



**BUILDING A  
BETTER  
COMMUNITY**

April 3, 2020

thehrdc.org



e: hello@

Marty Matsen  
Community Development Director  
City of Bozeman  
20 East Olive Street #202  
Bozeman, MT 59715

RE: Willow Springs Phase Two Funding and Support Request

Director Matsen,

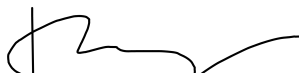
Please accept this letter as HRDC's official request for financial support of the second phase of permanently affordable townhomes at Willow Springs. When complete, Willow Springs Townhomes, located at the corner of Hoover Way and Sartain Street, will provide 24 units of housing priced to be affordable to households earning 70% of the Area Median Income. The homes will be restricted by a ground lease and held in a Community Land Trust (CLT) to ensure that the homes are affordable in perpetuity. The CLT model uses a 75-year, renewable ground lease that limits resale prices while ensuring that the community investment in affordable housing endures beyond the first homeowner. HRDC has worked closely with the nationally-recognized Community Land Trust authority, Grounded Solutions, to develop a pricing and resale model that will serve our community's workforce for years to come.

HRDC is committed to keeping Willow Springs affordable in perpetuity, and has invested over \$1.5 million in Neighborhood Stabilization Program funds into the land and infrastructure costs of the site. We ask the City to assist in this effort as well, by committing \$20,000 per unit for the 12 units in this phase of the project, totaling \$240,000. The City's investment in this development will ensure that affordable housing endures in our community long after this assistance.

HRDC is grateful for the support from the City of Bozeman for phase 1 of Willow Springs. Response to phase 1 of the homes been strong and we anticipate continued strong demand for phase 2, even in light of the recent public health crisis. The Willow Springs Townhomes meet needs identified by the City in their Housing Needs Assessment, and will provide a permanent contribution to the community's inventory of affordable homes at a price similar to that of those provided through the affordable housing ordinance for much shorter terms. We hope that the City will support HRDC's continuing efforts to provide a source of permanent, deeply affordable housing for our citizens.

Thank you for your consideration of our request.

Sincerely,

  
Tracy Menuéz  
Associate Director

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