

**Thursday October 23<sup>rd</sup>, 2008: 4:30 – 6:30pm**

**Community Development Building - 51 Winburn Way**

**1. (4:30) Approval of Minutes**

September 25th 2008, Regular meeting Minutes (5 min)

**2. (4:35) Public Forum (5 min)**

**3. (4:40) Community Development Block Grant Program Re-issued RFP (1 hour)**

Introduction

Presentations by Applicants and Q and A (10 min each)

- Applicant A Presentation (5 min)
- Q & A (5 min)
- Applicant B Presentation (5 min)
- Q & A (5 min)
- Applicant C Presentation (5 min)
- Q and A (5 min)

Staff Evaluation and Recommendation (5 min)

2008-2009 RFP Application Review and discussion (25 min)

Commissions Award Recommendations to Council

**4. (5:40) Sub-committee Reports (20 min)**

**Subcommittee Reports**

Finance (none)

Education (none)

Land Use (10-8-08) (Ayers 5 min)

**Liaison reports**

Council (Hardesty 10 min)

Parks Commission (Hauck)

School Board (Frost)

Planning Commission 10-14-08

(Benjamin 5 min)

**5. (6:00) Quorum Discussion-Review Ordinance (10 min)**

Review Resolution 95-25 (resolutions that established the Housing Commission)

Recommend and discuss changes to the existing resolution

**6. (6:10) November and December Meeting Dates Discussion (5 min)**

**7. (6:15) Upcoming Events and Meetings**

**City Council Regular meetings, City Council Chambers 7:00-9:00 PM**

**Clay Street Public Hearing November 4<sup>th</sup> –Discuss Council Recommendation and nominate 2 Housing Commissioners to present recommendation. (10 min)**

Amendment to Annexation Ordinance 2<sup>nd</sup> reading-November 4th

CDBG Award Public Hearing November 18th

**Next Housing Commission Regular Meeting**

Date TBD

**8. (6:25) November Agenda Items**

2008-2009 CDBG Action Plan Amendment –Public Hearing

Goal Setting

Commissioner items suggested (5 min)

**Quorum Check** – Commissioners not available to attend upcoming regular meetings should declare their expected absence.

**9. (6:30) Adjournment**

**CITY OF  
ASHLAND**  
**ASHLAND HOUSING COMMISSION**  
**MINUTES**  
**September 25, 2008**

**CALL TO ORDER**

Chair Bill Smith called the meeting to order at 4:35 p.m. at the Community Development and Engineering Services Building, 51 Winburn Way, Ashland, OR 97520.

|   |   |
|---|---|
| <b>Commissioners Present:</b><br>Carol Voisin | <b>SOU Liaison:</b> Alexandra Amarotico |
| Nick Frost                                    |   |
| Graham Lewis                                  | <b>Council Liaison:</b> Alice Hardesty  |
| Steve Hauck                                   |   |
| Bill Smith                                    | <b>Staff Present::</b>                  |
| Aaron Benjamin                                | Linda Reid, Housing Specialist          |
| Regina Ayars                                  | Carolyn Schwendener, Account Clerk      |
| Richard Billin                                |   |
|   |   |

**APPROVAL OF MINUTES**

Hardesty/Voisin m/s to approve the minutes of the August 28, 2008 Housing meeting. Voice Vote: Approved

Smith made an amendment to the agenda. Under Sub-committee reports he included Brandon Goldman in order for him to give an update on the Clay Street Project.

**Candidates Fair-Education Packets Updates**

Ayars discussed with the League of Woman Voters the idea of providing a packet of materials from the Housing Commission to the Candidates and it was decided they would not allow the Housing Commission to put education packets on the tables. It was their concern if they did this for the Housing Commission they would then be obligated to do that for anybody that might approach them.

**Croman Site Discussion**

Reid confirmed that the Croman Site plan has been updated on the Ashland website ([www.ashland.or.us](http://www.ashland.or.us), long range planning). The next meeting date has not been scheduled. The draft redevelopment plan is being worked on and is expected to be completed in mid November of this year. The Housing component is only in the Mixed Use area.

**PUBLIC FORUM**

No one spoke

**SUBCOMMITTEE REPORTS**

**Sub-committee Reports**

**Finance** – No report

**Education** – No report

**Land Use** – Ayars distributed her minutes from the September 11, 2008 Land Use meeting. Action items were:

- Review Historical information on Lithia Way Vertical Housing
  - Reviewed Inventory of City owned land.
- The committee discussed the possibility of using the Water Street lots, the Lithia Lot or the Second Street lot for vertical housing sites. Each committee member did a site inspection of each of the various locations.

The Committee also discussed the City owned properties that could possibility be sold for monies to be deposited in the Housing Trust Fund for purchase of affordable housing.

### **Liaison Reports**

**Council** – Hardesty reported that at the last Council meeting the Housing Trust Fund Ordinance was passed. Because the mayor was on vacation Hardesty was appointed to take his place at a dinner meeting with the mayor of Portland, Tom Potter, his wife and three assistants along with several business people from Ashland. Mr. Potter was amazed at how high our median home prices are when at the same time the area medium income is so low. He was very interested in what we were doing particularly with regard to the Annexation and Zone change Ordinance.

At the next Council meeting the Commissioners will be discussing the transient occupancy tax and how to divvy it up. It was recently raised from 7 to 9 percent of which seventy percent of the increase has to go to tourism. Some of the money that goes in the General Fund has in the past been divided up into several categories such as small grants and the Chamber of Commerce. This year the City Economic Development and Strategic Planning will get a part of the non tourism money. Hardesty believes it could be conceivable to askt the Council ask that part of the non tourism dollars be dedicated to the Housing Trust Fund. Hardesty inquired how the Commissioners felt about her idea of having some of the non tourism dollars. The Commissioners talked about the fact that it might be better to wait until the strategic planning and economic development gets under the way.

**Parks Commission** – No update. The Parks Commission is still gathering information regarding potential areas where they might be able to do some land swaps.

**School Board** – Frost was not able to attend though said they are not doing anything related to housing at this time.

**Planning Commission** – Benjamin said that the main topic of the last meeting was the Water Resources Protection Ordinance. He was not aware of anything that might be of interest to the Housing Commission.

### **CLAY STREET PROJECT UPDATE**

Brandon Goldman gave a power point presentation regarding the item of the Clay Street acquisition that will be going to the Council on October 7, 2008. The Council will be reviewing what purchasing the property will entail and then it will come back to them again on October 21 with the purchase agreement in hand for signature.

The property is ten acres in size, located next to shopping, schools and the YMCA. The property is zoned multi-family with one acre of wetland and has potential of up to 107 units. The purchase agreement that has been negotiated has a 3.6 million dollar purchase price. As part of the negotiated purchase price there are land trades that are proposed as a source of funds; the Strawberry Lane property and the Lithia Lot property. The Lithia lot parking lot was appraised at \$350,000.00. In negotiating with the seller of the Clay Street property, Doug Irvine has agreed to assume its value of \$500,000.00 with the expectation that he would develop it privately. It would be considered a straight land trade where he would own a Commercial downtown lot.

The Housing authority is looking to acquire a portion of the property and they would be bringing 1.2 million dollars to the acquisition in order to help purchase that property. The City would be looking at an inter-fund loan to come up with the \$700,000 for the shortfall of the purchase price. Hauck explained that an inter-fund loan is set up that you can borrow from other City Department funds though you have to pay it back within a year's period of time. Once you pay it back you can borrow it again. It does have a small interest. Another possibility is that the Parks Department might purchase part of the land for a Park, which would then eliminate the need for an inter-fund loan.

The development of the project could move rather quickly since the Housing Authority needs to have the property divided and owned by them no later then February 2009 in order to make an application to the state for funding. Development could start as early as June of 2009. One of the considerations regarding the Lithia parking lot trade is the loss of the thirteen parking spaces in the downtown area. Brandon will present this proposal at the City Council on October 7<sup>th</sup>.

### **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

Reid explained that the Consolidated Annual Performance Evaluation Report (CAPER) is submitted every year to the Department of Housing and Urban Development to tell them how we met our annual plan goals. In 2007 the City did not have anyone who came up for funding so there were no goals to meet. The CAPER is the City's opportunity to report on CDBG funded activities and consolidated plan goal accomplishments. It also allows entitlement Communities to recognize City funded activities that support consolidated plan goals that leverage funds with CDBG activities and help to meet the needs of its low to moderate income citizens.

Reid reviewed the CAPER report with the Commissioners and answered their questions. Each Commissioner received a copy of the report and it is on our City website.

The discussion was opened for public hearing.

Hulez Gutcheon, audience member, said that all CDBG funds should be used for zero net energy and should be included in the price of the house for thirty years.

Benjamin suggested that the CAPER report be included as an addendum every year to the Housing Notebook.

Voisin/Hardesty m/s to accept the Consolidated Annual Performance Evaluation Report. Voice Vote: approved.

### **RFP FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

Reid reported that a new Request For Proposals (RFP) has been issued for the City's CDBG funds. They are anticipating at least one applicant. A notice was put in the Daily Tidings on September 18, 2008 and it was posted on our website and a mailing was done to social service agencies and community development agencies. Because of a shortened time line these funds need to be expended by May of 2009. Applications are due on October 17, 2008 by 3:00 p.m. The following week is the Housing Commission meeting and it is on the agenda to hold a public meeting to make award recommendations to the City Council. The Housing Commission will forward their award recommendations to the City Council at their meeting on November 18, 2008. A minimum of \$150,000.00 of the \$345,000 in CDBG funds has to be spent in order for the City to meet HUD's timeliness requirement.

Mr. Gutcheon, audience member, announced that on the C-SPAN site had a program on affordable housing including information regarding HUD.

### **OCTOBER 23<sup>TH</sup> AGENDA ITEMS**

- Goal Setting
- Quorum issue
- Public Hearing RFP proposals

### **UPCOMING EVENTS AND MEETINGS**

Hauck volunteered to represent the Housing Commission at the City Council meeting when they review the Annexation Ordinance.

Quorum Check-Graham and Hardesty will not be here and Billin might be late.

Amarotico mentioned that the Executive Cabinet of the Associated Students of SOU met recently to set their goals for the coming year. One of the main discussions they had was to revisit the work done in the past regarding the bias against student renters for student housing. She will be doing the research and then present it to the Housing Commission. The students would like to see landlords uphold what was decided upon in the past.

**ADJOURNMENT** – The meeting was adjourned at 6:25 p.m.

*Respectfully submitted by, Carolyn Schwendener*

# Housing Commission Memo

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**Title:** CDBG Applications  
**Date:** October 23, 2008  
**Submitted By:** Linda Reid, Housing Program Specialist

Applications for the remaining CDBG funds are due by 3:00 PM on Friday, October 17<sup>th</sup>. Once the applications have been received copies will be made and dispatched to Commission members so that they have the weekend to look them over. There are currently three applicants that we are aware of.

A staff evaluation of the applications will be drafted on Monday and a memo detailing the evaluation and offering a staff recommendation will be emailed or delivered to Commission members by Wednesday.



# Housing Commission Memo

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**Title:** Quorum and Resolution Changes  
**Date:** October 23, 2008  
**Submitted By:** Linda Reid, Housing Program Specialist

The Housing Commission has on more than one occasion proposed amending section 3 of Resolution No. 95-25 "A Resolution Creating the Ashland Housing Commission and Establishing its objectives and Responsibilities". The section entitled Quorum Rules and Regulations.

This action will require an amendment to the existing resolution and will have to be brought before the City council for approval. There may be other aspects of the existing Resolution that could or should be amended and it would be advisable to review the entire resolution, and have a discussion regarding proposed changes.

Once the Commission has agreed on alterations, the commission staff liaison will type up a draft resolution and submit them for commission review. Once the revisions have been approved by the commission the amended Resolution then goes to the legal department for review. Legal will make suggestions and send it back to the Commission with suggested alterations and approval. Upon final approval, the Commission will then make a motion to forward it to the council to be made into law? The staff liaison will consult with the department head to put the resolution on the City Council's agenda.

The Tree Commission amended their Resolution in July and went through this same process to change their quorum rules.

**The Resolution currently reads:**

Housing Commission Resolution No. 95-25 Section 3 Quorum-Rules and regulations.  
Five voting members of the commission shall constitute a quorum.

**Possible Changes:**

The Public Arts Commission: A majority of the members constitutes a quorum for meetings. Provided a quorum is present, any item must be approved by a simple majority of the voting members present a meeting to pas, unless otherwise provided.

Tree Commission: A quorum shall be defined as one-half the number of sitting commissioners, plus one, but in no case less than three. If there is no quorum, no official Commission business shall be conducted and all matters advertised shall automatically be continued to the next regularly scheduled meeting.



**A RESOLUTION CREATING THE ASHLAND HOUSING COMMISSION  
AND ESTABLISHING ITS OBJECTIVES AND RESPONSIBILITIES.**

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

**SECTION 1. Ashland Housing Commission -- Established.** The Ashland Housing Commission is established and shall consist of nine voting members, one of which shall be a city councilor appointed by the Mayor as liaison to the commission and one non-voting ex-officio member who shall be the City Housing Officer. The voting members shall be appointed by the Mayor, with confirmation by the City Council.

**SECTION 2. Term -- Vacancies.** The term of eight of the voting members shall be for three years expiring on April 30 of each year. The term of the council liaison shall be for one year. Any vacancy shall be filled by appointment by the Mayor, with confirmation by the city council, for any unexpired portion of the term. The terms of the initial eight members shall be two for one year, three for two years, and three for three years. Any commissioner who is absent from four or more meetings in any one calendar year, without being excused, shall be considered no longer active and the position vacant, and a new commissioner shall be appointed to fill the vacancy.

**SECTION 3. Quorum -- Rules and regulations.** Five voting members of the commission shall constitute a quorum. At its first meeting of the year the commission shall elect a chair, vice-chair and secretary, who shall hold office at the pleasure of the commission. The commission may make rules and regulations for its government and procedure, consistent with the laws of the state, city charter and ordinances and shall meet at least once every month.

**SECTION 4. Mission.** The mission of the Ashland Housing Commission is to encourage housing that is available and affordable to a wider range of city residents and preserves the diversity and character of the community by providing opportunities to enhance cooperation between the public and private sectors, encouragement of financial entities to support housing programs in the city, and coordination of housing and supportive services programs.

**SECTION 5. Powers and Duties -- Generally.** The powers and duties of the commission shall be as follows:

- A. To develop and recommend coordinated housing and supportive services programs;
- B. To recommend housing and supportive services priorities for the city;
- C. To review and make recommendations to the city council and budget committee on Community Development Block Grant (CDBG) and related allocations;
- D. To investigate federal, state, county and private funding for implementation of city housing programs;

E. To oversee the compilation of accurate information on the city's housing supply and affordability;

F. To monitor projects funded with the Community Development Block Grant (CDBG) and the Housing Trust Fund;

G. To act in an advisory capacity to the Mayor and City Council regarding housing and related issues in the city and the city's properties;

H. To foster public knowledge and support of official city housing programs.

**SECTION 6. Reports.** The commission shall submit copies of its minutes to the city council and shall prepare and submit such reports as from time to time may be requested by the mayor and city council.

**SECTION 7. Compensation.** Voting members of the commission shall receive no compensation for services rendered. The commission may receive gifts, bequests, or devises of property to carry out any of the purposes of this resolution, which shall be segregated from other funds for use by the commission with the approval of the city council.

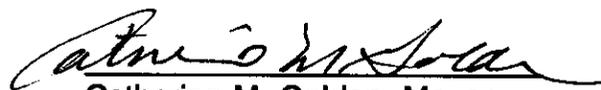
This resolution was read by title only in accordance with Ashland Municipal Code

§2.04.090 duly PASSED and ADOPTED this 19 day of September, 1995.



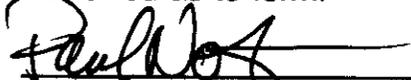
Barbara Christensen, City Recorder

SIGNED and APPROVED this 20 day of September, 1995.



Catherine M. Golden, Mayor

Reviewed as to form:



Paul Nolte, City Attorney

RESOLUTION NO. 96-18

**A RESOLUTION AMENDING THE POWERS AND DUTIES  
OF THE ASHLAND HOUSING COMMISSION**

The City of Ashland Resolves as follows:

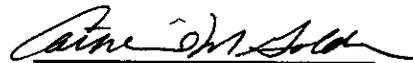
**SECTION 1.** Section 5 (C) shall be deleted from Resolution No. 95-25 relative to the Powers and Duties of the Ashland Housing Commission.

This resolution was read by title only in accordance with Ashland Municipal Code §2.04.090 duly **PASSED** and **ADOPTED** this 20th day of February, 1996.



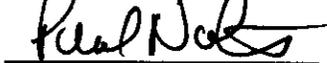
Barbara Christensen, City Recorder

SIGNED and APPROVED this 21 day of February, 1996.



Catherine M. Golden, Mayor

Reviewed as to form:



Paul Nolte, City Attorney

PAGE 1-RESOLUTION

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## Housing Commission Communication

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**TO:** Housing Commission  
**Title:** Clay Street Land Acquisition Proposal  
**Date:** October 23, 2008  
**Submitted By:** Brandon Goldman, Senior Planner

### Statement

The City of Ashland has been negotiating with the owner of a 10 acre property located on Clay Street for the joint purposes of creating affordable housing and increasing Parks property adjacent to the YMCA fields. The potential purchase of this property involves partnering with the Housing Authority of Jackson County to develop 60 affordable rental units of the property.

The details of the proposed land acquisition include a land trade of City property off of Strawberry Lane as well as a 13 space public parking lot on Lithia Way to assist in reaching the 3.6 Million dollar asking price. The City Council is scheduled to hold a public hearing on November 4<sup>th</sup> to discuss the potential purchase and disposition of public property. The Council Communication from the Council meeting on October 7<sup>th</sup> is provided to more fully describe the proposal.

The Housing Commission had previously reviewed the proposal exclusive of the Lithia Lot land trade on May 8<sup>th</sup>, 2008 and forwarded a recommendation in support of the acquisition:

*Hauck/Ayers m/s to recommend to the City Council that they proceed with swapping the land on Strawberry, the three lots, for property in the Clay Street project. Voice Vote: All AYES. Motion passed.*

Given the modification regarding the Lithia Lot, the Housing Commission is again given the opportunity to discuss the proposal and provide any further comments or feedback on the project to assist the City Council in its evaluation of the proposal.

Lastly it is requested that a representative of the Housing Commission attend the Council hearing on November 4<sup>th</sup> to relay the full Commission's recommendations on the proposal to the City Council.

### Housing Commission Recommendations

The Housing Commission's powers and duties include the responsibility to "act in an advisory capacity to the Mayor and City Council regarding housing and related issues in the City and the City's properties". The purview of the Housing Commission is essentially to evaluate the proposal, and public testimony, provided to provide an informed recommendation as to whether the proposal furthers the City affordable housing goals .



## Housing Commission Meeting Minutes from Mat 8, 2008

### CLAY STREET LAND ACQUISITION PROPOSAL

#### **Staff Presentation**

Goldman explained that this action is coming to the City Council in two parts. The first aspect of the project is the acquisition of the property for affordable housing. The second being the acquisition of the property for parks purposes. Goldman noted that if the original proposal for the 10 acre property has an annexation approval for 107 Units, 17 of which would be affordable.

Goldman said that the City Council had previously identified the sale of three lots on Strawberry Lane, and specified that the proceeds from those lots are to be used in support of affordable housing. The Strawberry Lane site itself it is not well designated to have affordable housing units so the intention was to sale the property in order to support affordable housing somewhere else in the City.

Goldman explained that for housing to be considered affordable people cannot be spending more than thirty percent of their total income on housing costs. The 10 acre property on Clay Street has been envisioned to be a site for provision of housing to people that make the median income and below. Goldman said that the Clay Street property would not be purchased in its entirety for housing development, they envision sixty homes, with a number of them being rentals, put on five of the 10 acres. The remaining 5 acres would be developed as a park.

Goldman showed pictures of affordable housing located in Ashland pointing out how indistinguishable they are from the market rate housing around them. The City looks to see that affordable housing is built with longevity in mind and that it's built to a higher standard so that the replacement costs don't negatively impact the project explained Goldman.

#### **ACLT Presentation**

**Evan Archerd**, 550 East Main explained why the City should consider building affordable housing on this particular site. Mr. Archerd said what makes this a good value is that the property has a number of qualities that make it suitable for mixed affordable and workforce housing.

- It's hard to find this large of a piece of property in Ashland that is zoned for multi-family housing.
- It's very flat; topography is important making it much cheaper to build on.
- This property has the City services necessary; water, sewer, storm drain, city streets.
- The location is great. Residents would have the ability to walk to the market, drug store, YMCA, parks, restaurants and it is close to schools. Archerd stated: You can pretty much do all you need to do by foot, or bike, or the bus on Ashland Street, making it possible to live on this property without the need of a car.

#### **Public Comments**

**Darren Borgias**, 503 Strawberry Lane, spoke representing the Friends of Westwood Park. Mr. Borgias read his letter in opposition of trading this dedicated park land for acquiring land for affordable housing. He gave a copy of his letter to each Commissioner.

**Keith Baldwin**, 1176 Beswick Way, spoke as a friend of Westwood Park. Mr. Baldwin explained his main mission was to ask the Commissioners to either delay or recommend against the park land swap portion of the project. His reasons were:

- Decisions regarding park land should be separated from those decisions related to affordable housing, they are two separate subjects. By Co-mingling these the community is faced with a choice of affordable housing or to protect park land.
- The park land swap portion of the deal breaks the trust the community places in the City to protect and preserve existing park land.
- Westwood Park is part of a Community that was negotiated over a period of eight years between the then land owners and it involved all the existing lots in the area as well as the open spaces and Westwood Park.
- 



**Scott Dixon**, 838 Blackberry Lane, spends time walking on that property. Mr. Dixon said he believes it is a bad precedence to establish that the City is going to begin to sell off parks, even for affordable housing which is an honorable objective. The citizens want to have affordable housing but if it was offered to them as a ballot measure he questioned whether they would agree with the selling of the park. Of course affordable housing is worthwhile and it's a question of how do we fund it and where does the income come from stated Mr. Dixon. He objects to the idea of selling parks and encouraged the group to scale back the project and see what they can fund without selling off the park.

**Gaia Laysner**, 503 Strawberry Lane, thanked the Housing Commission members for all the public service they do. Ms. Laysner read her letter and gave the Commissioners a copy regarding her concerns related to the proposed land trade.

**Ron Roth**, 6950 Old Highway 99 South has worked in downtown Ashland for thirty-one years. Mr. Roth believes if any city is going to do affordable housing they need to recycle existing premises and challenge existing regulatory barriers. Mr. Roth has seen the small affordable units in the downtown disappear. Years ago people could work downtown and afford to live there. The best planning process Mr. Roth has seen in the Community was North Mountain Park. This land trade would provide a park for people living at the Clay Street end of town as well as providing five acres of high density housing. Mr. Roth strongly recommends that the Housing Commission support this proposed land trade.

**Robert McLellan**, 500 Strawberry Lane, said they purchased their property in 2000 at which time they believed the two acres of City owned land at the corner of Westwood and Strawberry would be dedicated to park land. Shortly after purchasing their property the City was planning to subdivide the land into four lots and sell them for affordable housing. Because the property was put up for sale Mr. McLellan and the neighbors formed an organization called the Ashland Woodlands and Trail Association. This organization was intended to look at situations like this and at the parks land that we have collected and continue to collect in order to provide parks and connect them with the trail system. Mr. McLellan encouraged the Commissioners to re-think the selling off the land as it sets a precedence for future actions. This is land not just for the residents in the Strawberry Westwood area but for citizens of Ashland, it's irreplaceable. Reconsider keeping it as Parks land and find other ways for affordable housing.

**Lance Thompson** lives a half mile away from Strawberry Park. Mr. Thompson shared about his experience with the park. Every day he hikes on a trail neighboring the park and always assumed it was land being prepared for development. Mr. Thompson confirmed he shares the sentiments of the Friends of Westwood Park. Mr. Thompson looks forward to exploring this park more. People do need to know its public park and not private land. It's a beautiful piece of property.

**Krista Bolf**, 190 Oak Street confirmed that this Commission was here to deal with the Housing portion of the trade not the land swap. Her understanding is that currently there is 10 acres on the Westwood Park and two of those acres will be traded for five acres of Park Land on Clay Street increasing the total number of Parks land by three acres. Eight acres on Westwood would still remain Parks Land and the three additional acres on Clay Street will probably get more use because it's centrally located where more families exist and use park land, stated Ms. Bolf. The affordable housing element of the trade is being paid for out of the sale of Strawberry Lane property which is designated for affordable housing. At least 45 affordable homes will be built on the Clay Street project. Ms. Bolf wanted to be sure that the public is aware there is no sale; it's a trade with a net gain of three additional acres of park land.

**Catherine Dimino** recommended to Commissioners that even though they aren't allowed to consider this she would still like them to recommend to the City Council that the swap not include the dedicated park.

#### **Commissioners discussed the proposal**

Billin asked Goldman how fundamental is the Westwood Park swap to the overall project? Goldman responded that under the City as well as State rules any proceeds from the sale of Park property must be dedicated 100 percent to benefit Parks purposes. With that division whether or not the Westwood property is included or



excluded it won't have any barring on the number of affordable housing units that can be created. If the Westwood property goes away the City is still looking at the sale of the Strawberry property in order to support affordable housing noting that the funding for each was distinct "Parks for parks, housing for housing".

Mr. Archerd explained that the property is zoned R-2 which currently allows density of thirteen and a half units per acre. The developer can get a twenty-five percent bonus density if they develop it all as affordable housing. Theoretically they could have over seventy units of affordable housing on the five acres. Mr. Archerd said that if that is what the Commission in conjunction with the Council and the Community decides is in the community's best interest it could be done.

Goldman explained that the City acquired the property, approximately 12 acres, for the purpose of putting a water tank on it. The water tank was relocated to another site on Hitt Road. A resolution was then passed by the City Council dedicating 10 acres of it for Parks Land. Goldman is not aware of any specific agreement that the City was obligated to maintain the two acres as Strawberry Lane properties dedicated to open space.

The Commissioners commended the eloquence of the neighborhood group in defending the existence of Westwood Park but wanted them to remember they testified before the Housing Commission. The Commissioners also commended Mr. Archerd with the ACLT for their efforts regarding the City's affordable housing and workforce housing goals in relations to this project. This is one of the best sites that have ever been presented to the City and the Housing Commission for development of affordable and workforce housing that would serve the entire community, stated Benjamin.

Amarotico commented that as a representative of students in Ashland the housing costs in Ashland make it literally impossible for students to live in Ashland and at the same time afford school. She believes this is one of the best pieces of properties the City has seen for a long time and the parks land is available for others who could utilize it. Amarotico said this is a good allocation of the trade of properties, because it important to pay attention to the people who cannot afford to live here.

***Hauck/Ayers m/s to recommend to the City Council that they proceed with swapping the land on Strawberry, the three lots, for property in the Clay Street project. Voice Vote: All AYES. Motion passed.***



# Council Communication

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## Clay Street Acquisition Proposal Update

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|                  |                               |                        |                                   |
|------------------|-------------------------------|------------------------|-----------------------------------|
| Meeting Date:    | October 7, 2008               | Primary Staff Contact: | Brandon Goldman                   |
| Department:      | Community Development         | E-Mail:                | goldmanb@ashland.or.us            |
| Secondary Dept.: | Administration<br>Legal Dept. | Secondary Contact:     | Bill Molnar<br>bill@ashland.or.us |
| Approval:        | Martha Bennett                | Estimated Time:        | 45 minutes                        |

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### Question:

Does the Council wish to schedule a public hearing to formally consider a proposed land exchange and property purchase of 10 acres on Clay Street to be used for a public park and an affordable housing project in partnership with the Housing Authority of Jackson County?

### Staff Recommendation:

Staff recommends scheduling a public hearing for November 4<sup>th</sup>, 2008 to formally consider the proposed land exchange and property purchase of 10 acres on Clay Street. Staff supports the acquisition of the 10 acre property as the development of affordable housing and parks purposes would meet a number of community goals.

### Background:

The City of Ashland Parks, Community Development, and Administration Departments have been in discussions with Doug Irvine, the Housing Authority of Jackson County, and Ashland Community Land Trust regarding the potential acquisition of a 10 acre property located on Clay Street for the joint purposes of creating affordable housing, and increasing Parks property.

The subject property is a 10 acre property that received approval for a subdivision outline plan and Council approval for annexation in June, 2006 (PA# PA #2004-00141) This development proposal, known as Willowbrook Subdivision, has received plan approval and remains valid until October of 2009. As part of that 107 unit housing development approval the developer would be obligated to create 17 units of deed restricted housing that is affordable to households earning 60% the Area Median Income. It is anticipated this approved project will continue as planned if the City of Ashland does not purchase the property.

The originally proposed City purchase of the Clay Street project involved an asking price of \$4.7 million for the 10 acre property. In this original proposal the City's purchase of the property was to include:

- 3 lots on Strawberry (valued at \$1.2 million)
- Two acres of the Parks property on Westwood Street (valued at \$1.6 million)
- \$1.9 in cash from City

The current proposal differs substantially in that the current asking price has been reduced to \$3.6 Million and City would now enter into a joint purchase of the property to include:

- 3 lots on Strawberry (valued at \$1.2 million)



- Lithia Way Parking Lot (valued at \$500,00)
- \$700,000 in cash from City
- \$1.2 Million in Cash from the Housing Authority of Jackson County

The property owner, Mr. Irvine, has indicated that he would accept an offer of **\$3,600,000** for his 10 acre property located at 380 Clay Street. As stated above the initial purchase price suggested by Mr. Irvine was \$4.7 million. This amount was adjusted downward to \$3.94 Million value determined by an appraisal which was completed in July 2007. The current asking price has been further reduced to \$3.6 Million following receipt a second appraisal commissioned in June of 2008 which reflected a reduced value of \$3.2 Million.

Mr. Irvine has indicated he is not willing to negotiate any further on price and is firm on the \$3.6 Million asking price.

As part of the requested \$3.6 million Mr. Irvine has requested the three lots on Strawberry Lane and the Lithia Way Parking Lot as properties to be provided in trade.

The Strawberry Lane properties have a combined value of \$1.2 million and have previously been designated by the City Council to be sold or traded to utilize the proceeds to support City affordable housing goals.

The Lithia Way parking lot has been the subject of a recent public/private development proposal that was intended to develop affordable housing in the air-rights above this existing public parking lot. That potential development is no longer going forward and the developer agreement was rescinded in October 2007. The Lithia Way parking lot was appraised in June 2008 for \$350,000. However, through negotiations with Mr. Irvine he has indicated that he would accept this property as having a \$500,000 value under the contingency that he ultimately receives Planning Approval which would likely include a request for Conditional Use Permit approval to reach up to 55' in height. Staff has explained to Mr. Irvine that no commitment to any land use approval or Conditional Use Permit approval can be predetermined in any way as the merits of any application must be reviewed through the public planning process. As such this contingency effectively means that in the event that Mr. Irvine could not obtain planning approval for his intended development on the Lithia Lot, then the City would have the option to pay him \$500,000 and retain ownership of the Lithia Lot, or allow Mr. Irvine to retain the property at the appraised value of \$350,000 and the City would then be obligated to pay him an additional \$150,000.

The Housing Authority of Jackson County (HAJC) has indicated their strong interest in partnering with the City of Ashland in the purchase of the Clay Street property in order to build 60 affordable rental units on 3.75 acres of the 10 acre property. HAJC has provided a letter of interest to this effect expressing that they can pay up to \$320,000 per acre for a total of \$1.2 million. The HAJC has drawn preliminary plans for division of the property (attached) and the internal layout of their proposed project. In order to submit for State funding on their project HAJC is prepared to initiate a formal planning action submitting as early as November of this year provided the City and HAJC are successful in acquiring the property. The Housing Authority has financing available and is prepared to partner with the City on this project.



In addition to the proposed 60 HAJC affordable rentals on 3.75 acres, the conceptual site layout anticipates approximately 1.25 acres designated for future workforce housing, 3.75 acres initially set aside for potential Parks acquisition, and 1.25 acres of wetlands

With the accepted trade of the lots located on Strawberry Lane (1.2 Million as appraised), the accepted trade value of the Lithia Lot (\$500,000 vs. appraised value of \$350,000), and the contribution from HAJC (1.2 Million), the City of Ashland would utilize an inter-fund loan to reach the negotiated purchase price until such time as the inter-fund loan funds can be paid back. Repayment of this \$700,000 inter-fund loan could potentially be derived by either a contribution from the Parks and Recreation Department or by recapturing proceeds from the sale of a portion of the Clay Street property.

|                     |  |
|---------------------|--|
| \$ 1,200,000        | Appraised Value of Strawberry Lots                 |
| \$ 500,000          | Trade Value of Lithia Lot (Appraised at \$350,000) |
| \$ 1,200,000        | HAJC Contribution                                  |
| \$ 700,000          | Inter-fund Loan                                    |
| <b>\$ 3,600,000</b> | <b>Purchase Price</b>                              |

In the event the Parks Commission is ultimately able to derive the funding necessary to acquire a portion of the 10 acre Clay Street property through SDCs, Meals Tax Revenues, disposition of existing parks property, or other funding streams, they could at that future date purchase a portion of the Clay Street Property not otherwise obligated for housing use at a value of \$360,000 per acre. This potential parks purchase would repay the inter-fund loan and the contribution from the proceeds of the Lithia Lot to acquire both the 3.75 area initially set aside for potential Parks use as well as a share of the designated wetlands.

It is important to note that as structured this proposed purchase is independent of Parks and thus the purchase need not be postponed pending any Parks Commission action.

Public Hearings regarding the proposal to acquire the Clay Street Property have been held before the Parks Commission on May 28<sup>th</sup> and June 23<sup>rd</sup> 2008, and the Housing Commission at a special meeting on May 8<sup>th</sup>, 2008, to discuss the original proposal.

The Housing Commission reviewed the initially proposed land swap and upon receiving public testimony unanimously recommended that the City dispose of the three lots on Strawberry and apply the funds to the acquisition of the 10 acre Clay Street Property to allow for the development of a significant amount of affordable housing.

The Parks Commission has held numerous meetings on the proposal, conducted a site visit to the Clay Street property, and has initiated a review of funding resources in an effort to identify a means by which they can purchase a portion of the Clay Street property suitable for Parks and Recreation Use. At the May 28<sup>th</sup> and June 23<sup>rd</sup> meetings the Parks Commission heard testimony regarding the



potential trade or sale of a 2-acre portion of a 10-acre property on Westwood Street that was acquired for the potential installation of a water tower, but was then subsequently dedicated for parks purposes in 1990 (Resolution 90-02).

The Parks Commission has not made a determination on the disposition of the Westwood property and the proposal currently presented to Council is neither contingent upon that determination nor reliant on the use of proceeds from a potential sale of that portion of property.

**Related City Policies:**

Article X, Section 2(c), and Article XIX A, Section 2, of the Ashland City Charter relating to the purchase or disposition of public property.

**Council Options:**

To move forward on the purchase of the 10 acre property Council is asked to set a public hearing date to consider the disposition of public property, to include the Lithia Way Parking lot, and the three ½ acre parcels off of Strawberry Lane .

Should the Council not wish to proceed with the proposed land trades and acquisition of the 10 acre property, the Council can conclude this process by taking no further action at this time.

**Potential Motions:**

Move to schedule a public hearing for November 4<sup>th</sup>, 2008 to consider declaring the City owned property on Lithia Way as surplus property, and consider a purchase agreement for the land exchange and acquisition of the 10 acre property on Clay Street,

**Attachments:**

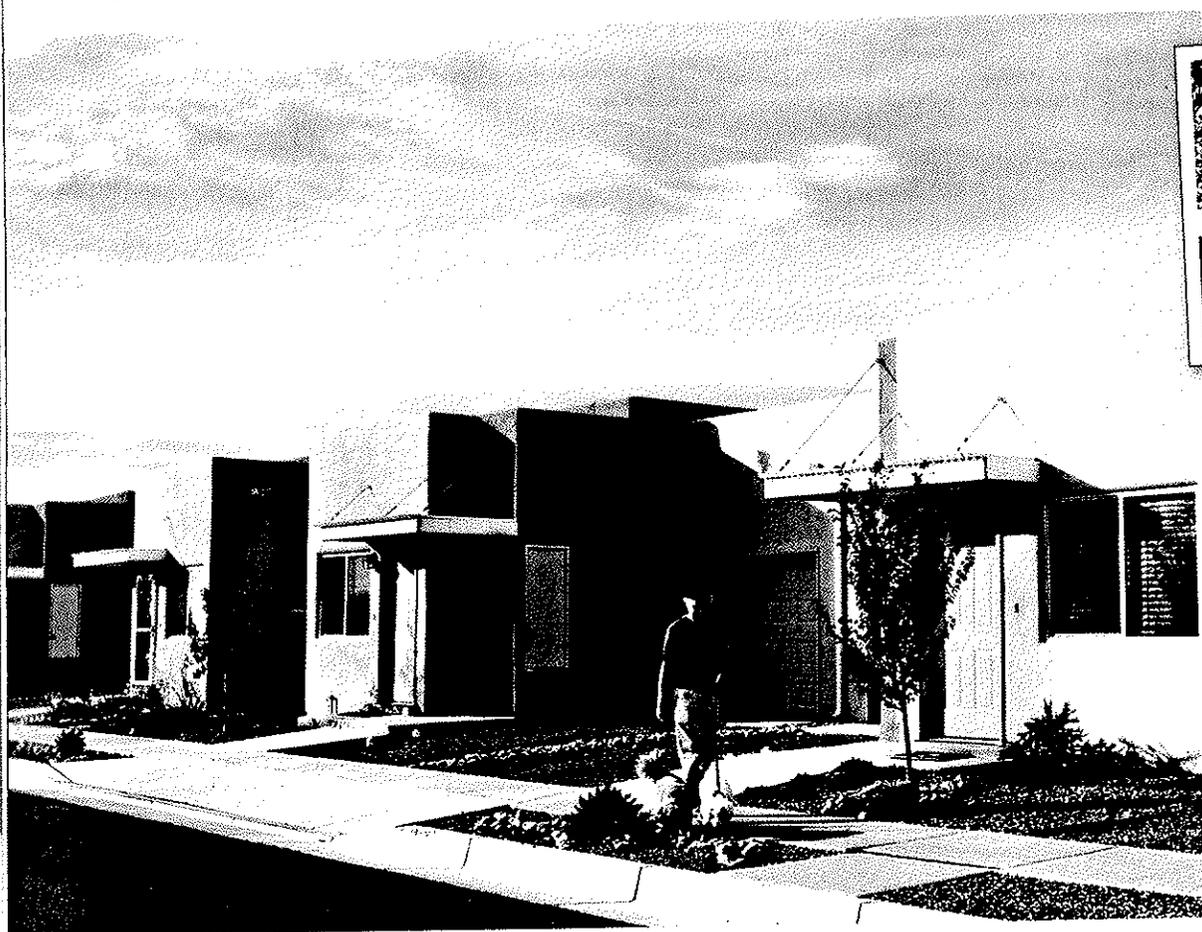
Conceptual Site Layout for the 10 Acre Clay Street Property  
HAJC letter of interest





# **Housing** in the **NEWS**

**Ashland Housing Commission Packet**



### Pride of Place

**Local Challenge** As a result of recent downtown revitalization, low-income families were getting priced out of working-class neighborhoods. At the same time, complaints grew about the blight and pollution from the old sawmill and a particle board manufacturing plant.

**Local Solution** Community leaders saw an opportunity to redevelop the former Ponderosa Products site with a mixed-use infill project. Instead of a typical for-profit project, however, the planners established a nonprofit trust to hold the land. Grants and government subsidies are helping cover development costs, keeping home prices down and making the community affordable to low-income residents. Resale restrictions limit how much of the home's appreciated value the owner can receive.

**Cottage Twist** Arbolera de Vida was designed to preserve local culture, including the annual Mexican Christmas celebration Las Posadas. Although the festivities traditionally last nine days, Arbolera de Vida's modified version includes visits to nine homes in one night followed by a community potluck dinner at the Sawmill Lofts.

**Cottage Connection:** Sawmill Community Land Trust; 505/764-0359 or sawmillclt.org

Albuquerque, New Mexico

## Arbolera de Vida The Land Trust

### Community Profile

■ **Location:** Within walking distance of downtown Albuquerque

■ **Category:** Infill

■ **Number of homes:** 199 housing units by the end of this year

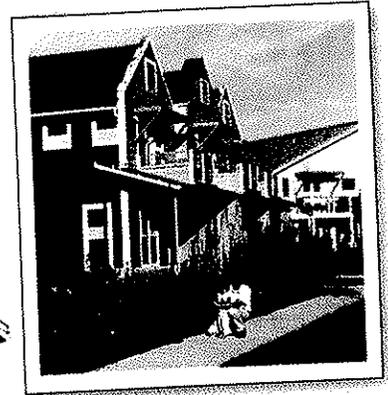
■ **What \$300K will buy:** Half that will buy a 1,300-square-foot, 3 BR, 2 BA home (income and deed restrictions apply).

■ **Closest latte:** The Sunshine Café

AS THE NAME SUGGESTS, ARBOLERA DE VIDA, OR ORCHARD OF LIFE, is an enlivening force in Albuquerque, offering low-income residents affordable housing and a community that instills pride. It wasn't always this way. Until a decade ago, the 27-acre plot of land just north of the city center was home to a run-down sawmill, broad expanses of dusty ground, and hundreds of feet of chain-link fence. Today, there are 56 townhomes and casitas (duplexes) with another 37 to be constructed, all clustered amid newly planted trees.

A playground, recently built with lots of volunteer help, beckons neighborhood children. A biking/walking trail leads to Rio Grande State Park and Old Town, the city's historic district and a major draw for tourists. "People are always shocked when they come here," says Pam Riley, a Sawmill Community Land Trust staff member. "They say, 'This is affordable housing?' Just because people are getting subsidies doesn't mean their homes can't be beautiful." >

**Take it from Arbolera de Vida** The nonprofit land trust model is passing value on to homeowners and renters in the form of affordable housing. Community members share the equity, as they are members of the trust holding the common areas.



Boulder, Colorado

# Holiday Neighborhood Affordable Alternative

## Community Profile

- **Location:** near the north Boulder city limit
- **Category:** Infill
- **Number of homes:** 333, including 138 affordable units
- **What \$300K will buy:** A 900-square-foot market-rate loft condo. Nearly half will buy a 1,100-square-foot loft condo through a housing program.
- **Closest latte:** Amante Coffee on Broadway

**NO, THIS IS NOT A RESORT COMMUNITY.** The newly developed mixed-use neighborhood was named for the twin-screen Holiday Drive In Theater that operated on this north Boulder site from 1969 to 1988. The recently refurbished marquee still stands, visible from the community gardens and the bike path along U.S. 36. Easy Rider Lane was named after the first feature film to play here. And when the weather is warm, the locals catch outdoor movies on an inflatable screen in Holiday Park, near the original location of the drive-in.

The movie ties are just the beginning of a long list of what's right with this community. A model public-private partnership, the Holiday Neighborhood has designated more than 40% of its housing units as permanently affordable, which fills a great need (and is quite a feat) in Boulder, where real estate prices have skyrocketed in recent years. And it does it with urban panache, offering a range of housing styles, including live/work spaces for artists, pocket parks, a shared garden for vegetables, and the latest in green design, including rooftop solar panels. >

## Pride of Place

**Local Challenge** Back in 1978, Boulder chose to limit growth, which has reduced sprawl but also limited the housing supply and driven up home prices. The challenge was common: how to create affordable housing for artists, nurses, firefighters, and others earning moderate wages.

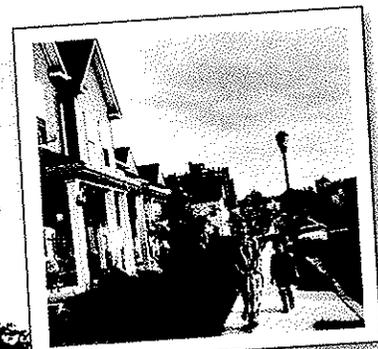
**Local Solution** In an innovative move, Boulder Housing Partners, the city's housing authority, acted as the developer of the Holiday Neighborhood in partnership with the City of Boulder. They bought the 27 acres of no-longer-used land and sold finished lots to seven private development partners, who created a fresh urban neighborhood with walkable streets, community businesses, and bike paths and transit stops linking Holiday with the rest of Boulder. Out of 333 units, 138 are designated as "affordable." Community spirit has soared.

**Cottage Twist** The Emergency Family Assistance Association partnered with community groups to build three transitional housing units for families at risk for homelessness.

📍 **Cottage Connection:** Holiday Neighborhood; [holidayneighborhood.com](http://holidayneighborhood.com)

**Take it from Holiday** Keep it affordable. The best communities thrive on diversity—economic as well as age, racial, and career diversity. Boulder Housing Partners devised an innovative plan to keep 41% of Holiday's housing permanently affordable.

## THE GOOD LIFE TOP 10 COTTAGE NEIGHBORHOODS



Camden, New Jersey

# Baldwin's Run

## The Miracle Turnaround

### Community Profile

- **Location:** In Camden, near Philadelphia
- **Category:** Adaptive reuse and infill
- **Number of homes:** 516
- **What \$300K will buy:** A lot! 4 BR, 1,800-square-foot homes cost less than \$100,000 (income and deed restrictions apply).
- **Closest latte:** You can't get a latte, but try the coffee and Dominican food at Freddy's.

THE "BEFORE AND AFTER" IS ASTOUNDING. Everything changed—even the neighborhood's name. Formerly known as Westfield Acres, the gang-infested, physically deteriorating public housing project made daily life hell for its residents and spread blight to surrounding historic neighborhoods. Tacking city and state funding onto a \$35 million federal HOPE VI grant, the Housing Authority of the City of Camden (HACC) demolished Westfield Acres and, with the help of private developer Pennrose Properties and a nonprofit organization called St. Joseph's Carpenter Society, redeveloped the land into a mixed-income community of rental units and attractive owner-occupied homes. Today, the peaceful, thriving neighborhood is called Baldwin's Run.

"My parents wouldn't allow me to sit outside on the steps," remembers Nia Timmons, who was lucky enough to be transferred to another development. Today, she's back and raising two children in Baldwin's Run. "It's a pleasure to sit outside now. Everyone comes together as a community." >

### Pride of Place

**Local Challenge** Westfield Acres was the classic public-housing superblock dictated by a crime culture encouraged by the isolation of the poorly designed community.

**Local Solution** By tearing down the superblocks and reestablishing the long-defunct street grid, the redevelopment team knit the neighborhood back together with the surrounding community. The designers added traffic circles to control drivers' speed and planted trees to shade new sidewalks. Rental units mingle with owner-occupied homes, erasing the boundary between economic classes.

**Cottage Twist** Baldwin's Run also has a brand-new, state-of-the-art school, complete with indoor pool, gym, and activities room with Foolsball and table tennis. Thanks to cooperation among city and state officials, the housing authority, and Pennrose, the school shares its space with the local chapter of the Boys & Girls Club. "It's a natural complement," says Kevin Kavanaugh, a Pennrose Properties development officer involved with Baldwin's Run. "Now the kids have a place to play or do homework after school."

➤ **Cottage Connection:** Pennrose Properties; 267/386-8600 or [pennrose.com](http://pennrose.com)

**Take It from Baldwin's Run** Remember the big picture. Rather than focus only on rebuilding a housing project, the redevelopment team looked beyond the boundaries and rehabilitated more than 100 abandoned homes in adjoining neighborhoods.