



AGENDA REQUEST & STAFF REPORT

MEETING DATE: December 13, 2023

SUBJECT: Sale of property at 51950 Huntington Road in La Pine to Habitat for Humanity La Pine Sunriver

RECOMMENDED MOTION:

Move approval of Board signature of Order No. 2023-043 authorizing the sale of 5.02 acres at 51950 Huntington Road in La Pine to Habitat for Humanity La Pine Sunriver, and further authorizing the Deschutes County Property Manager to execute all needed documents to effect the sale.

BACKGROUND AND POLICY IMPLICATIONS:

In 2021, the Board of County Commissioners directed staff to issue a Request for Proposals (RFP) for the disposition and development of +/- 43 acres in Newberry Neighborhood 2 to provide housing in the region. More specifically, Quadrant 2a known as Map and Tax Lot 2210110000400 (+/- 24.59 acres), and Quadrant 2d known as Map and Tax Lot 2210110000500 (+/-17.66 acres). As part of the RFP process, the County reserved two acres in Quadrant 2a and 2d for Habitat for Humanity La Pine Sunriver (Habitat) for affordable housing projects.

Because the two Quadrants have not sold to date, this led Habitat to request four acres in a single quadrant, specifically Quadrant 2a, which would allow Habitat to initiate the planning process for their next affordable housing development. Subsequently, Habitat requested an additional acre for a total of five acres. Upon the completion of a third party appraisal, which valued the one acre at \$75,000, the County and Habitat agreed on a sale/purchase price of \$50,000.

After Habitat completed the initial site layout, which includes up to 34 townhome lots and infrastructure to each lot including the extension of Masten Mill Drive and Barron Drive, Habitat amended the request to 5.02 acres.

Highlights of the transaction include:

1. County to convey 5.02 acres to Habitat
 - a. 4.02 acres at no cost to Habitat
 - b. 1 acre at a cost of \$50,000
2. \$5,000 refundable earnest money – becomes nonrefundable after Habitat removes contingencies

3. 180-day due diligence period from executing the purchase and sale agreement
4. Habitat to complete the partition process for 5.02 acre through the City of La Pine
5. Closing to occur within 10 days following recording of the 5.02 acre partition plat.

Habitat anticipates starting infrastructure construction Summer 2024; note, timing to start horizontal construction is contingent on receiving subdivision plat approval from the City of La Pine and weather permitting. Further, Habitat is aiming to start vertical construction in the spring of 2025 and will continue over a four- to six-year horizon. The construction timeline is partly based on the number of qualified candidate homeowners in the queue.

BUDGET IMPACTS:

Net sale proceeds from the sale of property in the Newberry Neighborhoods is allocated to the Groundwater Protection Fund.

ATTENDANCE:

Kristie Bollinger, Property Manager