



August 1, 2024

Dear Orland City Council Members,


As you may be aware, we will be helping 64 families to build 64 new, beautiful homes in your community as part of our mutual self-help housing program in partnership with the USDA Rural Development. The homes are part of the Orland Park Estates Subdivision, located south of Highway 32 and east of Hambright Avenue, between Maplewood and Oakwood Drive.

We began marketing the project in late November of 2023 and within a few weeks had received over 800 applications from interested households. The majority of the applications received are from families currently living in Orland. We feel strongly that the huge demand reflects the lack of quality, affordable housing for working families throughout Glenn County and beyond. To be eligible for the program, household income must not exceed \$70,300 for a family size of 1-4 and \$92,800 for a family size of 5-8. Families who participate in our self-help housing program benefit from stabilized housing costs in perpetuity, free from the fluctuations and instability of rent. Families are able to put down roots in the communities in which they collaboratively build with their neighbors and thrive.

A 30% reduction in 2024 USDA Rural Development construction/mortgage funding led to the funds drying up in January of this year. As a result, we have been unable to close loans and start house construction on the 40 families to date whom we have identified as eligible new homebuyers. Consequently, we may have to wait until 2025 funding is in place in order to move forward with the development. This unexpected delay has caused project costs to increase due to land interest and other holding costs. These additional costs threaten the affordability of the project. In an attempt to recover costs and preserve the feasibility of the project, CHIP is requesting that the Orland City Council consider a modest reduction to building impact fees for the 64 new homebuyers in the amount of \$10,000 per home. The \$10,000 in reduced fees will offset the increased costs associated with the project delay and maintain housing affordability for our homebuyers.

Thank you in advance for your consideration of our request.

Sincerely,


Seana O'Shaughnessy
President/CEO