



# Council Business Meeting

February 6, 2024

<b>Agenda Item</b>	Fee Waiver Request - Habitat for Humanity Affordable Housing	
<b>From</b>	Linda Reid	Housing Program Manager
<b>Contact</b>	<a href="mailto:Linda.reid@ashland.or.us">Linda.reid@ashland.or.us</a> 541-552-2043	
<b>Item Type</b>	Requested by Council <input type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input type="checkbox"/> Presentation <input type="checkbox"/> Consent <input type="checkbox"/> Public Hearing <input type="checkbox"/> New Business <input checked="" type="checkbox"/> Old Business <input type="checkbox"/>	

## **SUMMARY**

Habitat for Humanity is requesting the City Council waive fees totaling \$9,617.24 for a project involving two affordable housing units. The fees include \$2,959.15 per unit for the Community Development Fee and \$1,849.47 per unit for Engineering Services Fee. The construction of these units is mandatory as per a previous planning approval, but the decision to waive these specific fees is at the discretion of the City Council.

## **BACKGROUND AND ADDITIONAL INFORMATION**

In 2021 The City of Ashland approved the annexation of a 7.9 Acre parcel with Planning Action T3-2021-00003. Condition H(9) of Planning Action T3-2021-00003 required the dedication of lots to a non-profit affordable housing provider to satisfy the annexations affordable housing requirement. Two of the lots designated for affordable housing were dedicated to Habitat for Humanity Rogue Valley (HFHRV). The affordable housing units to be developed by HFHRV are deed restricted to be affordable to homeowners at 80% AMI and below and therefore qualify for a deferral of the System Development Charges (SDCs) assessed on those properties as per Resolution 2020-24. The units are required to be affordable as a condition of the planning approval and in accordance with ALUO 18.5.8.050.G and Resolution 2020-24 these units are not automatically eligible for an additional waiver of Community Development and Engineering fees, however a waiver of Community Development and Engineering fees may be approved at the discretion of the City Council.

Resolution 2020-24, Section 1.1:

*All qualifying ownership or rental units required to be affordable through density bonuses, annexation, zone change, condominium conversion, or other land use approval under the Ashland Land Use Ordinance (ALUO) shall not be eligible to receive a waiver of the Community Development and Engineering Services fees Associated with the development of said affordable units unless a waiver is approved by the Ashland City Council.*

The affordable housing development does qualify to receive an automatic deferral of System Development Charges in accordance with Resolution 2020-24, Section 1.2:

*All qualifying ownership or rental units required to be affordable through density bonuses, annexation, zone change, condominium conversion, or other land use approval under the*





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*ALUO [Ashland Land Use Ordinance] shall be eligible to receive a deferral of the System Development Charges associated with the development of said affordable units.*

The two mandatory affordable housing units are eligible for an automatic deferral of \$27,382.14 in System Development Charges. This deferral is separate from the requested waiver of Community Development and Engineering fees. In 2022, the City granted Habitat for Humanity Rogue Valley (HFHRV) \$60,000 from the Affordable Housing Trust Fund (AHTF) to enhance energy efficiency in these units, ensuring they match the standard of the market rate units in the development. The amount of this AHTF grant could be revised based on the specific energy efficiency improvements HFHRV decides to implement.

## **FISCAL IMPACTS**

The non-collection of fees for this project, amounting to \$5,918.30 for the Community Development Department and \$3,698.94 for the Engineering Department, will lead to a corresponding decrease in revenue for these departments. The proposed fee waiver does not require an expenditure of City funds.

## **SUGGESTED NEXT STEPS**

I move to waive the fees for two affordable housing units developed by Habitat for Humanity, consisting of \$5,918.30 in Community Development Fees and \$3,698.94 in Engineering Services Fees, for a combined total of \$9,617.24.

## **REFERENCES & ATTACHMENTS**

Attachment 1: Ashland Fee Waiver requests

Attachment 2: Rogue Valley HFHRV 501c3 letter

**CITY OF  
ASHLAND**

**APPLICATION FOR QUALIFICATION  
FEE WAIVER REQUEST**

**Community Development and Engineering Services Fees**

**APPLICANT INFORMATION**

Name Of Organization : Habitat for Humanity Rogue Valley  
 Name of Applicant John Fields  
 What type of Organization? (CHDO, CDC, Inc, LLC, LLP, sole proprietor, etc.) Non Profit Corporation 501 (C) (3)  
 Who will sign the Regulatory Agreement? Denise James  
 What is their position within the organization? (Director, Board, owner, president, etc) Executive Director  
 Address: 2233 S. Pacific Hwy City Medford Zip 97501  
 Phone: 541-773-3411 Fax:

**PROJECT INFORMATION**

Is there City of Ashland funding in the Project? How much? No  
 Project Address: 194 Village Park Dr. Ashland, OR 97520  
 Assessors Map and tax lot #: 39 1E 10 TL Lot 12 of the Beach Creek sub division Permit # TBA  
 Brief Project Description: # of Units- New 1, Rehab Total 1 Mixed use?:no  
 Note: a completed fee waiver request is required for each unit covered under a separate building permit.

OWNER OCCUPIED UNITS		RENTAL HOUSING UNITS	
Affordable to Households @ 80% AMI or Below (see attached for incomes by family size)		Affordable to Households @ 60% AMI or Below (see attached for allowable rents by family size)	
Sales Price of Affordable Unit(s)	\$241,000 family size: 3	Rent (Tenant Paid)	\$
Number of Units by Bedroom Number:	1 -3 bedroom 1 3br	Number of Units by Bedroom Number:	1bdr 2br 3br

Household Income (if known): 62,050.00

**REQUIRED EXHIBITS FOR APPLICATION (ATTACHED)**

- 501 (C) (3) Certificate of Incorporation (if applicable)
- Evidence Of Property Ownership Or Site Control (Partition Map and Warranty Deed)
- Cover Letter describing project and request.

**ESTIMATED FEE WAIVERS REQUESTED**

Building Permit Submittal Date	10/30/2023	Permit #: BD	TBA
Community Development Fee (per building permit calculation)		\$2,959.15	
Engineering Services Fee (per building permit calculation)		\$1,849.47	
<b>TOTAL FEE WAIVER REQUESTED (Does not include SDCs)</b>		<b>\$4,808.62</b>	

**CERTIFICATION**

Applicant certifies the following:

- For rental projects, 1) unit(s) rents will be restricted to 0-60% Median Family Income Households for a period of not less than 30 years and 2) tenants meet income guidelines.
- Units must be rented or leased at rent levels that do not exceed the maximum allowable rents for the targeted income during the required Term of Affordability. Please see attached for current rent schedules.
- Applicant will provide the City of Ashland a certification of rents and occupancy requirement within 60 days of initial occupancy and at any change in tenants.
- For homeownership projects, 1) sales price of affordable units to be consistent with SDC Deferral Program requirements and 2) have household incomes not exceeding 80% of Median Family Income.
- The Applicant has the burden of proving to the City Housing Program Specialist's satisfaction that rents and housing prices in fact, qualify for this exemption. In the event a qualifying Low Income Housing development fails to maintain qualifying rent or price levels, the amount the Owner must repay will be determined to be in accordance with the SDC Deferral Program resolution 2006-013.

Organization HABITAT For Humanity Rogue Valley

Contact: John Fields Phone: 541-944-2262 Email: John@golden-Fields.net  
 Authorized Signatory (type or print): Denise James 541-773-3411 Date

Signature

*Denise James*

**CITY OF ASHLAND APPROVAL**

Signature

Date



Approval Granted by City Council

**CITY OF  
ASHLAND**  
**APPLICATION FOR QUALIFICATION  
FEE WAIVER REQUEST**

**Community Development and Engineering Services Fees**

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Signature

*Denise James*  
**CITY OF ASHLAND APPROVAL**

Signature

Date



Approval Granted by City Council



We build strength, stability, self-reliance *and* shelter.

June 17, 2022

Rogue Valley HFH  
PO Box 688  
Medford, OR 97501-0046

**RE: Rogue Valley HFH, Tax Exempt Verification # 93-0971629**

Dear Affiliate:

This letter will confirm that Rogue Valley HFH, with employer identification number 93-0971629 is considered a subordinate under the group tax exemption umbrella of Habitat for Humanity International, Inc. ("HFHI") under Section 501(c)(3) of the Internal Revenue Code.

The group exemption number assigned to HFHI by the IRS is 8545. This number may be provided to prospective donors, foundations and other grant organizations as they request it and is required on certain IRS forms.

Enclosed is a copy of the determination letter dated Feb. 4, 2021 provided by the IRS as evidence of HFHI's tax exempt status as well as its group exemption. The determination letter, together with this letter, confirms Rogue Valley HFH, subordinate status and provides evidence of its tax-exempt status under Section 501(c)(3) of the Code.

In partnership,

A handwritten signature in black ink, appearing to read "Jim Mellott".

**Jim Mellott**  
VP Finance

Enclosure