

August 8, 2024

ATTN: Teri Myers, Vice-Chair
City of La Pine Planning Commission

Thank you for allowing us to participate in yesterday's Planning Commission Meeting. It was very helpful for us to understand how the planning process works in La Pine, from project application to public notification to project approval.

We would greatly appreciate if you would review the recommendations of Crescent Creek homeowners for the planned Habitat For Humanity development off Huntington Road and Crescent Creek.

First I'd like to share my personal observations as a new La Pine homeowner and full time resident.

Like most retired homeowners, my home is not just a place to live, it's a long term investment as well. I have heard of the concept of NIMBYism (Not in my Backyard) and am conflicted. I have the utmost admiration for Habitat for Humanity and their mission to provide low cost housing, giving hard working families access to the American Dream. Most of the homeowners I have spoken with at Crescent Creek also share this view and want to see Habitat build many successful projects in La Pine.

The announcement of this development is no doubt hurting home valuations in nearby single family neighborhoods. Pahlisch has reduced new home prices here in Crescent Creek, My model has been reduced by \$10k since my purchase at the start of the year. Pahlisch has yet to notify any recent or prospective homebuyers of this new Habitat development. They have sped up construction in a rush to sell the remaining homes before the Habitat project commences construction. For comparison, Pahlisch has been raising new home prices in Redmond and Prineville, as much as \$40k this year. If our homes do decline further in value, this will negatively impact property tax revenues as homeowners will request adjustments to our assessments.

We want to see the City of La Pine and Habitat for Humanity succeed and provide affordable new homes for hardworking Oregonians. We think there is a better solution for all.

Recommendation

Relocate planned Habitat community to the residential zoned area between Burgess Road, Rosland Elementary School and Hwy 97. (see Note 1)

Our reasoning is as follows:

1. Creates potential for new development zone (R-4 High Density Housing) within the Master Plan for even more housing for lower to moderate income La Pine residents, including multi family.
 - The city of Prineville has a very logical master plan with 5 different residential zones all designed to maintain the character of their neighborhoods and encourage future development and growth. Most notably is the designation of R-4 around their Pahlisch development (Ochoco Pointe) as well as other higher priced single family developments. Pahlisch has begun development of additional phases in Ochoco Pointe.

2. Improves proximity to elementary school and Hwy 97 to Bend, where most working families commute.
3. The land near Burgess and Rosland Elementary has infrastructure in place including electricity, water and sewer. There is also a paved road off Burgess already in place, likely saving the city money in construction expenses.
4. Eliminates negative impact to property values for Crescent Creek and a potential reduction in property tax revenue for La Pine and Deschutes County.
 - A. 10% decline or reduction in appreciation could reduce property tax collections as much as \$97,850/yr (see Note 2)
 - B. This will discourage future development of single family homes in the area. Developers like Pahlisch will opt out as they will not be able to make new developments financially feasible
 - C. As developers that target middle class homeowners like Pahlisch opt out of La Pine, this valuable land in La Pine will likely be developed into lower income housing including multifamily. And certainly we'll see more Crescent Creek homeowners moving out of the area. This may create a further downward spiral as La Pine becomes more transient.

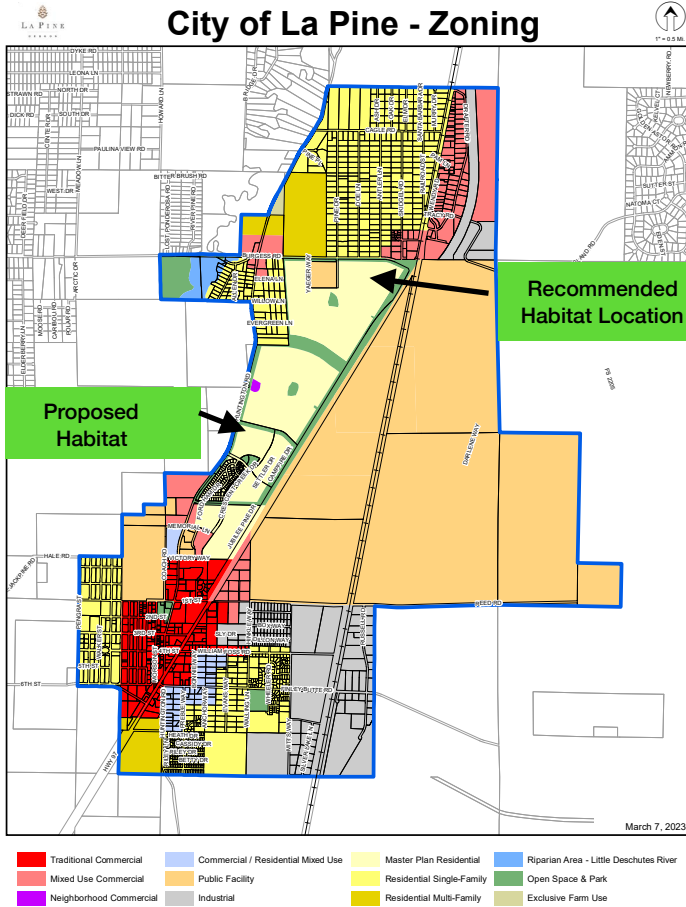
I love the city of La Pine and chose to retire here instead of Redmond or Prineville because of the beautiful pine trees, the snow, and the close proximity to natural attractions. I hope you will see this is an ideal compromise and a better overall solution for Habitat for Humanity, the City of La Pine and Crescent Creek Homeowners.

I would love to sit down with you and discuss further. Thank you for your consideration.

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Notes

1 City of La Pine Zoning Map



2 Estimated Property Tax Impact

206 Crescent Creek homes x average of \$475,000 = \$97,850,000 total property valuation

\$97,850,000 x 1% property tax rate = \$978,500/yr in property tax revenue

\$978,500 x 10% decline = \$97,850/yr in lost property tax revenue