

Program Overview

Completed by info@thistleandnest.org on 10/11/2024 3:41 PM

Case Id: 30303

Name: Thistle & Nest - 2025

Address: 250 NW Franklin Ave., Suite 401, Bend, OR

Program Overview



CITY OF BEND

CITY OF BEND

AFFORDABLE HOUSING DEVELOPMENT APPLICATION

City of Bend

710 NW Wall St.

Bend, Oregon 97703

(541)323-8550

housing@bendoregon.gov

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

Objectives

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

Eligible Proposals

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

CDBG Proposals

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

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

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

National Objectives

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

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

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

1. Benefit to Low- and Moderate-Income Persons

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

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

2. Elimination of Slum and Blight

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

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

3. Urgent Need

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

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

Basic CDBG Eligible Activities

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

Eligible Activities Under AHF

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

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

Eligible Activities Under CICT

According to the City of Bend Municipal Code Chapter 9.45, CICT funds can support the following eligible activities:

- At least 50 percent of the funds will be used for programs of the City related to housing
- The remaining funds will be used for support, services, and programs for people making up to 30 percent of area median income

Ineligible Activities

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

- Acquisition, construction, or reconstruction of buildings for the general conduct of government
- General government expenses
- Political activities
- Purchase of construction equipment, fire protection equipment, furnishings and personal properties
- Operating and maintenance expenses
- Income payments
- The purchase of gift cards
- Cash payments / grants to individuals
- Car-related expenses, including gas cards, gas vouchers, car repairs

Eligible Applicants

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

Income Limits

Initial tenants or homeowners of AHF assisted units must have an annual household income which does not exceed 100% of the area median income for the City of Bend (adjusted for family size) and initial homeowners and tenants of CDBG assisted units must have an annual household which does not exceed 80% of the area median income for the City of Bend (adjusted for family size). The 2024- 2025 City of Bend income limits are valid from July 1, 2024 – June 30, 2025, but may be revised when limits are updated or available.

Persons Per Household	1	2	3	4	5	6	7	8
Area Median Income (AMI)	\$73,290	\$83,760	\$94,230	\$104,700	113,076	\$121,452	\$119,358	\$138,2
Moderate Income (80% AMI)	\$58,650	\$67,000	\$75,400	\$83,750	\$90,450	\$97,150	\$103,850	\$110,5
(60% AMI)	\$43,980	\$50,280	\$56,520	\$62,820	\$67,860	\$72,900	\$77,940	\$82,92
Low Income (50% AMI)	\$36,650	\$41,900	\$47,100	\$52,350	\$56,550	\$60,750	\$64,950	\$69,10
Extremely Low Income (30%)	\$22,000	\$25,150	\$28,300	\$31,400	\$33,950	\$36,450	\$38,950	\$41,45

Rent Limits

OHCS 2024 Rent Limits for HOME Projects. (Based on HUD's published Adjusted Home Income Limits)

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

Rent Limits	0 Bedrooms	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market	\$1,117	\$1,283	\$1,623	\$2,287	\$2,754
Low Rent Limit	\$916	\$981	\$1,177	\$1,361	\$1,518
High Rent Limit	\$1,117	\$1,256	\$1,509	\$1,735	\$1,916

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

[City of Bend Policy- Affordable Housing Development Program](#)

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4 of 25

☒ I have downloaded and read the above documents.

A. Applicant Information

Completed by info@thistleandnest.org on 10/11/2024 3:44 PM

Case Id: 30303

Name: Thistle & Nest - 2025

Address: 250 NW Franklin Ave., Suite 401, Bend, OR

A. Applicant Information

Please provide the following information.

ORGANIZATION INFORMATION

A.1. Organization Name

Thistle & Nest

A.2. Organization Address

250 NW Franklin Ave. Suite 401 Bend, OR 97703

A.3. Executive Director Full Name

NA

A.4. Executive Director Email Address

info@thistleandnest.org

PROJECT INFORMATION

A.5. Project Name

Woodhaven Estates

A.6. Project Location

61646 Pettigrew Road Bend, OR 97702

CONTACT PERSON INFORMATION

A.7. Contact Full Name

Amy Warren

A.8. Contact Title

Board President

A.9. Contact Address

250 NW Franklin Ave. Suite 401 Bend, OR 97703

A.10. Contact Phone Number

(541) 330-8758

A.11. Contact Email Address

amy@thistleandnest.org

A.12. Board President Name

Amy Warren

A.13. Board President Email Address

amy@thistleandnest.org

B. Organization Information

Completed by info@thistleandnest.org on 10/21/2024 12:32 PM

Case Id: 30303

Name: Thistle & Nest - 2025

Address: 250 NW Franklin Ave., Suite 401, Bend, OR

B. Organization Information

Please provide the following information about your organization:

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

Thistle & Nest partners with developers and builders to address the challenge of affordable housing in a way that is permanent in nature. The nonprofit's mission is to provide services, support, purchase opportunities, and stewardship for buyers of affordable owner-occupied housing. Thistle & Nest was formed in March of 2023 as part of the triad develop-build-nonprofit partnership that is overseeing this project. This team has 184 homes in total funded by Oregon Housing and Community Services and has banked land for an additional 246. The nonprofit has a solid, time-tested, and proven team of subcontracted organizations in the areas of land development, vertical development, home sales support, communications management, and lease stewardship.

For this project, Larry Kine oversees the partnership's land acquisition, horizontal development, and private funding procurement. Amy Warren oversees vertical development, subsidy funding procurement, and the affordable housing program. Subsequent responses provide more details about the partners' experience and service history.

Thistle & Nest's vision is to make a significant impact on Oregon's affordable housing shortage, as well as to provide the opportunity to gain personal equity and stability by assisting low- and moderate-income buyer-ready households attain the dream of homeownership. In partnership with other organizations, the nonprofit plans to provide 1000 affordable homes in Oregon in the upcoming ten years.

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

Thistle & Nest has a robust balance sheet, showing positive equity and liquid assets. In the 18 months since being founded, the nonprofit has matched 20 homes with buyers. Deferred developer and builder fees have allowed this revenue to be used to build the current ten homes under construction with cash flow.

Additionally, Thistle & Nest is backed by private lenders as needed. This allows for land acquisitions, pre-development, and often infrastructure to progress prior to receiving funds from our primary subsidy source—LIFT funding from Oregon Housing and Community Services. The private funding commitment can also bridge the gap between building and sales. Thistle & Nest has received funding awards of approximately \$30 million from LIFT to date.

Thistle & Nest is applying for development funds to support the building costs of the final ten homes at 61646 Pettigrew Road in Woodhaven Estates. This project phase is also made possible through (Deschutes County/COBA) Home Funds and City of Bend and Parks & Recreation SDC waivers. Additionally, eight of the first nine buyers in this phase received down payment assistance support from the City of Bend's Affordable Housing Fee funds.

Thistle & Nest is not required to do an audit because we do not receive Federal funding. Tax returns and year-to-date finance reports are available upon request.

B.3. Key Personnel Assigned to Project:

Name	Job Title	Qualifications	FTE Hours
Stephany Davila-Hermeling	Homeownership Program Manager	Has executed 20 sales for Thistle & Nest	0.75
Amy Warren	Board President	10 years of affordable housing program oversight and development	1
Larry Kine	Board Treasurer	29 years in real estate and development	0.75
Geneva Strauss-Wise	Project Manager	3 years of project management with an emphasis on sustainability and energy efficiency	0.5
			3

C. Project Description

Completed by info@thistleandnest.org on 10/21/2024 1:15 PM

Case Id: 30303

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Address: 250 NW Franklin Ave., Suite 401, Bend, OR

C. Project Description

Please provide a brief description of the following:

C.1. Amount Requested:

\$750,000.00

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

The funds will be used for building expenses. This will reduce the effective price to the buyer because we are requesting a 20-year balloon payback.

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

19

C.4. Number of accessible units:

0

C.5. Number of Affordable Units:

19

C.6. Number of market rate units:

0

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

The project addresses the need for affordable owner-occupied housing for low-income (under 80% AMI) and moderate-income* (81%-120% AMI) households. Bend, Oregon, has a significant housing shortage. This project request will support the building costs for 10 of the 133 units to be developed in Woodhaven Estates. These homes will allow local low- and moderate-income households to obtain stable housing and build equity.

The project also addresses the need for equitable opportunities for minorities, women, those experiencing generational poverty, and seniors. The opportunities this project affords those priority populations are for housing recipients and the local workforce. The scale of this project provides stable work for many local businesses. Just over 50% of funds spent over the past six months on subcontractors on this Woodhaven phase were paid to those that would qualify as minority-owned, woman-owned, or small emerging businesses.

*Of the ten homes in this request, one will be sold as affordable to a household making between 81% and 120% of the Area Median Income.

C.8. Describe how your project will address the identified need or problem, including project background, project objectives, services to be provided by the project, the populations or areas to be served, and how the Affordable Housing Development assistance will be used.

Thistle & Nest is applying for funds to support the building costs for ten homes at 61646 Pettigrew Road in Woodhaven

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9 of 25

Estates. This project will address the need for affordable, owner-occupied housing for low- and moderate-income households by reducing the effective purchase price. These development funds will allow the nonprofit to provide additional housing units in Bend, OR, which will be available to a broader economic demographic than without the funds. The ability to serve lower-income buyers will intersect with the demographics of the populations in which Thistle & Nest prioritizes their outreach—those who have historically experienced barriers to homeownership.

This project came to fruition through a partnership with a local developer and builder. The partners contributed the land option and funding procurement of both subsidy and private funding. Thistle & Nest has received subsidy funding from Oregon Housing and Community Services (OHCS) to build 114 affordable homes (phases 1-6) in the Woodhaven Estates development. The partnership also has site control for phase 7, which will accommodate 19 additional homes.

The objectives of this project include: 1) provide ownership opportunities that are permanent in nature, 2) to build energy-efficient homes that reduce the household's energy bill, 3) to create more job opportunities for our local workforce, 4) to build in an efficient, innovative, and replicable manner, and 5) to serve historically underserved populations at a rate that is greater than their representation in the Bend area—this particular objective goal is for both our housing programs and subcontracts.

Services provided by this project include pre-purchase support, ownership opportunities, and post-purchase stewardship. It will serve the Central Oregon area by reducing the effective purchase prices for homes within the Bend, OR, urban growth boundary.

C.9. Describe how your project will address the identified need or problem in a way or to a degree not already being achieved in the community. Please identify any other similar programs or projects and how your project will add to or improve upon existing services.

Thistle & Nest addresses the need for affordable owner-occupied housing through nonprofit/for-profit development partnerships. This allows the organization to address the need in a timely and financially efficient manner and on a greater scale. As a testament to this, the nonprofit has been awarded ~\$30 million from Oregon Housing and Community Services for 184 homes in Central Oregon. Thirty will have been built in 18 months since the first award, and 70 are planned for 2025. The partnerships allow the nonprofit to apply for funding with secured land and otherwise fully funded projects on an expedited timeline.

Other affordable homeownership programs in the Bend area include First Story, Habitat for Humanity Chapters, and Rooted Homes (formerly Kor CLT). Thistle & Nest collaborates with Bend-Redmond Habitat for Humanity on select projects. The above-listed housing providers, under the leadership of NeighborImpact, organize three housing fairs per year together as a one-stop shop for potential buyers—one fair is in Spanish language only.

Thistle & Nest's program is well-suited for buyer-ready households. The nonprofit does not have a first-time homebuyer requirement, as do the other providers listed above, and has successfully served three. All three non-first-time homebuyers were cost-burdened households that can now achieve financial stability by purchasing a home in Woodhaven Estates. Thistle & Nest's pre-purchase support is less robust than Habitat's, where buyers work within their program for up to a year. Habitat offers an incredibly valuable service for households who are not quite buyer-ready. On the other end of the spectrum, Thistle & Nest works with buyer-ready households who prefer not to experience the other programs before a home purchase. The nonprofit subcontracts pre-purchase support to NeighborImpact and O'Connor Housing Services, expedites the process, and places buyers in a home within a couple of months if they so desire.

C.10. Describe the ways in which your project will have a long-term impact on the need or problem being addressed.

Thistle & Nest uses the community land trust model. The land lease has a 99-year renewable term, ensuring that the homes stewarded by the nonprofit are permanently affordable. The deed restriction on resale contained within the land lease allows for a modest gain for the homeowner. This gain, coupled with a monthly reduction of the principal loan amount, allows the homeowner to gain equity in addition to stable housing—something that is not possible with rental housing.

Additionally, Thistle & Nest's energy-efficient building practices help insulate homeowners from rising energy costs over time. This energy security is another aspect of the nonprofit's long-term impact on the need for affordable home costs.

C.11. Describe your organization's plan for evaluating the progress of the project toward addressing the identified need or problem.

Thistle & Nest uses the HomeKeeper CRM (a Salesforce application) to track and evaluate the project's progress and how it addresses the need. The nonprofit will conduct annual internal evaluations to ensure compliance and will make adjustments as necessary. The HomeKeeper database will allow the nonprofit to track the income demographics of those in our homeownership program, including this project, over time. It will also track the percentage of households served that are representative of our priority populations—minorities, woman-led households, and those who have experienced generational poverty.

C.12. Please indicate the time period that the project will remain affordable and how your organization plans to ensure that the project remains affordable for the specified time period:

The project will remain affordable in perpetuity. It will remain affordable, as defined by HUD (under 80% AMI), for a minimum of 40 years, as required by our covenant with Oregon Housing and Community Services. After 40 years, Thistle & Nest may elect to sell up to 25% of the homes as affordable, defined by the percent of AMI that is considered to include the "missing-middle" or "workforce" by the local government jurisdiction(s) at the time. The nonprofit will do this if the housing need for this demographic is significant, in full compliance with the IRS's Safe Harbor Revenue Procedure 96-32.

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

Thistle & Nest and their nonprofit partners comply with fair housing laws and serve protected classes under the Fair Housing Act. The nonprofit currently collaborates with the following partners:

- NeighborImpact: The partnership includes income verification, homebuyer education and counseling, financial workshops, downpayment matching, and outreach support.
- Latino Community Association: This MOU supports outreach to the Latino Community and provides translation and interpretation as needed. The association also hosts an annual Spanish-language housing fair.
- HousingWorks: An MOU is in place to assist with outreach and connection to potential buyers with a Section 8 Housing Voucher, allowing the program to potentially benefit very-low-income households (as defined by HUD).
- Bend-Redmond Habitat for Humanity: Thistle & Nest is collaborating with Habitat on City of Bend surplus properties. The two nonprofits collaborate on best-building practices, sustainable and energy-efficient strategies, outreach, policy, etc., to further the organizations' mission and the common goal for additional owner-occupied housing in Central Oregon.

- Heart of Oregon's Youth Build: This nonprofit has applied for funding to build two of Thistle & Nest's homes in Prineville and plans to build one of the homes at the Franklin Avenue surplus property project.
- Thistle & Nest also has letters of intent to partner for future projects, including but not limited to the Bean Foundation, OSU Cascades, Pollinator Pathways, and the Environmental Center.

In the last 12 months, Thistle & Nest has matched 20 low-income buyers with a home in the Woodhaven Estates community! This development has provided stable housing for 13 women-led and three senior-led households, three families with children, four households that identified as non-white, as well as 17 first-time and three first-generation homebuyers. The nonprofit also served a financially diverse group of buyers, ranging from less than 30% AMI up to 80% AMI, including one household with a Section 8 Voucher. Eighteen of those households contribute to the local workforce, and retirees own two of them. These diverse demographics are partly possible by our nonprofit partners and City of Bend down payment assistance. Through the outreach facilitated by these partnerships, the nonprofit is expected to serve priority populations at a percentage greater than their representation in the Bend area.

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

This project does not include accessible units. These townhome designs could not include a first-floor bedroom to achieve maximum density (more homes per acre of land). Thistle & Nest recognizes this need and has incorporated it into some of the future projects.

D. Property and Project Information

Case Id: 30303

Name: Thistle & Nest - 2025

Address: 250 NW Franklin Ave., Suite 401, Bend, OR

Completed by info@thistleandnest.org on 10/17/2024 2:36 PM

D. Property and Project Information

Please provide the following information.

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

The Woodhaven Estates development includes seven tax lots of approximately 1.13 acres each and 19 homes per lot. The project site for this application is a total of 1.11 acres, located at 61646 Pettigrew Road in SE Bend, Oregon. The land was purchased build-ready by Thistle & Nest, with infrastructure included for all 19 units. Nine homes have already been built and sold as affordable to households making less than 80% Area Median Income. The remaining ten homes are under construction. The first of them will be ready for purchase by the end of the year.

The project property has a Phase I environmental report available upon request. The State of Oregon conducted a wetlands evaluation, which is also available upon request. The properties are not adjacent to any waterways, no critical habitats were identified, and the recent past usage was residential. The property did not previously contain, nor is it adjacent to, any historical structures or landmarks.

Please attach a map showing the project's location:



Map of Project Location

61646 Pettigrew Tax Map.pdf

D.2. Property Legal Description

Daly Estates, Block 1, Lot 11, City of Bend, Deschutes County, Oregon

D.3. Site Condition

Developed

D.4. Property Owner

Thistle & Nest

Upload supporting documentation



Property Legal Description

***No files uploaded*

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D.5. Parcel Size (Acres)

1.11

D.6. Site Control Status

Owned

If Under Contract/Option to Purchase enter expiration date:

If Leased, enter expiration date:

Notes – additional information

ZONING AND SITE PLAN STATUS

D.7. Site zoning

RM, multi-family

D.8. Is the present zoning conforming?

Yes

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

Yes

SERVICES TO SITE

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

D.10. Street access

Yes

D.11. Gas

No

Provide an expected completion date OR an explanation if not anticipated

This is an electric only development

D.12. Electric

Yes

D.13. Water

Yes

D.14. Sanitary sewer

Yes

D.15. Storm sewer

Yes

E. Work Program

Completed by info@thistleandnest.org on 10/14/2024 10:04 PM

Case Id: 30303
Name: Thistle & Nest - 2025
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E. Work Program

The CDBG program year begins 7/1/2025 and ends 6/30/2026. The AHF and CICT program year begins approximately 4/1/2025 and ends 12/31/2026. Please provide the following information

E.1. Anticipated Start Date:
05/01/2023

E.2. Anticipated Completion Date:
01/31/2025

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

Task	Start Date	End Date
Complete Construction of last 10 homes	08/01/2024	01/31/2025

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

F. Project Benefit

Completed by info@thistleandnest.org on 10/14/2024 10:07 PM

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F. Project Benefit

Please provide a brief description of the following:

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

19

F.2 Estimate the number of households to be served, by income level.

< 30% AMI	31 - 50% AMI	51 - 80% AMI	> 81% AMI
1	1	7	<input checked="" type="checkbox"/>

F.3 Estimate the number of households to be served, if known.

Elderly (aged 62+)	Persons with Disabilities	Female Head of Household	Veteran
2	1	8	

G. Financial Information

Completed by info@thistleandnest.org on 10/25/2024 12:51 PM

Case Id: 30303

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G. Financial Information

Please also provide the following financial information:

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



Budget Form *Required

Woodhaven budget_phase 1.pdf

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

This project was initiated in 2021. Assumptions were used for building costs, administrative costs, and home sales revenue. Building costs were estimated from recent projects that the partners had developed. The building costs have proven to be true to the estimate thus far. Administrative costs have been true to the estimate as well, except for insurance, which seems to be a moving target. However, the budget has a contingency to cover insurance overages.

The most challenging assumption to predict was home sales revenue. Thistle & Nest created the proforma/budget and applied for LIFT funding for this project in early 2022. Not only were home loan interest rates much lower at that time (3.2-3.5%), the home sales for the 2-bedroom/2.5-bath homes were modeled for an average household size of 2.5 persons. The result was a home sales revenue of \$300,000 per household. The interest rates for mortgages for buyers and household size have proven inaccurate, negatively impacting the buying power of our applicants. Additionally, most of the applicants have been 1-person households and have needed more down payment assistance to actualize a home purchase.

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

NA - This project is funded.

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

Thistle & Nest is able to proceed with the project without the requested funds or with an award amount less than the request. This funding allows us to serve a more diverse (lower) income demographic, including populations that have historically experienced barriers to homeownership.

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



Detailed Pro Forma

Woodhaven budget_phase 1.pdf

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

Homebuyers for projects funded by LIFT currently have access to Oregon Bond, Fannie Mae, and Umpqua Neighbors loan programs. Lenders we have identified that administer these loans include, but are not limited to, Umpqua Bank, Banner Bank, Loan Depot, and Guild Mortgage. Thistle & Nest also recently added Aide E. Gonzalez from Guardian Mortgage to the preferred lender list. She is a bilingual Latina who has experience with Fannie Mae ITIN lending.

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

Thistle & Nest is requesting a 20-year loan, 3% interest, with a balloon payment at the end of year 20. This allows the organization to treat the subsidy as silent upon onset and then satisfy it through acquired equity after year 20. Thistle & Nest also requests that any awarded funds can be used to reimburse expenses which have already been paid for.

G.8. CDBG Funds Requested:

\$0.00

G.9. AHF Funds Requested:

\$700,000.00

G.10. CICT Funds Requested:

50,000

G.11. Leveraged Funds:

\$4,904,448.00

H. Budget

Completed by mkamanya@bendoregon.gov on 10/25/2024 11:25 AM

Case Id: 30303

Name: Thistle & Nest - 2025

Address: 250 NW Franklin Ave., Suite 401, Bend, OR

H. Budget

Please provide the following information.

H.1. Project Budget

	Project Activities	CDBG Funds Requests	AHF Funds Requested	CICT Funds Requested	Other Public Funds	Private Funds	Activity Total
<input type="checkbox"/>	Land Acquisition	\$0.00	\$0.00	\$0.00	\$2,185,000.00	\$245,116.00	\$2,387,341.00
<input type="checkbox"/>	Building	\$0.00	\$750,000.00	\$0.00	\$207,180.00	\$3,804,636.00	\$4,761,816.00
<input type="checkbox"/>	Project Administration	\$0.00	\$0.00	\$0.00	\$0.00	\$275,291.00	\$275,291.00
<input type="checkbox"/>	Down Payment Assistance	\$0.00	\$750,000.00	\$0.00	\$0.00	\$0.00	\$750,000.00
	TOTAL	\$0.00	\$1,500,000.00	\$0.00			\$8,174,448.00

H.2. Other Public Funds

Source	Use of Funds	Amount of Funding	Funding Status
Oregon Housing and Community Services	Land Acquisition	\$2,185,000.00	Secured
City of Bend and Parks & Recreation	Building	\$207,180.00	Secured
TOTAL		\$2,392,180.00	

H.3. Private Funds

Source	Use of Funds	Amount of Funding	Funding Status
Partner Deferred Payments	Building	\$1,987,152.00	Secured
Kine & Kine Trust	Building	\$2,050,000.00	Secured
Kine & Kine Trust	Land Acquisition	\$245,116.00	Secured
TOTAL		\$4,282,268.00	

H.4. Funding Documentation



Funding Documentation - Letters of funding commitment from sources

K&K 401K Const. funding letter 4-3-22.pdf

I. Project Feasibility and Readiness

Completed by info@thistleandnest.org on 10/21/2024 11:18 AM

Case Id: 30303

Name: Thistle & Nest - 2025

Address: 250 NW Franklin Ave., Suite 401, Bend, OR

I. Project Feasibility and Readiness

Please provide the following information regarding project feasibility and readiness:

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

The project at Woodhaven Estates is already under construction, utilizing the capacity of its partnering LLCs managed by Larry Kine and Amy Warren, along with other subcontracted organizations. Thistle & Nest operates a low-overhead, efficient operating system. This is one of the many ways the organization can be financially sustainable, reactionary, and adaptable to fluctuations in the housing pipeline. Most of the work the nonprofit undertakes is performed by subcontractors under the board of directors' oversight. This allows the organization to contract individuals/companies that are specialized experts in their field. Many emerging nonprofits have to wait until they get to maximum internal capacity before they hire additional staff due to financial constraints—employees ebb and flow between being at maximum workload and not having enough workload. A strong subcontracted support base insulates Thistle & Nest from this internal yo-yo effect. Some examples of this strategy utilized include project management, project finance/bookkeeping, marketing, home sales support, and real estate services.

Thistle & Nest recognizes that a prudent level of internal consistency is necessary and will hire high-level management employees to oversee contracted work as the organization grows. The nonprofit prefers not to feed the machine (overhead) in order to save our buyers money in pass-through costs.

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

This project has received only positive neighborhood support. The development is a welcomed upgrade to the neighborhood.

Attach Letters of Support



Evidence of Neighborhood/Community Support *Required

M.Martino Letter of Support.pdf

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

Thistle & Nest purchased this property in 2023. It had all entitlements and was build-ready upon purchase. Thistle & Nest utilizes a solid subcontractor base, and the project has been managed by the board of directors. This has proven successful in constructing and selling 20 homes to date.

I.4. Describe any land use processes (such as a zone change or a conditional use permit) the project will require and

Printed By: Mellissa Kamanya on 10/28/2024

21 of 25

what steps, if any, have been taken to address these issues.

NA - This project is currently 85% complete.

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

NA

I.6 For CDBG applicants only, will the full amount of the funds be spent by June 30, 2026? Select one option from the dropdown menu.

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

J. Required Documents

Completed by info@thistleandnest.org on 10/15/2024 7:36 PM

Case Id: 30303

Name: Thistle & Nest - 2025

Address: 250 NW Franklin Ave., Suite 401, Bend, OR

J. Required Documents

Please provide the following information.

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

- [504 Self-Evaluation Checklist](#)

Documentation



504 Self-Evaluation Checklist

504 Self-Certification-2023.pdf



Affirmatively Furthering Fair Housing Statement and Marketing Plan

Fair Housing Policies.pdf



Proof of Non-Profit or Governmental Status

Thistle-Nest IRS Tax Exempt Approval 92-4694655.pdf



Status of Oregon Business Registry Printout

SOS Business Registry 2024.PDF



Unique Entity Identifier (UEI) Number

ID #s.docx



Map of Project Location

61646 Pettigrew Tax Map.pdf



Equity and Inclusion Policy

DEI Policy adopted 9-21-23.pdf

Submit

Completed by info@thistleandnest.org on 10/25/2024 12:51 PM

Case Id: 30303

Name: Thistle & Nest - 2025

Address: 250 NW Franklin Ave., Suite 401, Bend, OR

Submit

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

☒ The applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining funding under the City's Affordable Housing Development Program.

☒ I understand that U.S.C. Title 18, Sec. 1001, provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies...or makes any false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both."

☒ I certify that the application information provided is true and complete to the best of my/our knowledge.

☒ I agree to provide any documentation needed to assist in determining eligibility and are aware that all information and documents provided, except as exempted pursuant to law, are a matter of public record.

☒ I further grant permission and authorize any bank, employer, or other public or private organization to disclose information deemed necessary to complete this application.

Authorized Signature

Amy Warren

Electronically signed by info@thistleandnest.org on 10/21/2024 1:37 PM

Woodhaven Estates Phase 1

PROJECT SOURCES

State LIFT funds loan	\$ 2,185,000
System development charge exemption	\$ 207,180
Land Loan	\$ 245,116
Construction Loan	\$ 2,800,000
TOTAL PROJECT SOURCES	\$ 5,437,296

PROJECT USES

Land	\$ 2,387,341
Building	\$ 4,761,816
Building permits	\$ 78,219
System development charges	\$ 261,180
Plan design & engineering	\$ 12,215
Building hard costs	\$ 3,833,896
Building contingency (5%)	\$ 191,695
GC fee	\$ 384,611
Project Administration	\$ 275,291
Appraisals	\$ 3,000
LIFT Charges	\$ 36,025
Phase I reports	\$ 2,900
Construction loan fee & monthly inspections	\$ 35,000
Project management	\$ 66,000
Legal	\$ 25,000
Project marketing	\$ 7,500
Bond, insurance	\$ 37,250
Property taxes	\$ 5,170
Course of construction insurance	\$ 16,500
GL insurance	\$ 17,000
Program subcontracted expenses	\$ 9,500
Overhead	\$ 5,000
Soft contingency (5%)	\$ 9,446
TOTAL PROJECT USES	\$ 7,424,448

HOME SALES	\$ 5,700,000
Sales Expenses	\$ (274,000)
Realtor fee	\$ (142,500)
Closing costs	\$ (84,000)
Stewardship fee	\$ (47,500)
Loans	\$ (3,121,116)
Interest	\$ (76,000)
Loan repayment	\$ (3,045,116)
DEVELOPER FEE	\$ 317,732

LIFT funds/home
\$ 115,000

of Homes
19
Square feet (s.f.)/home
1030
Square feet (s.f.)/garage
312

Total uses/home
\$ 390,760

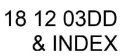
Estimated revenue/home
\$ 300,000

Developer fee % of project
4.28%

7/8/2024

$$1'' = 100'$$

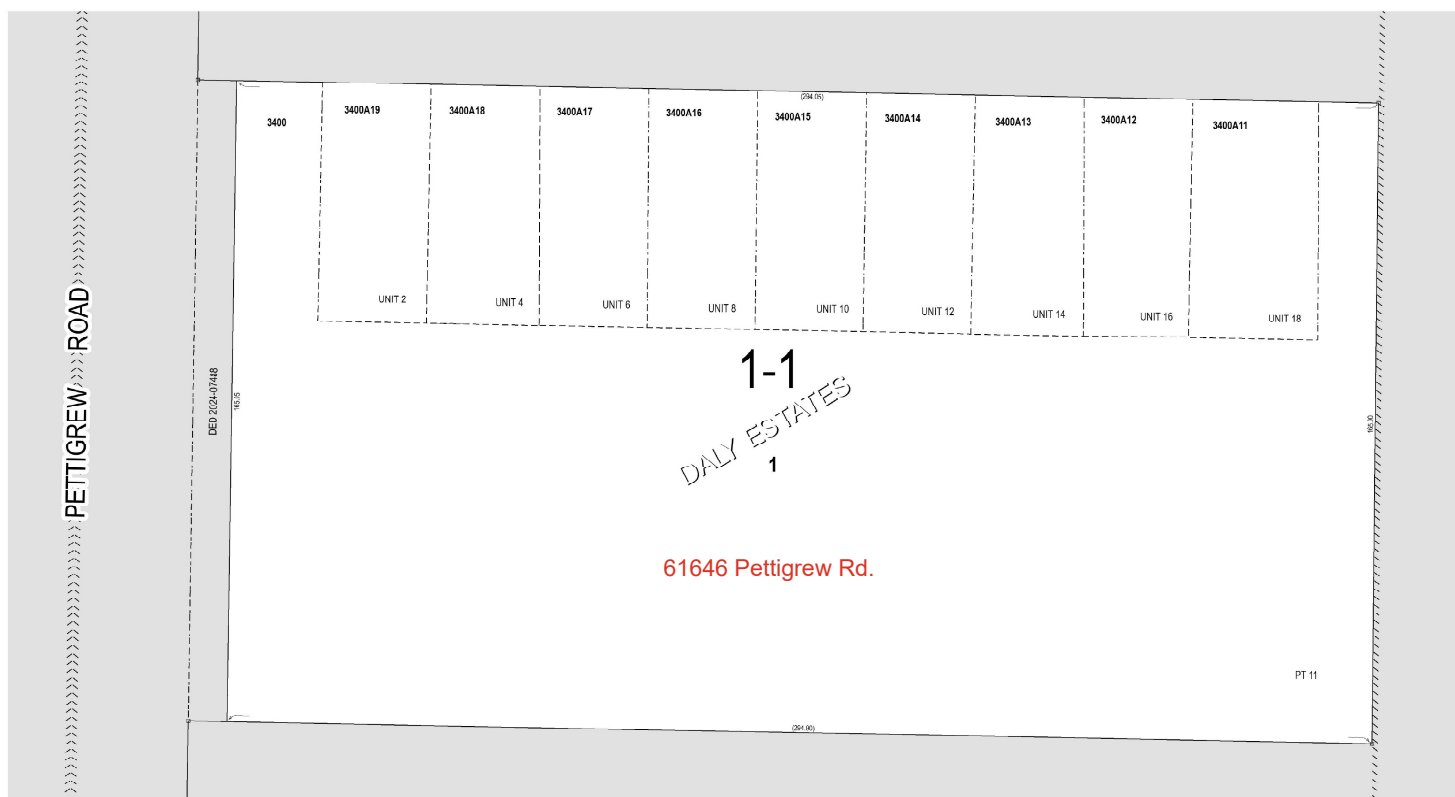
Cancelled Nos.
200
301
1600
1700
2400
3401



7/3/2024

 $1'' = 20''$

18 12 03DD
SUPPLEMENTAL
MAP NO. 002





October 16th, 2024

City of Bend Affordable Housing Advisory Committee

710 NW Wall St.

Bend, OR 97701

Dear AHAC members,

I am writing today in support of Thistle & Nest's request for Affordable Housing Fee Funds.

Thistle & Nest and their supporting partners have a proven ability to develop and build much-needed Affordable Housing units within the Bend community. In recent years, Thistle & Nest has developed and built several dozen deed-restricted Affordable homes geared toward Bend's workforce, currently experiencing the crisis of not being able to afford to live where they work, and they have many more on the way. The housing affordability crisis has created difficulties with local business owners finding qualified staff and personnel, but Thistle & Nest has provided a solution.

My previous six-year time period serving on the City of Bend Affordable Housing Advisory Committee, alongside many of you, has allowed me the pleasure of getting to work with many qualified individuals and entities pursuing their goal to solve this Affordability Crisis within our community. In addition, I have seen Thistle & Nest's fully developed homes provide the needed resource for Bend's community members to finally be able to say they can afford to live where they work. Their process works. Through this award the City of Bend can add additional housing resources and provide stability to it's workforce that has been so difficult to find for so long.

Thank you,

Matt Martino

NMLS # 1551518

541-312-4853

mattmartino@umpquabank.com

KK Kine & Kine Properties 401K Trust Funds

250 NW Franklin Ave, Ste 401, Bend, OR 97703 - Phone 541-617-1999 - Fax: 541-383-1525

April 3, 2022

Woodhaven Community Housing, LLC
Attn: Amy Warren
Bend, OR

Ms. Warren and Whom it may concern,

Woodhaven Community Housing, LLC and Kine & Kine Properties 401K Trust Funds has an ongoing relationship. The relationship is one of an equity partnership where Kine & Kine Properties 401K Trust Funds provides up to 90% LTV (with a maximum of \$7,000,000 per project) for acquisitions and development of affordable homeownership residential projects in the state of Oregon. Prior to any funding, the property must receive an acceptable land use approval from the governing jurisdiction.

If you have any questions, feel free to contact me.

Best regards,

DocuSigned by:

Larry Kine, Trustee

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Larry D. Kine, Trustee
Kine & Kine Properties
401K Trust Funds