60%	\$1,233	860	860	1,153	X 12	6	=	=	\$83,016	\$84,878	\$86,770	\$88,697	\$89,659	\$99,212	\$109,538	\$120,939	\$147,424					
Silverton	3	Admittable	BDR	1.5	1,134	60%	\$1,425	895	895	1,338	X 12	22	=	=	\$351,120	\$358,142	\$365,305	\$372,611	\$380,064	\$419,821	\$463,295	\$511,616	\$623,535					
Silverton	3.A	Admittable	BDR	1.5	1,134	30%	\$713	865	865	648	X 12	8	=	=	\$62,160	\$63,403	\$64,671	\$65,965	\$67,284	\$74,287	\$82,019	\$90,555	\$110,387					
Tot Rem SqFt																43,672	43,672											
Market SqFt																0												
SUB-TOTALS																44	=	=	\$588,744	\$600,819	\$612,829	\$624,780	\$637,275	\$703,604	\$776,835	\$857,689	\$1,045,518	
Total Annual Income																												
select site: Silverton																Subsidy Revenue Total:												
Subsidy: (Other)																\$138,576	\$141,348	\$144,174	\$147,058	\$149,999	\$165,611	\$182,848	\$201,879	\$246,089				
\$138,576																\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
SUB-TOTAL OTHER REVENUE																\$138,576	\$141,348	\$144,174	\$147,058	\$149,999	\$165,611	\$182,848	\$201,879	\$246,089				
Gross Income:																\$727,320	\$741,866	\$756,704	\$771,838	\$787,275	\$869,215	\$959,683	\$1,059,568	\$1,291,607				
less Res Vacancy Rate																8.0%	(\$59,366)	(\$57,093)	(\$57,835)	(\$58,592)	(\$59,364)	(\$43,461)	(\$47,984)	(\$52,978)	(\$64,580)			
less Comm Vacancy Rate																0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
less OTHER Vacancy Rate																0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Effective Gross Income:																\$660,954	\$704,773	\$718,869	\$733,246	\$747,911	\$825,784	\$911,699	\$1,006,690	\$1,227,027				

HOUSING OPERATING BUDGET - EXPENSES

Project Name: **Silverton - Davenport Village** Date: **Pro Forma Type: Initial Application**

Expense Inflation Rate: **3.00%** If you change this expense inflation rate from its default (3%) you must support it in your narrative

Enter annual expense for ALL units below select project site:

Annual Operating Expenses by site		Total	Silverton
Insurance		\$19,668	\$19,668
Utilities:(common areas)			
Electric		\$6,468	\$ 6,468
Water & Sewer		\$43,560	\$ 43,560
Garbage Removal		\$18,656	\$ 18,656
Repairs & Maintenance		\$18,172	\$ 18,172
Landscaping Maintenance		\$11,484	\$ 11,484
Replacement Reserve		\$19,800	\$ 19,800
Property Management:			
On-site		\$63,888	\$63,888
Contracted (Off-Site)		\$33,308	\$33,308
Professional Services:			
Resident Services		\$22,000	\$22,000
Legal		\$2,464	\$2,464
Accounting		\$6,908	\$6,908
LIFT Compliance (\$25/unit)		\$1,100	\$1,100
Office & Administration		\$14,872	\$14,872
Advertising/Marketing & Promotion		\$1,320	\$1,320
Unit Turnover		\$8,800	\$8,800
Payroll Taxes		\$3,608	\$3,608
Other: (list below)			
Safety & Security		\$3,300	\$3,300
Total Annual Operating Expenses:		\$299,376	\$299,376

Annual Operating Expenses Total	Annual per Unit	1	2	3	4	5	10	15	20	25	30
Insurance	\$447	\$19,668	\$20,258	\$20,866	\$21,492	\$22,137	\$25,662	\$29,750	\$34,488	\$39,981	\$46,349
Utilities:(common areas)											
Electric	\$147	\$6,468	\$6,662	\$6,862	\$7,068	\$7,280	\$8,439	\$9,783	\$11,342	\$13,148	\$15,242
Water & Sewer	\$990	\$43,560	\$44,867	\$46,213	\$47,599	\$49,027	\$56,836	\$65,888	\$76,383	\$88,549	\$102,652
Garbage Removal	\$424	\$18,656	\$19,216	\$19,792	\$20,386	\$20,997	\$24,342	\$28,219	\$32,713	\$37,924	\$43,964
Repairs & Maintenance	\$413	\$18,172	\$18,717	\$19,279	\$19,857	\$20,453	\$23,710	\$27,487	\$31,865	\$36,940	\$42,824
Landscaping Maintenance	\$261	\$11,484	\$11,829	\$12,183	\$12,549	\$12,925	\$14,984	\$17,371	\$20,137	\$23,345	\$27,063
Replacement Reserve	\$450	\$19,800	\$20,394	\$21,006	\$21,638	\$22,285	\$25,835	\$29,949	\$34,719	\$40,249	\$46,660
Property Management:											
On-site	\$1,452	\$63,888	\$65,805	\$67,779	\$69,812	\$71,907	\$83,359	\$96,636	\$112,028	\$129,871	\$150,556
Contracted (Off-Site)	\$757	\$33,308	\$34,307	\$35,336	\$36,397	\$37,488	\$43,459	\$50,381	\$58,406	\$67,708	\$78,492
Professional Services:											
Resident Services	\$500	\$22,000	\$22,660	\$23,340	\$24,040	\$24,761	\$28,705	\$33,277	\$38,577	\$44,721	\$51,844
Legal	\$56	\$2,464	\$2,538	\$2,614	\$2,692	\$2,773	\$3,215	\$3,727	\$4,321	\$5,009	\$5,807
Accounting	\$157	\$6,908	\$7,115	\$7,329	\$7,549	\$7,775	\$9,013	\$10,449	\$12,113	\$14,043	\$16,279
Non LIHTC Monitoring (\$25/unit)	\$25	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
Office & Administration	\$338	\$14,872	\$15,318	\$15,778	\$16,251	\$16,739	\$19,405	\$22,495	\$26,078	\$30,232	\$35,047
Advertising/Marketing & Promotion	\$30	\$1,320	\$1,360	\$1,400	\$1,442	\$1,486	\$1,722	\$1,997	\$2,315	\$2,683	\$3,111
Unit Turnover	\$200	\$8,800	\$9,064	\$9,336	\$9,616	\$9,904	\$11,482	\$13,311	\$15,431	\$17,889	\$20,738
Payroll Taxes	\$82	\$3,608	\$3,716	\$3,828	\$3,943	\$4,061	\$4,708	\$5,457	\$6,327	\$7,334	\$8,502
Other: (list below)											
Safety & Security	\$75	\$3,300	\$3,399	\$3,501	\$3,606	\$3,714	\$4,306	\$4,992	\$5,787	\$6,708	\$7,777
Total Annual Operating Expenses:	\$6,804	\$299,376	\$308,324	\$317,541	\$327,034	\$336,812	\$390,283	\$452,269	\$524,129	\$607,434	\$704,007

Less Debt Service:	Annual per Unit	1	2	3	4	5	10	15	20	25	30	
Permanent loan (no OAHTC)												
Amortization												
Rate (Years)	Loan Amount	\$7,421	\$326,518	\$326,518	\$326,518	\$326,518	\$326,518	\$326,518	\$326,518	\$326,518	\$326,518	
6.50%	35	\$4,503,791										
Other Loans / Deferred Fee												
Deferred Developer Fee												
Rate	Loan Amount	\$65,060	\$69,931	\$74,809	\$79,694	\$84,580	\$108,953	\$132,912	\$155,943	\$177,404	\$196,502	
0.00%	\$346,766											
Outstanding Balance:		\$281,706	\$211,776	\$136,966	\$57,273	(\$27,308)	(\$108,953)	(\$132,912)	(\$155,943)	(\$177,404)	(\$196,502)	

Funding

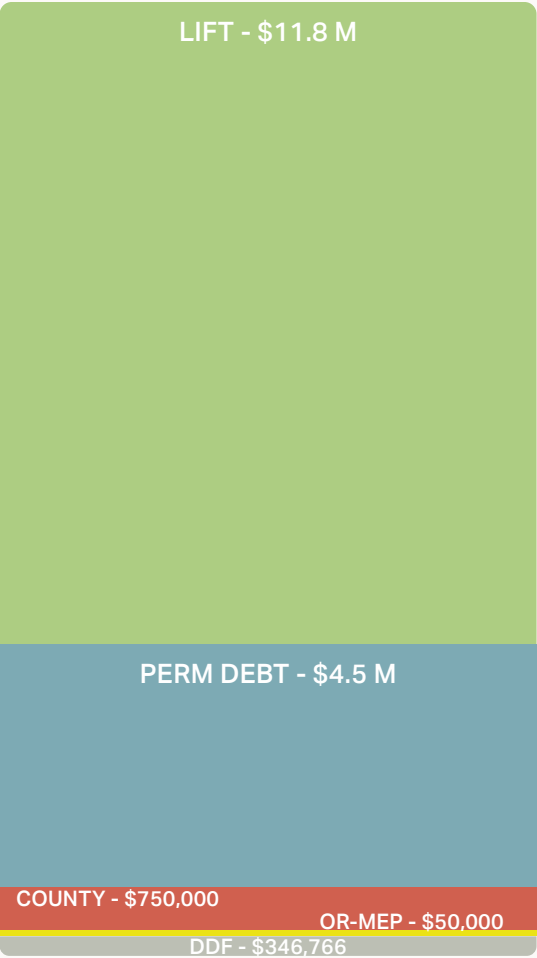
Leveraging LIFT Funds and Marion County Partnerships to secure funding for Davenport Village

HF+GL will apply for funding from Oregon Housing and Community Services (OHCS). We have identified Local Innovation and Fast Track (LIFT) funding as the best source to support this development. OHCS has recently modified LIFT funding to a non-competitive, first-come, first-served application process.

Our proposed funding strategy excludes the use of competitive 4% and 9% Low-Income Housing Tax Credits (LIHTC) to further increase the certainty of funding. We also plan to seek additional funding from Marion County, a longstanding partner in our affordable housing initiatives. The consistent support of the county and our collaborative history on multiple projects with them enhance the prospects for Davenport Village’s successful development.



Recently completed LIFT-funded projects in Marion County, developed by HF+GL in collaboration with the proposed Davenport Village design team.



TOTAL FUNDING ~ \$17.48 M

Davenport VILLAGE

Deal Structure



Proposed Davenport Village Phase 1+2 Masterplan

City Support

To support the development of Davenport Village, the development team will work collaboratively with the City of Silverton to explore opportunities for system development charge (SDC) waivers, expedited permit processing, and favorable long-term land lease terms. The development team's expectations of City efforts are similar to those described in the RFQ.

Site Infrastructure Financing

Primary site infrastructure will be financed and built with Oregon Housing and Community Services LIFT funds, permanent debt, and deferred developer fee.

Ownership Model

The development team of Davenport Village would be the long-term owner and operator of the proposed development. As stated in the RFP, we are amenable to the City retaining ownership of the land and providing a long-term land lease to the developer.

BOLI / Prevailing Wages

The proposed funding sources will not require prevailing wage rates for construction. HF+GL have utilized these funding sources for previous affordable housing developments, and BOLI has determined that prevailing wage rates do not apply. The development team is familiar with prevailing wage rate requirements and the process of completing a BOLI prevailing wage determination letter, which will confirm that this development is exempt from paying prevailing wage rates.

Project Schedule

2024

APRIL 9

Submit RFP

SUMMER

RFP Awarded
Refine Site Design with City
Community Outreach & Engagement
Predevelopment Phase

FALL

Start OHCS LIFT Application Process
Start Construction Document Drawings
Community Outreach & Engagement
Neighborhood Meetings

WINTER

Conditional Use & Land-use Review (2-4 mo)
Permit Submission & Review
Secure Perm Debt Financing

2025

SPRING

Complete Permit Submission & Review
Receive OHCS LIFT Award
Closing
Break Ground
13-mo Construction Schedule

2026

SPRING

Pre-leasing Marketing & Outreach
Receive TCO / Begin Lease-up

SUMMER

Complete Lease-up
Stabilization & Conversion

Working Together with the City

Maintaining transparent communication and responsiveness to the City and community is essential for successful collaboration across both project phases.

Effective collaboration hinges on continuous communication with the City, transparent disclosure of intentions and progress, and responsiveness to both City and community feedback across all project phases.

The development team envisions working collaboratively with the City on outreach for Davenport Village as follows:

COLLABORATIVE PLANNING:

Before formalizing the development agreement, it's crucial to work with City officials to align the project's outreach and engagement strategies with Silverton's guidelines and goals. This ensures that the project addresses both community and City priorities.

STAKEHOLDER IDENTIFICATION:

In partnership with the City, identify key stakeholders, community leaders, and local organizations that should be involved in the outreach process. The City's insight is crucial to understanding the community landscape.

JOINT COMMUNICATION STRATEGY:

Lead joint communication strategy with the City to keep the community informed and engaged. Outline how and when updates will be provided and how community feedback will be collected and addressed.

ADAPTING TO FEEDBACK:

Work with the City to adapt plans based on ongoing community feedback. This may involve revisiting certain aspects of the development in response to community needs or concerns that emerge.

LONG-TERM COMMUNITY RELATIONS:

Establish a long-term strategy for community relations beyond the immediate development phase. This strategy should focus on maintaining positive relationships and ongoing engagement with both the City and the community.

JOINT PUBLIC FORUMS:

Organize joint public forums with City representatives to discuss the proposed development, gather feedback, and address community concerns. This approach demonstrates a united front and commitment to transparency.

SHARED RESOURCES AND EXPERTISE:

Leverage both the developer's and the City's resources and expertise for effective outreach. This could include using City communication channels to disseminate information and gather feedback.

UPDATES AND COMMUNICATION:

Continue to work closely with the City, providing regular updates on the project's progress and consulting on major decisions, especially those that significantly impact the community.

Outreach

Local Partnerships

Our team has engaged with two key local organizations: the Silverton Senior Center and Silverton Area Community Aid, to collaborate on the Davenport Village project. Both entities have expressed strong support for the development of affordable housing in the community and have pledged their commitment to partner with us. Their long-standing community ties and expertise in services will significantly contribute to the project's ability to meet the needs of future residents. These partnerships underscore our commitment to community-centric development and ensure that Davenport Village is well-positioned to become an asset to the Silverton community.

Central to our approach is ensuring that the outreach and engagement processes are inclusive. This involves proactively reaching out to and involving a diverse cross-section of the community, including historically underrepresented groups, to ensure that a wide range of perspectives are heard and valued.

Partnering with local organizations, especially those representing underrepresented communities, serves two purposes: it helps to reach a wider audience and ensures that the outreach strategy is culturally sensitive and tailored to the needs of different community groups.

Transparency + Feedback

Understanding that informed feedback is the most valuable, we will provide educational materials and sessions to help community members understand the specifics of the development process, from planning to construction. This approach is designed to empower community members to provide informed and constructive feedback.

A critical component of our strategy is not just to collect feedback but to actively respond to it and, where feasible, incorporate it into the development plans. This responsiveness demonstrates to the community that their input is valued and has a tangible impact on the project.

All public outreach and engagement activities will be designed to be accessible to everyone. This includes considerations for physical accessibility at events, as well as ensuring materials are available in multiple languages and formats as needed.

Our strategy involves engaging the community at multiple stages of the development process. By holding regular meetings and focus groups, we create

ongoing opportunities for feedback and participation, rather than limiting community input to a single point in time. We are committed to maintaining transparency throughout the development process. This means clear, consistent, and open communication about project goals, progress, changes, and how community feedback is being integrated. Providing regular updates and being responsive to queries and concerns are key aspects of this approach.

Creating an environment for transparent feedback is crucial in our approach. This involves regularly updating the community on how their contributions have been integrated into the project, or providing clear explanations when certain ideas are not feasible. Such a process is vital for fostering trust and clearly showing the community that their input is both respected and valuable.

Finally, our approach is flexible and open to learning. We recognize that communities are dynamic, and our strategies may need to adapt to changing needs and feedback over the course of the project.

Top 3 Discussion Points

1

Wetlands for Phase II:

The presence of wetlands in the Phase II area of the project could pose a significant environmental and regulatory challenge. We need to ensure that our development plans align with environmental conservation goals while still achieving our project objectives. This involves extensive environmental impact assessments, consultations with environmental experts, and possibly redesigning aspects of the project to minimize impacts on the wetlands.

2

Sewer Pump/Lift Station:

The requirement for a sewer pump or lift station is a crucial infrastructure concern. This involves not only technical feasibility and installation but also long-term maintenance and operational considerations. Ensuring that the lift station's capacity aligns with the expected load from the development is critical to prevent future sewage issues.

Additionally, its placement and construction will require coordination with the City's existing infrastructure and adherence to local regulations. The challenge is to design and install a system that is efficient, reliable, and cost-effective over the long term.

3

Community Collaboration:

Ensuring the project's integration into the existing community fabric and gaining acceptance from current residents is vital for this project. The development should enhance the local area without causing significant disruptions to the lives of current residents. This involves addressing potential issues such as increased traffic, integrating new services and amenities, and maintaining the character and aesthetic of the neighborhood.

Engaging with the community through transparent and continuous dialogue, understanding their concerns, and incorporating their feedback into the project planning and execution are crucial steps to ensure the project is well-received and beneficial to all stakeholders.

Additional Questions

The City has presented a comprehensive and carefully planned framework for the Westfield Site development. The RFP covers a wide range of essential information, from land use and zoning to infrastructure requirements.

This detailed RFP provides a strong foundation for moving forward with a well-informed and effective development plan.

The development team has identified the following questions regarding land use, infrastructure, and general development aspects to gain further clarity:

- 1. Land Use Review:** Since the site is in a public overlay zone, our understanding is that the development will have to undergo a conditional use review which includes land use, how long will this process take?
- 2. Future City Planning for Davenport Ln:** Does the City have plans to extend Davenport Ln to connect with Westgate Dr in the future?
- 3. Property Division Between Project Phases:** Will Phases 1 + 2 be separated by a distinct property line?
- 4. City's Sanitary Master Plan:** Does the City have a comprehensive sanitary master plan that we can review to ensure our development aligns with the City's long-term infrastructure goals?
- 5. Infrastructure Improvements on Davenport Ln:** What is the anticipated percentage of improvements on Davenport Ln expected within the scope of this development project?
- 6. Detailed Utility Plan:** Is there a more detailed utility plan for the surrounding area, particularly concerning sewer sizing and invert locations along W Main and Westfield St? The current plan indicates a 4-inch sanitary main on W Main St; is this accurate?
- 7. Trenching for Utilities:** Is it permissible to conduct trenching for utilities through Phase 2 of the site during Phase 1?
- 8. Private Force Main Installation:** Would the City consider allowing the installation of a private force main along Davenport Ln to connect to the sanitary sewer in Westfield?
- 9. New Sanitary Lift Station:** Will the City approve the construction of a new public sanitary lift station at the western end of Davenport Ln, with a force main extending up to Westfield?
- 10. Sanitary Main in School Property Easement:** Would the City authorize the construction of a new sanitary main within an easement through the school property to connect with the main sewer line in Westgate Dr?
- 11. Easement through School Property for Sewer Connection:** Our civil engineer suggests that laying a diagonal sanitary main through an easement in the City-owned Robert Frost Elementary School property to connect with Westgate's main sewer line would be simpler and cost-effective than alternative force main options. How feasible does the City find this strategy?