

Micro Community Concepts

Our non-profit corporation was formed to address the issue of affordable housing in the Portland metropolitan area by providing micro housing that is actually affordable. When we say affordable, we mean just that. Our homes will rent on a sliding scale for \$250-\$350 per month for people with an annual income of \$8,000-\$21,000. This will allow that even a part time minimum wage earner the ability to afford a home while helping the city as a whole by preventing homelessness.

Self-Replicating

Our business model is designed to relieve the burden on taxpayers by providing nearly two thirds of rents collected be put towards developing future micro housing communities once that community has fulfilled its financial obligations.

Many Model Options

Micro communities could be developed to serve specific needs of the community by having communities set up specifically for families, seniors, fixed income individual's, people just returning to the workforce, people returning to the community from prison, etc.

Serving Our Neighborhoods

Many of our Portland neighborhoods are experiencing a growth in their local homeless population and are desperate for sustainable solutions. We have presented this concept to two of these neighborhoods at their monthly public meetings. Our first was Lents and our second was St. Johns. Our objective in doing so was to determine whether or not they would be receptive, and they were. In fact, at the end of our presentation to the Lents neighborhood, Jessie Cornett asked for a vote from the community attending if they would be willing to explore this concept further and the vote was unanimous, Yes.

Community Concerns

Citizens have many legitimate concerns when it comes to developing low income housing in their neighborhoods. They ask, will they be drug addicts? Will they be drunks? Will they steal from us? Will they leave trash all over? Will this bring the value of my home down? Will they be sexual predators? Will they be loud and disruptive? Will they sell dope to our kids? Will it be like a trailer park? Will I have to pay for this? Well, the answer to all of these questions are, no. We will be selective in our process of selecting residents. Although we will not run credit or rental history checks, we will be verifying income and work history as well as a criminal background check to assure the community that there will be no violent felons or sexual predators residing in our communities unless those communities are designated for that purpose and that purpose only. We will maintain a safe and supportive atmosphere, always.

Maintaining Our Communities

Nearly one third of rents collected will be dedicated to maintenance and making improvements in our community. Our duty is to provide an ascetic, clean and safe place to live and a wonderful place to visit. Each community will have one full time manager that will maintain the landscape, keep the buildings and infrastructure in good repair and demand that all residents maintain their areas. There will be no storage of belongings outside of the homes and there will be no added structures other than those approved of by the board of directors and the neighborhood association in which they are located.

Community Involvement

We will strive to promote a healthy and supportive lifestyle in our communities. Solar power production, urban farming and the production of goods that could be sold by retail outlets are a way in which we could generate income for residents as well as support projects in our neighborhoods. We will ask that our residents give back to the community by participating in neighborhood coordinated projects.

Community Security

We require that all residents use their eyes and ears to keep our community safe. Our residents will sign an agreement that requires them to make the manager aware of any suspicious or illegal behavior inside or near our community. We will maintain a safe and secure atmosphere at all times.

Community Norms

Just like every other community, we have rules. In fact, we have a lot of rules. Ours is a special community and all eyes will be on us. It is imperative that we enforce these rules in order to maintain a healthy relationship with our neighbors and our residents. There will be no illegal drug use on our property. There will be no public intoxication on our property. Noise must be kept to a minimum during the day and after dusk there will be a no-noise policy. Residents cannot yell, fight or cause anger in our community. Residents may not use violence or even the threat of violence in our community. Residents may not discriminate against any other resident or guest in our community. Residents are responsible for their guests while on our property and will be held accountable. Residents must maintain a clean area at all times. These are some of our basic rules. All residents will be made aware of these rules and must sign an agreement to uphold these rules as part of the rental application process.

Criteria/Leasing

We will operate like any other rental agency as far as leasing procedures except that we will not run credit or rental history. We will offer 3, 6 and 12 month leases. We will strive to lease to a wide variety of individual's that reflect the diverse population of Portland. We will attempt to rent to those in the lowest income bracket first in an effort to prevent homelessness and promote employment.

Financing

Here's the worst case scenario

1. 25 units will cost \$300,000.00 (approximately \$12,000.00 per unit)
2. Land will cost \$200,000.00 (depending on location)
3. Development \$100,000.00 (water, sewer, utilities, etc.)
4. Rent charged \$250.00-\$350.00 (per month)
5. Maintenance \$100.00 (per month)
6. Debt service \$200.00 (per month if financed)
7. 10 years to break even (black ink)

In typical apartment construction, 25 studio apartments would cost approximately \$120,000.00 per unit at a total cost of **\$3,000,000.00** and would rent for approximately \$800.00 per month.

We house the same amount of people for **\$600,000.00** and rent for an average of \$300.00 per month. We can house five times the amount of people using this Micro Community Concept model and while doing so, we would use that money to build more micro communities. This concept would help alleviate homelessness, prevent homelessness, and improve the quality of life for its residents and the community as a whole. This concept would save taxpayers many, many millions of dollars by providing low income housing that not only is sustainable, its self-replicating. Many of our residents will stay out of the hospitals and jails because of the fact that they have a home. Many of our residents will have returned to the workforce because they have been inspired to do so by our making affordable housing available to them.

Thank you,

Michael Withey

Micricommunityconcepts.com

Mike@microcommunityconcepts.com