

February 17, 2009

Rima Wilson, Project Manager
Pacific Crest Affordable Housing, LLC
5 NW Minnesota Ave., Suite 210
Bend, OR 97701

Re: *Determination Whether Project is Subject to Prevailing Wage Rate*
Project: Little Deschutes Lodge
Requested by: Pacific Crest Affordable Housing, LLC

Dear Ms. Wilson:

On January 26, 2009, you submitted a request on behalf of Little Deschutes Lodge Limited Partnership asking whether a proposed project is subject to the Prevailing Wage Rate law. Sufficient information to make a determination was received by February 17, 2009, and therefore, the commissioner issues the following determination:

FINDINGS OF FACT

1. The developer, Pacific Crest Affordable Housing, represents that the 26-unit low-income residential project for seniors will be owned by a private entity, Little Deschutes Lodge Limited Partnership.

2. The funding sources for the project are a mix of public funds and private funds. \$803,000 of the funds for this project come from public fund sources broken down as follows: \$100,000 from Housing Development Grant Program (Trust Fund); a \$500,000 loan from HOME Program; \$100,000 from Low Income Weatherization Program and a \$103,000 loan from Deschutes County. The land, 4.5 acres, for the project was donated to Little Deschutes Lodge Limited Partnership by Deschutes County.

3. Pacific Crest Affordable Housing proposes to develop the property into a 26-unit low-income housing facility contained in one building. The building will be two stories high and will not contain any commercial space. All 26 units will be reserved for senior households (other than one apartment reserved for the Manager) with incomes equal to or less than 60% of the AMI.

The Quadrant Master Plan included with the request had shown a proposal for the construction of a natural waste-water treatment plant in conjunction with the 26-unit residential housing facility. The waste water treatment plant was proposed to handle the development's waste. In a telephone conversation on 2/17/09, you indicated that the waste water treatment plant will not be build as the facility was not approved by the LaPine Sewer District.

CONCLUSIONS OF LAW

1. The construction project is intended to be privately owned. \$750,000 or more in funds of a public agency will support the project. Therefore, the definition of a “public works” under ORS 279C.800(6)(a)(B) will apply to this project.

2. The project is for residential construction that is privately owned and that predominantly provides affordable housing. Therefore, it will be exempt from the Prevailing Wage Rate law. ORS 279C.810(2)(d).

DETERMINATION

Based on the foregoing, the Prevailing Wage Rate laws, ORS 279C.800 to ORS 279C.870, and OAR Chapter 839, Division 025, do not apply to the Little Deschutes Lodge project.

This determination is based on the agency’s file as of the date of this determination. The commissioner may make a different determination if any of the project information is incorrect, or if the project or project documents are modified or supplemented after the date of this determination.

REQUEST FOR A RECONSIDERATION

After the commissioner issues a determination, the requestor or any public agency served with a copy of the determination may request that the commissioner reconsider the determination. A request for reconsideration must be submitted in writing to the Prevailing Wage Rate Unit, must include the reason or reasons for the request and any documents in support of the request, and must be received within 15 calendar days of the date the determination was mailed. A request for reconsideration does not toll the time period for requesting a contested case hearing on the determination.

RIGHT TO A HEARING

The requestor and any person adversely affected or aggrieved by this determination are entitled to a hearing as provided by the Administrative Procedures Act (ORS 183.413 to 183.470) and ORS 279C.817. If you want a hearing, the Bureau of Labor and Industries, Wage and Hour Division must receive your written request for hearing within 21 days from the date this notice was mailed. Hearing requests should be addressed and delivered to:

Administrator
Wage and Hour Division
Bureau of Labor and Industries
800 NE Oregon St., Suite 1045
Portland, Oregon 97232

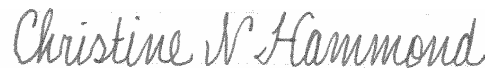
If a written request for hearing is not received within this 21-day period, your right to a hearing shall be considered waived.

If you request a hearing, you will be notified of the date, time and place of the hearing. You have the right to be represented by legal counsel at a hearing. However, if you are a government agency, corporation, partnership, or unincorporated association, you must be represented by either legal counsel or an authorized representative. If you request a hearing, you will receive information on Contested Case Rights and Procedures before the hearing. After the hearing, an order confirming, modifying, or reversing this determination will be issued. This determination shall remain in effect until the final order is issued.

If you request a hearing, but fail to appear at any scheduled hearing, you will have waived your right to hearing, and the commissioner may issue a final order by default. If the commissioner issues a final order by default, the agency file on this matter shall serve as the record for purposes of proving a prima facie case. You are not entitled to judicial review of this determination order unless you have made a timely request for a hearing.

Date: February 17, 2009

Brad Avakian, Commissioner
Bureau of Labor and Industries



Christine N. Hammond, Administrator
Wage and Hour Division
Bureau of Labor and Industries

Certificate of Service

On February 17, 2009, I mailed, by certified mail, the Prevailing Wage Rate Determination for the Little Deschutes Lodge project to the requestor and any public agencies identified by requestor as being associated with this project, as follows: Oregon Housing and Community Services, Deschutes County, and the City of LaPine.

Debbie Sluyter, Compliance Specialist
Wage and Hour Division
Bureau of Labor and Industries