

July 2024

Dear Newberg City Council,

North Valley Friends Church wants to update you on the status of Peace Trail Village. Years ago, we developed a vision to offer places to stay at minimal cost for Providence patients who were in need of stable housing. The original plan was to expand from our two tiny homes on wheels to a designed village of nine with laundry facilities and common space. The City had made it clear that local codes did not contemplate tiny homes on wheels (either to permit or to prohibit them), but would allow them for this particular project. The City assigned street addresses to the tiny houses, and the City Council chose to allocate federal ARPA funds to the program: \$250,000 to the church to build infrastructure and \$150,000 for Providence BOB (Better Outcomes through Bridges) to design and run services for guests in the village.

Later in 2022 it became clear that the City could no longer support the use of the tiny homes on wheels because of code and zoning concerns. Our guests moved out of the existing tiny homes, which still sit empty. The church quickly shifted to focus on building a "cottage cluster," permitted by recent changes to the City code. We hired architecture and engineering firms to design eight cottages on foundations and a ninth building for laundry facilities. Early estimates suggested the project would cost some \$1.2 million to build--an intimidating number, but one we could imagine raising, given the solid start with ARPA funds and over \$55,000 in private donations.

We hired a project manager who guided the processes of designing the village, filing a land use plan, and gathering estimates. This work cost a total of \$176,465.66, which the church has reported to the City on a quarterly basis. The land use plan was approved in February 2023, upheld by the Land Use Board of Appeals last July, and extended for six months this February. That final extension expires this August.

Meanwhile, the church is still working to connect its property to the City water system. This has been in process for years and we hope it will finally happen this summer. However, this year it became clear that the timeline for the water system improvements would make it impossible to pull building permits for PTV before the extended land use plan expires. We still hope to invest ARPA funds in the portion of water and sewer connections relevant to PTV.

With no further alterations to the project itself, the estimated total cost of building the village has ballooned to some \$2.2 million, four times the estimate under which the ARPA grant for tiny homes was awarded, and a million dollars more than was anticipated when we first shifted to a cottage cluster model. It will take us more time than anticipated to raise these funds; we intend to spend the remaining ARPA Grant Funds on as much infrastructure work as we can accomplish before the end of 2024.

We have established Peace Trail Village as an Oregon nonprofit corporation, which was granted 501(c)(3) status by the IRS in June. While we prepare for utility connections to provide the basis for a timeline and serious fundraising, the PTV board is exploring additional ways to address the housing crisis in Newberg in partnership with local agencies. We hope that all the work and resources that have been dedicated to the cottage cluster will bear fruit, though it will take longer than we had hoped.

Much has changed over the past two years, but we still feel called to use our resources to contribute toward housing options in Newberg. We thank those who have supported this vision.

Sincerely,



Jared Jones