

**Ashland Housing and Human  
Services Commission**  
Regular Meeting Agenda

**CITY OF  
ASHLAND**

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**January 24, 2019: 4:30 – 6:30pm**  
**Siskiyou Room of the Community Development Building**  
**51 Winburn Way**

1. (4:30) **Approval of Minutes** (5 min)  
October 25, 2018  
November 15, 2018
2. (4:35) **Public Forum** (5 min)
3. (4:40) **CDBG and Social Service Grant Update and Meeting Schedule Discussion** (30 min)
4. (5:10) **Ashland Housing Strategy Discussion** (30 min)
5. (5:40) **Strategic Plan Priority Goals for 2019 Review** (15 min)
6. (5:55) **Liaison Reports** (20 min)  
  
**Liaison Reports**  
Council (TBD)  
SOU Liaison (Unfilled)  
Staff (Linda Reid)  
General Announcements/Local Housing  
Updates
7. (6:25) **February 28, 2019 Meeting Agenda Items**  
**Quorum Check** – Commissioners not available to attend upcoming regular meetings should declare their expected absence.
8. (6:25) **Upcoming Events and Meetings**  
**Next Housing Commission Regular Meeting**  
4:30-6:30 PM; February 28, 2019
9. (6:30) **Adjournment**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Development office at 541-488-5305 (TTY phone is 1-800-735-2900). Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title 1).





# CITY OF ASHLAND

## Ashland Housing and Human Services Commission Special Meeting October 25, 2018

### CALL TO ORDER

Commissioner Chair Rohde called the meeting to order and welcomed guests at 4:30 pm in the Gresham Room at the Ashland Public Library located at 410 Siskiyou Blvd. Ashland OR 97520.

<b>Commissioners Present:</b>	<b>Council Liaison</b>
Gina DuQuenne	Jackie Bachman (absent)
Rich Rohde	
Erin Crowley	<b>SOU Liaison</b>
Tom Gunderson	None
Sue Crader	
Heidi Parker	<b>Staff Present:</b>
Linda Reppond	Linda Reid, Housing Specialist
Erica Franks	

### Guest Connie Saldana facilitated the SS Grant Priority discussion.

### INTRODUCTION AND REVIEW OF QUESTIONNAIRE RESPONSES

Rohde and Reid went over the results of the questionnaire results, how the commissioners came up with the questions and how the questionnaire was administered. See PowerPoint presentation attached as Exhibit A. Twelve audience members were in attendance and offered some comments regarding social service grant priorities and service gaps within the Ashland Community and the outcomes of the survey.

- There is a need for immediate help housing.
- Age gap for respondents both young and old.
- Home bound seniors are underrepresented.
- Things that haven't been identified: short term shelter (not motels) and facilitating transitions.
- Information and navigation services-how do people know where to go/find people who are knowledgeable.
- Need Resource Navigators.
- Need Low-Income housing.
- Difficult to quantify the effects of isolation-need navigators.
- Need mental health workers.
- Collaboration is key.
- Need a bedroom sharing program for seniors.
- Mental health issues continue to be a service gap, services for families with members experiencing mental illness, and a lack of services for people experiencing mental illness.
- Cognitive decline in all categories-all people are eligible for Medicaid how do we get the CCO's to send a therapist here-from options one morning a week.
- Housing is the top priority.
- We talk a lot about what things costs, but what does it save? Return on Investment-have a focus on prevention.

### MINUTES

Tom Gunderson/Sue Crader, m/s to accept the minutes as presented.

### DEBRIEF OF THE SOCIAL SERVICE GRANT CONVERSATION

Connie Saldana facilitated the SS Grant Priority discussion. Commissioners heard a need for resource navigators to serve multiple agencies. A priority issue for many of the attendees was the isolation of seniors. Crader would have like to have heard grantees discuss more about what they couldn't do for their clients/populations. What are the unmet needs?

**UPCOMING EVENTS AND MEETINGS**

Housing and Human Services Commission Retreat will be held at 3:30-6:30 PM; December 19, 2018, at the Ashland Hills Inn and Suites.

**ADJOURNMENT**

The meeting was adjourned at 6:30 p.m.  
*Respectfully submitted by Linda Reid*

# CITY OF ASHLAND

## Ashland Housing and Human Services Commission Draft November 15, 2018

### CALL TO ORDER

Commissioner Chair Rohde called the meeting to order at 4:30 pm in the Andromeda Room of Ashland Hills Hotel, 2525 Ashland Street, Ashland OR 97520.

<b>Commissioners Present:</b>	<b>Council Liaison</b>
Gina DuQuenne	Jackie Bachman
Rich Rohde	
Erin Crowley	<b>SOU Liaison</b>
Tom Gunderson	None
Sue Crader	
Erica Franks	<b>Staff Present:</b>
Heidi Parker	Linda Reid, Housing Specialist
Linda Reppond	Brandon Goldman, Senior Planner
	Carolyn Schwendener, Admin

### WELCOME AND INTRODUCTIONS

Tonight's meeting was held at Ashland Hills Hotel in order to provide enough space for those attending in regards to the discussion about Rent Burden. Rohde welcomed everyone to the meeting and the Commissioners and staff introduced themselves to the audience members.

Rohde announced that staff member Carolyn Schwendener will be retiring at the end of the year. He expressed the Commissions appreciation for all her efforts in providing detailed minutes over the last few years.

### OPEN DISCUSSION ABOUT RENT BURDEN

Before the discussion began Senior Planner, Brandon Goldman gave a Power Point presentation on Rent Burden. Some of the highlights from Goldman's presentation include;

- o 4 in 10 households are spending over 30% of their incomes on housing
- o 54% households own their home and 46% rent
- o One and two-person household represent a large and growing segment of the housing market
- o Since 1990 home prices are up 368% and income has increased 200%

Discussion followed. Thirty-two people were in the audience.

Audience member: You have collected quite a bit of data and in the past there was an effort to create a housing inventory in which some of those statistics would reflect the demand for one and two family housing types. There was also an effort made with business license registry as a way for data to be collected on owners of rentals. How is this data collected that you are using today?

*Reid responded that most data the City uses comes from Census Data. There are two forms of census data, Decennial Census and the American Community Survey data. There are also local sources for data the City uses and the State of Oregon is taking more data. The City has a software program which gives permitting data on housing types and number of units. When property owners with two or more units apply for a business license they fill out a rental registry.*

What is your confidence level with the compliance of landlords in town regarding applying for business licenses and rental registry?

*Reid answered that currently the City has no mechanism for compliance to insure landlords are filling out the business license and rental registry when it's required.*

Audience member: Is the City open to the possibility of community based ownership models such as land trusts as a way of flipping the ownership model giving more opportunities for people?

*Goldman explained the City of Ashland worked with the Housing Commission and a non-profit group called the Ashland Community Land Trust (ACLT) to establish a land trust in 2004 which they purchased property using Community Development Block Grant funds and built units on it. A land trust allows the property owner to purchase only the house and not the land avoiding land inflation each year, explained Goldman. The house can be sold to the next person but the land trust keeps the land. Over the course of fourteen years ACLT was successfully developing sixteen housing units for ownership. The units remain affordable for a period of ninety-nine years. The price of the land has increased to the point where purchasing it would be difficult unless funding sources are available. Rhode added that Rogue Valley Community Development, currently known as Groundworks, has about thirty units similarly to land trusts. All of them are operated by Umpqua Neighborworks. Reid commented because there is a renewed interest in land trusts the City has an on-going dialogue with Neighborworks Umpqua. Reid explained that Neighborworks Umpqua owns the land and leases it back to the home owners.*

Audience member: Please review the one person two-person household chart.

*Reid reviewed the chart that Goldman presented in his power point presentation explaining the one and two-person household represent the largest growing segment of the housing market.*

Audience member- I represent the population that is interested in finding a way to have housing for more than one family, but multi-generational housing. The idea is that people of different ages can live in the same development harmoniously and be able to afford it. Examples are college students, grandparents, those entering the job market, those beyond retirement etc.

Audience member – Some older adults are living in three and four bedroom homes experiencing vulnerability and isolation as well as economic stresses but want to stay in their homes. What kind of assessments are we able to do to help people in those situations to be able to stay in their homes and perhaps rent out their bedrooms to help with finances?

*Reid responded that Rogue Valley Council of Governments (RVCG) has looked at model programs in other cities surrounding this idea. Reid acknowledge this is a great idea for a program. Rhode mentioned the City did fund a non-profit to work with the Ashland Fire Department to assist eligible seniors and persons with disabilities to make safety and or accessibility modifications to their residences.*

Audience member: I work with an advocacy group, Community Alliance of Tenants (CAT). We are constantly hearing from low income and elderly renters that they feel isolated and not engaged. What are you considering doing to start that engagement process with people who don't have access?

*The staff has not put forth any program at this time, stated Goldman. It does sound like RVCG might be working on a regional program to create a data base of people who have rooms to rent.*

Audience member: The University is very interested in matching students who are looking for housing with older adults. The University has a website for students who are looking for housing and you can go on that site and find people who might be appropriately matched with older adults. Not sure how to facilitate that as a program but working collaboratively with other institutions would be a good idea. This would help alleviate some of the financial burdens on seniors and help students with affordability as well.

Audience member: I was born and raised in Berkley California and am curious about the topic of rent control. Is that something on your priority list? My experience with rent control is that it has torn our City (Berkley) apart, landlord verses tenant. People never move and there's very little new housing. The housing shortage is worse now than it was before the rent control.

*Riche explained that rent control is banned in Oregon. It was in a Legislative Bill in the last legislature but didn't move forward.*

Audience member: It's difficult for people to get HUD housing in Ashland because there are no available rentals that qualify for HUD vouchers. People have a hard time renting because they have to prove they make three times the income of the rent. I don't think the standard subsidy HUD uses is appropriate for our area, it's not a practical number any longer.

*Reid confirmed a lot of people share her feelings and this has not gone un-noticed by affordable housing providers. Reid went on to say the program does not work well in our area because of our high housing*

*prices and the vouchers are capped at too low amount. The Housing Authority of Jackson County did get some concessions while trying to get the standard amount changed for higher rent areas. Reid pointed out this needs to be addressed at a Federal level. She suggested contacting our Senators.*

Audience Member: In regard to large houses being occupied by one person who would like to bring in renters, what would be the obstacles they would face with the City?

*Goldman explained if you want to rent out rooms in your house to individuals there would be no reason to come to the City at all, the City has no requirements. If you want to put a second kitchen in your house in order to have two separate dwellings (ARU) and the new unit is under 500 square feet, you would just need a building permit but no planning process. If you would like to have a separate detached unit you then would go through a planning process as well as a building permit. There are costs associated with that process; construction costs, planning applications, system development charges, permit costs, etc.*

Audience Member: Does that include tiny houses.

*The State Building code states that if the house is on wheels its considered a Recreational Vehicle and are not considered habitable under Oregon State Building code as a permanent dwelling. If the tiny house was not on a trailer but had a foundation with plumbing and electrical it could be considered a tiny ARU. We do not regulate the size.*

Audience Member: How can we know what options are available for property owners.

Goldman stressed the importance of education and outreach. Staff has recently discussed creating a hand out with a prescriptive path of creating an ARU explaining the process. This would be handed out at the Community Development Department.

Audience Member: I don't remember housing being so bad in our Community. Can you shed some light on why housing has got to this point in our town? We have a housing crisis in Ashland.

*Franks shared from her point of view wages aren't high enough and the housing prices have increased over the years. Supply and demand has made a difference. Reid commented the overall picture has a lot to do with each person's ideology and beliefs. Could be a variety of things, livability, supply of land and restrictions, economic changes, regulatory barriers, etc. Goldman added that Ashland has only a one percent vacancy rate, a healthy vacancy rate is five percent. That would allow move from rental unit to another because there is plenty of hose from. Rental units turn over very quickly in this community.*

Audience member: A lack of high density housing zoning within our community has effected rents. I would like to see the City Council defer the system development fees and would like to see some bonding within the City. Rents are so high because we don't have supply. We do not have any opportunity zones that were allocated in the City of Ashland. An opportunity zone is a place where investors can come in and put money into land and businesses and defer the taxes. This would help keep money invested in our community if the City would get on board with the high density zoning it would help decrease the costs.

Rohde addressed the issue of no cause evictions that still happens in Ashland. This disrupts children and families. The state now allows cities to do something about that locally, emphasized Rohde. The City of Portland has addressed it by requiring a relocation fee if the eviction was without cause.

Reppond was concerned about the reports of people getting fifty or one-hundred percent rent increases. It seems like we should be able to do something about that.

After the discussion Rohde invited everyone in the audience to stay for the next agenda item, Housing Element and Housing Strategies.

### **HOUSING ELEMENT UPDATE**

Goldman gave a brief overview of the Housing Element Update. This document is available on the City of Ashland website. All cities in Oregon have a Comprehensive Plan or General Plan that includes twelve individual areas that relate to items like transportation, parks, environmental resources, public services etc. The Housing Element includes both goals and policies. A goal statement is an attempt to illustrate what the City is striving for and policies are statements supportive of those goals. The current Housing Element was developed in 1982/1989. Staff is updating the Housing Element in order to remove the language reflected from the census data in 1980 to provide more specific information on rental rates and housing costs. The hope is to present a general view of change over time and not be so time specific as when it was drafted back in the 1980's. Two adopted technical supporting

documents are the Buildable Lands Inventory and the Housing Needs Analysis.

Goldman explained the process. The Housing and Human Services Commission and the Planning Commission will make a recommendation to the City Council. Once they receive the recommendation City Council will review it at a Study Session in January 2019. Ultimately in February and March the City Council will have a Public Hearing in order to make a formal decision.

After staff's presentation on the Housing Element and Ashland Housing Strategies the following comments were made during the public forum.

**Isleen Glatt**, Senior Services Superintendent for the Senior Services Division of the Ashland Parks and Recreation Commission spoke. Ms. Glatt thanked the Commission for having a policy related to age friendly, accessible and age in place housing. Glad to see the needs of seniors specifically being noted in this plan. Ms. Glatt also mentioned that all the other policies related to affordability, unit size, house styles, etc. impacts our seniors as well.

**Forest Berg**, is a planner who started a company with a group of people called GreenEarthCity.org. This is a company that focuses on sustainability developments both urban and rural. Mr. Berg shared that as we study the current system and as we impose on the natural world he would like to see in our planning structure a stronger emphasis on a comprehensive system as a whole and move away from actual zoning. His company looks at the whole system design and development both socially and ecologically. The premise of zoning is what we as a society have pushed upon the earth. We have lost our village. Mr. Berg would like the wording in the future to have a little more teeth with the developers to encourage them to help solve the inherent problems that are coming such as energy, food production and increase of fire. Mr. Berg would like to see planning do a little more comprehensive review with the developments presented to them. No reason that Ashland should be totally dependent on fossil fuels, stated Mr. Berg.

**Jesse Sharpe**, works with tenants every day listening to their housing issues such as no cause evictions and rent increases. At least once a week Mr. Sharpe speaks with someone who is becoming homeless. Mr. Sharpe would love to see some recommendations going to the City Council involving rent protections such as relocation assistance and mitigating the displacement of tenants.

**George Kramer**, was concerned about the use of the word "encourage" multifamily development. Encourage implies it would still be possible to build a single family residence in a multi-family zone, emphasized Mr. Kramer. Ashland has areas of multifamily zoning that are never going to be developed as multifamily. Mr. Kramer suggested saying "We will build multifamily developments in multifamily zones."

**Teresa Safay**, remarked it would help to keep rents lower in multiplex's if the City offered the property owners a utility break. Ms. Safay manages an eleven-plex on B Street and they pay more than one month of rent just to cover the water. If those rates could be lower, it would be possible to keep the rents down.

**Regina Ayars**, acknowledged the ideas in this document are great however being doable is something else. Ms. Ayars asked "Where is a timeline going to be referred too?" Each item has a priority assigned to it but that is the only indication of importance nothing refers to when it should happen. Ms. Ayars is asking for a timeline associated with the document that would reflect the ability to actually accomplish these goals and strategies.

Rhode closed the Public Hearing and the Commissioner's discussed whether to adopt the policies on the Comprehensive Plan as presented.

The discussion included ideas of implementation of the strategies.

- Adopting a timeline for implementation of the policies (strategies)
- Possibility of using the word "require" rather than encourage when it comes to required housing in multi-family zones. They asked Goldman "What would be the best way to put more teeth in it?" Goldman responded the requirement of multi-family housing has been done in a couple of areas, the Crowman Mill Site and the Transit Triangle. Some of the Crowman land was rezoned from Industrial to Multi-family requiring at least 25 percent of the units to be multi-family. The Transit Triangle has an optional overlay and if a developer chooses to use the transit triangle rules they would have to provide apartments.
- Require a Conditional Use Permit in order to construct a Single Family Residence in a Multi-family zone. Goldman pointed out that in 2004/2005 in all multi-family zones it was established a minimum density that



you could not develop less than eighty percent of the minimum density for that zone. This largely precluded single family homes on multi-family zoned parcels. It did not preclude condos and townhomes, however.

- Construct Multi-family housing to the fullest extent possible as defined by the Housing Needs Analysis.
- Relocation Assistance.

*Reppond/DuQuenne m/s to accept the Comprehensive Plan as proposed. The Commissioners discussed the motion.*

We still have a lot to do in regards to the strategies but this is a big step forward. The Commissioners agreed the language has to be broad enough so that it allows everything in that is reasonable. The strategies are the more specific ideas on how to go forward with the plan. It's easier to accept the comprehensive plan and then the strategies can be adjusted along the way.

*Vote; All in favor in accepting it raise your hand. Everyone voted yes.*

The Commissioners agreed to have a deeper discussion of the Housing Strategies at there December goal retreat meeting. They will have a public hearing at the meeting and make a motion to attach the strategies as amended as a technically supporting document to the comprehensive plan.

#### **DECEMBER 20, 2018 MEETING AGENDA ITEMS**

Discuss and vote on the strategies

Chad McComas from Rogue Retreat will be a guest speaker

City Council will be having a discussion about the overnight camping ordinance at their up-coming Monday night meeting on the 19<sup>th</sup>.

#### **UPCOMING EVENTS AND MEETINGS**

Housing and Human Services Commission Regular Meeting Goal Setting Retreat 3:30-6:30 PM, December 20, 2018, at the Ashland Hills Hotel.

#### **ADJOURNMENT**

The meeting was adjourned at 6:45p.m.

*Respectfully submitted by Carolyn Schwendener*



# Memo

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DATE: 1/18/2019

RE: November 15, 2018 Housing and Human Services Commission Meeting  
Comments from the Public Hearing regarding the Housing Element Update

After staff's presentation on the Housing Element and Ashland Housing Strategies the following comments were made during the public forum.

*Isleen Glatt*, Senior Services Superintendent for the Senior Services Division of the Ashland Parks and Recreation Commission thanked the Commission for having a policy related to age friendly, accessible and age-in place housing. Ms. Glatt was glad to see the needs of seniors specifically being noted in this plan. She also mentioned that all the other policies related to affordability, unit size, house styles, etc. impacts our seniors as well.

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*Regina Ayars*, acknowledged the ideas in this document are great however being doable is something else. Ms. Ayars asked "Where is a timeline going to be referred too?" Each item has a priority assigned to it but that is the only indication of importance nothing refers to when it should happen. Ms. Ayars is asking for a timeline associated with the document that would reflect the ability to actually accomplish these goals and strategies.



# Housing and Human Services Commission Memo

TITLE: CDBG and Social Service Grant Update and Meeting Schedule Discussion  
 DEPT: Community Development  
 DATE: January 24, 2019  
 SUBMITTED BY: Linda Reid, Housing Program Specialist

Below is a spreadsheet that outlines the various timelines for CDBG and Social Service Grants for the 2019 grant year to assist the Commission in setting a meeting schedule for review of those grant applications.

MONTH	H&HS MEETING	CDBG	SOCIAL SERVICE GRANT
January		RFP Issued-first week of January	RFP Issued-first week of January
February	Regular meeting (receive CDBG apps for review)	RFP Due- February 15 <sup>th</sup>	
March	CDBG App. Review and Recommendation	March 28 <sup>th</sup> -Public Hearing/Recommendations	Applications Due-March 5th
April		April 17 <sup>th</sup> Council review and final allocation/Annual Action Plan Public Notice	April 25- Review and Recommendation by H&HSC
May	Review and Approval of the CDBG Annual Action Plan	May 23 <sup>rd</sup> -Annual Action Plan Public Hearing/Approval	May 21 <sup>st</sup> - Review and final allocation by Council





# Housing and Human Services Commission Memo

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TITLE: Ashland Housing Strategies in Depth Discussion  
DEPT: Community Development  
DATE: January 24, 2019  
SUBMITTED BY: Linda Reid, Housing Program Specialist

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At the Housing and Human Services Commission Retreat held on December 20<sup>th</sup> the Commission requested that time be allocated on the January meeting agenda to discuss the Ashland Housing Strategies.







DATE: 7/10/2018  
TO: Brandon Goldman  
FROM: Beth Goodman  
SUBJECT: ASHLAND HOUSING STRATEGY

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The City of Ashland has conducted a substantial amount of research about Ashland's housing market and housing needs within the City. In 2012, Ashland updated its Comprehensive Plan Housing Element, which includes a Housing Needs Analysis. Ashland has adopted numerous policies to address the City's housing needs, including encouraging more affordable single family housing types through adoption of the cottage housing ordinance to promote small units on small lots, removing barriers for manufactured housing through elimination of design standards, allowing accessory residential units as a permitted use in single Family and multifamily residential zones. Ashland is in the process of developing a zoning overlay for the Ashland Transit Triangle area to promote the development of residential units in commercial and employment zones.

Ashland is one of the communities that adopted the Regional Plan, which was developed through Regional Problem Solving (RPS). The Regional Plan requires the development of a regional housing strategy within five years of acknowledgement of the Regional Plan, by March 2018. The requirement in the Regional Plan is broad and does not specify what a housing strategy would include. The requirement is as follows:

*Housing Strategies. Participating jurisdictions shall create regional housing strategies that strongly encourage a range of housing types throughout the region within 5 years of acknowledgement of the RPS Plan.*

Housing strategies in Oregon generally focus on two broad issues: (1) increasing efficiency of land use in residential development; and (2) strategies that encourage development of housing affordable to low- and middle-income households. These strategies may be mutually supportive, as housing developed more densely or on smaller lots (i.e., more efficient use of residential land) may result in development of lower-cost housing. Increased densities, however, do not necessarily equate to affordability. Moreover, encouraging development of affordable housing requires a broader focus than issues related to land use efficiency.

Ashland's housing sales prices are higher than in other cities in the Rogue Valley. At the beginning of 2018, the median home sales prices for existing housing in Ashland were \$410,000, an increase of \$85,500 or 25% from 2013. Ashland's housing prices for existing housing were \$142,000 or 50% higher than the median home costs for housing in urban areas.<sup>1</sup>

Housing costs have increased faster than incomes in Ashland over the last decades. The median home value in Ashland increased from 5.8 times the median household income in 2000 to 7.7

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<sup>1</sup> Data source: Rogue Valley Realtors

times median household income in the 2011-2015 period. One measure of housing affordability is whether a household is cost burdened. HUD defines a household as cost burdened if the household pays more than 30% of its gross income on housing costs, such as rent or mortgage, utilities, and housing insurance and property taxes. Forty-six percent of households in Ashland are cost burdened, with 32% of homeowners cost burdened and 62% of renters cost burdened.<sup>2</sup>

This memorandum presents a housing strategy for the City of Ashland that is intended to meet the RPS requirement of developing a housing strategy. It presents housing strategies to address regulatory issues and strategies to increase development of affordable housing.

## Definitions

Within this memorandum, affordable housing is divided into the three-categories based on income: (1) housing for low-income households (e.g., households earning less than 60% of Median Family Income); (2) housing for moderate-income households (e.g., households earning between 60% and 80% of Median Family Income); and (3) housing for middle-income households (e.g., households earning between 80% and 120% of Median Family Income).

According to HUD, the Median Family Income in Jackson County in 2017 is \$53,600, which is an average income of \$4,467 per month. HUD guidelines specify the affordable monthly housing costs should not exceed 30% of gross household income. Table 1 shows how affordability is defined for the purpose of this strategy.

**Table 1. Definition of affordable housing based on 2017 Median Family Income for Jackson County**

	Percent of Median Family Income	Monthly Income in 2017	Affordable Monthly Housing Costs in 2017
<b>Low-income affordable housing</b>	Low Income: 0% - 60%	Up to \$2,680	Up to \$804
<b>Moderate-income affordable housing</b>	Lower Middle: 60% to 80%	\$2,680 to \$3,575	\$804 to \$1,072
<b>Middle-income affordable housing</b>	Upper Middle: 80% to 120%	\$3,575 to \$5,360	\$1,072 to \$1,608

Ashland’s 2012 Housing Needs Analysis identified the need for approximately 769 rental units targeted to households earning less than 50% of the AMI and approximately 251 ownership units for households with incomes below 50% AMI. Ashland’s Housing Needs analysis concluded “...that the City should plan for a larger share of multiple family housing, and for a greater number of single family housing types on smaller lots.”

<sup>2</sup> Data sources: 2000 Decennial Census, 2011-2015 American Community Survey.

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This memorandum also discusses housing development densities. As part of the RPS, the City of Ashland was the only participating city to not identify urban reserves as it was determined that existing lands within the city limits and urban growth boundary were sufficient to accommodate anticipated growth over the planning period.

Over the 2007 to 2016 period, the average density of new single-family development was 5.5 dwelling units per gross acre. The average density of new multifamily housing over the same period was 10.4 dwelling units per gross acre.

## Regulatory Reforms

The policies and actions discussed in this section relate to changes in Ashland's land use regulations that can: (1) improve the efficiency of residential land use by increasing the concentration of housing under certain circumstances, (2) increase opportunity for development of housing types that are comparatively affordable, such as missing middle housing types (such as duplexes, townhouses, cottage housing, or garden apartments), or (3) both increase land use efficiency and provide opportunities for development of comparatively affordable housing.

**Policy 1:** Provide a variety of housing types in Ashland that is more affordable to middle-income households, as well as provide opportunities for development of housing affordable to moderate- and low-income households.

**Action 1.a:** Ensure that land within the Ashland UGB is zoned to allow for development of moderate and higher density housing when possible, such as the R-1-5 or R-1-3.5 zones. Identify land in the R-1-7.5 and R-1-10 to upzone where appropriate, focusing on tax lots one-acre and larger.

Implementation Steps: Work with property owners to potentially establish appropriate zoning designations where up-zoning opportunities are identified and implement these policies through a public process.

Priority: Medium; on-going

**Action 1.b:** When rezoning residential land or annexing land into the city, to the extent possible, avoid zoning land RR or WR, except where land has steep slopes that make denser development difficult.

Implementation Steps: Work with property owners to establish appropriate zoning designations where up-zoning opportunities are identified or when is land is annexed into the city and implement these policies through a public process.

Priority: On-going

**Action 1.c:** Consider allowing Manufactured Home Parks as a permitted use in the R-1-3.5 and R-3 zones. Manufactured Home Parks are a not allowed use in these zones. ORS 197.480 (1) (b) requires that cities allow manufactured dwelling parks as a permitted use in areas zoned for a residential density of

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six to 12 units per acre. Each of these four zones allow at least six to 12 units per acre.

Implementation Steps: Revise the permitted uses in the R-1-3.5 and R-3 zones.

Priority: High

**Policy 2:** Encourage development of new multifamily in areas zoned for multifamily housing and commercial areas by increasing the amount and density of multifamily development.

**Action 2.a:** Continue working to implement the zoning overlay from the Ashland Transit Triangle project. This project offers recommendations for changes to development standards, such as decreasing parking requirements for dwellings smaller than 800 square feet, allowing four-story buildings in E-1 and C-1 zones, and three-story buildings in R-2 and R-3 zones, eliminating maximum densities, requiring smaller units, and other changes in development standards to promote small units at a higher density.

Implementation Steps: Continue working to develop the Ashland Transit Triangle project

Priority: High

**Action 2.b:** Evaluate opportunities to upzone land to the R-2 and R-3 zones to allow higher density development. Focus upzoning efforts on vacant parcels at one acre in areas where moderate- and higher-density housing would be appropriate.

Implementation Steps: Work with property owners to establish appropriate zoning designations where up-zoning opportunities are identified and implement these policies through a public process.

Priority: High

**Action 2.c:** Consider policies that encourage development of multifamily rental housing in the R-2 and R-3 zones. Potential policies include:

Requiring that multiple units be retained on a single tax lot under one ownership to promote development of rental housing.

For developments of multifamily structures with four or more dwelling units, require a minimum percentage of total units are designated as rental units.

Implementation Steps: Identify the policies to encourage development of multifamily rental housing and the areas to apply the policies. Implement these policies through a public process.

Priority: High

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**Action 2.d:** Evaluate opportunities to increase density in the R-1-3.5 zone to allow development of multifamily housing above 7.2 dwelling units per gross acre outright (without relying on a density bonus).

Implementation Steps: Revise the zoning code to allow higher densities.

Priority: High

**Action 2.e:** Evaluate opportunities to increase density in the R-2 zone to allow development of multifamily housing above 13.5 dwelling units per gross acre outright (without relying on a density bonus). Consider allowing development up to 18 dwelling units per acre of multifamily housing.

Implementation Steps: Revise the zoning code to allow higher densities.

Priority: High

**Action 2.f:** Evaluate opportunities to increase density in the R-3 zone to allow development of multifamily housing above 20 dwelling units per acre outright (without relying on a density bonus). The city could establish a higher density, such as 30 dwelling units per acre, or establish no maximum density and allow other development standards (e.g., building height, setback, parking requirements, and lot coverage) to limit density.

Implementation Steps: Revise the zoning code to allow higher densities.

Priority: High

**Action 2.g:** Consider increasing the multifamily building height from 35 feet tall, which would allow a 2.5 story building, to allow a three-story building in the R-2 zone.

Implementation Steps: Revise the zoning code to change height limitations.

Priority: High

**Action 2.h:** Consider increasing the multifamily building height from 35 feet tall, which would allow a 2.5 story building, to allow a four-story building in the R-3 zone.

Implementation Steps: Revise the zoning code to change height limitations.

Priority: High

**Action 2.i:** Consider increasing the maximum lot coverage ratio from 75% in R-3 to 80%.

Implementation Steps: Revise the zoning code to change lot coverage ratio in R-3.

Priority: Low

**Action 2.j:** Evaluate opportunities to reduce parking requirements for multifamily housing in the R-2, R-3 zone and commercial zones, such as the proposed

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parking standards from the Ashland Transit Triangle project. The city could develop policies to lower parking requirements by 0.25 to 0.5 spaces per unit for multifamily rental housing or for qualified low-income housing.

Implementation Steps: Evaluate the impact of policies of reducing parking requirements for multifamily development and implement.

Priority: Medium

**Action 2.k:** Evaluate the impact of changes in the proposed Ashland Transit Triangle project for housing production in commercial and employment zoning districts, including Croman Mill District (CM). Consider opportunities to implement the change in policy and development standards in other areas of Ashland to increase development of multifamily housing in commercial and employment zones.

Implementation Steps: Evaluate the impact of the policies from the Transit Triangle project and implement appropriate and effective changes in the City's density standards.

Priority: Low

**Action 2.l:** In commercial zones that allow mixed-use buildings, Consider increasing height limitations to allow for ground floor commercial or retail use and five stories of residential units.

Implementation Steps: Revise the zoning code to change height limitations.

Priority: High

**Policy 3:** Monitor residential land development to ensure there is enough residential land to accommodate the long-term forecast for population growth.

**Action 3.a:** Develop and implement a system to monitor the supply of residential land. This includes monitoring residential development (through permits) as well as land consumption (e.g. development on vacant, or redevelopable lands).

Implementation Steps: (1) Develop a monitoring system for land development based on development applications, starting with the existing inventory of buildable lands. (2) Update the inventory of buildable lands every two to three years.

Priority: High

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## Affordable Housing Strategies

This section presents policies and actions to encourage development of both low-income affordable housing and middle-income affordable housing. Table 1 shows that low-income households have income below \$2,680 per month and can afford up to \$804 in housing costs without being cost burdened. These housing costs are below market rents in Jackson County. New housing affordable to low-income households will generally be government-subsidized housing.

Middle income households on the lower end of the spectrum in Table 1 may be able to afford to rent units which are mandated to rent at a rate which is below market. At the other end of the middle income spectrum, households may be able to afford to purchase units that are mandated to sell at a below market cost through the City of Ashland's Housing Program, or perhaps a lower cost housing type such as a manufactured home, a condominium unit, or a town home. With a median sales price of \$410,000 and a median rental amount of over \$1000, (according to the 2015 American Community Survey) there are very few market rate rental or purchase housing units available in Ashland that would be affordable to middle income households.

Policy 4 and 5 present options and ideas for strategies to approach affordable housing issues. **The City should focus on expanding the existing comprehensive affordable housing program by implementing interrelated programs described below.** The affordable housing tools in Policy 4 are frequently implemented together. For example, a city may contribute the development of a government-subsidized affordable housing project by offering tax incentives and low- or no-cost land (from a land bank) for the development. In addition, identifying sources of funding (under Policy 5) will be essential to implementing the affordable housing program using the tools described in Policy 4.

**Policy 4:** Consider policies that support affordable housing by lowering the costs of housing development for low-income affordable housing and/or middle-income affordable housing.

**Action 4.a:** Evaluate opportunities to implement a tax abatement program, such as the multiple-unit limited tax exemption program and the vertical housing tax credit program, to promote development of affordable multifamily housing.

Through the Multiple-Unit Limited Tax Exemption Program,<sup>3</sup> a jurisdiction can incent diverse housing options in urban centers that lack housing choices or workforce housing units. Through a competitive process, the City can select multi-unit projects to receive a property tax exemption for up to ten years on structural improvements to the property in exchange for setting aside a percentage of the units in the project as affordable. The City

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<sup>3</sup> ORS 307.600 through 307.637 provides the regulations for the Multiple-Unit Limited Tax Exemption Program.

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has the opportunity to control the geography of where the exemption is available, the application process and fees, the program requirements, the criteria (return on investment, sustainability, inclusion of community space, the percentage of affordable or workforce housing, etc.), and the program cap to shape the program to achieve its goals.

The vertical housing tax credit subsidizes "mixed-use" projects to encourage multi-story development or redevelopment by providing a partial property tax exemption on increased property value for qualified developments. The exemption varies in accordance with the number of residential floors on a mixed-use project with a maximum property tax exemption of 80 percent over 10 years.

Implementation Steps: (1) Select the tax abatement programs the City prefers to implement. (2) Set the program criteria, such as the type of housing it will apply to (low-income affordable housing and/or middle-income affordable housing), the length of tax abatement, or the location for where the program is applied.

Priority: High

Partners: Developers and nonprofit organizations that use the tax credit

**Action 4.b:** Consider establishing a program to finance or defer payment of systems development charges (SDCs) and other fees for to support development of selected housing types for which the City wants to encourage development, such as accessory dwelling units.

The purpose of the policy is to defer payment of SDCs, making it easier for the development community to pay for projects by reducing upfront costs. The City could defer payment of the SDCs from issuance of a building permit to certificate of occupancy. Alternatively, the City may finance SDCs for up to five to ten years. While SDC financing is most frequently used for multifamily housing, some cities use it for development of single-family housing.

Implementation Steps: (1) Evaluate whether the City will defer SDCs. (2) Select the type of deferral, until occupancy certificate is issued or longer-term deferral through SDC financing. (3) Set the criteria and process for granting deferrals of SDCs, including type of housing. (4) Set the criteria for the location for where SDC deferrals might be granted, such as for high-density multifamily development in commercial mixed-use areas.

Priority: High

Partners: Developers and nonprofit organizations that use the program



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**Action 4.c:** Evaluate use of Oregon’s Inclusionary zoning program, which allows for a jurisdiction to implement an inclusionary zoning policy if it meets certain requirements. These requirements relate to the income at which the units are affordable (80% MFI or 60% MFI), the percent of the project set aside as affordable (no greater than 20% of the project), the size of the structure (only multifamily structures with at least 20 units) and the requirement for both an in-lieu fee option and incentive package.

In theory, private market-rate development supports some portion of the cost of the affordable units in an inclusionary project. However, in almost all cases, public incentives are also required. These incentives can be regulatory (reduced parking requirements or density bonuses, for example) or financial (property tax abatements or other forms of public investment). Funds can come from general fund, urban renewal, or other municipal sources described in Policy 5.

Implementation Steps: Identify one or more funding sources, such as those in Actions 5a, 5b, and 5c to provide the necessary incentives to support inclusionary zoning. Develop an inclusionary zoning policy.

Priority: Medium

**Action 4.d:** Continue to identify publicly-owned properties that could be used for affordable housing and partner with the Housing Authority of Jackson County, Access, Habitat for Humanity, Neighborworks, OHRA and other affordable housing providers to continue to develop affordable housing.

The City of Ashland may have publicly-owned properties that they have identified as surplus that may be suitable for affordable housing development. These surplus properties could contribute to the land bank for future low-income affordable housing development.

Another potential source of properties is receivership of properties that are foreclosed on by Jackson County. The City could partner with Jackson County to identify foreclosed properties to use for affordable housing development and to transfer the ownership to the City or the appropriate partner.

Implementation Steps: (1) Establish partnerships with the Housing Authority of Jackson County, non-profit affordable housing providers, and Jackson County for the program. (2) Develop a formal agreement with Jackson County to give the City priority choice of foreclosed properties. (3) Develop criteria for selecting foreclosed properties to add to land bank.

Priority: On-going, Medium priority

Partners: Housing Authority of Jackson County and Jackson County

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**Policy 5:** Develop funding sources to pay for the costs of implementing the affordable housing programs described in Policy 4 and fund the City's Affordable Housing Trust Fund.

**Action 5.a:** Consider establishment of a Construction Excise Tax (CET) on new development to pay for developer incentives, such as fee and SDC waivers, tax abatements, or finance-based incentives.

Ashland dedicates a portion of marijuana taxes (\$100,000 annually), is a recipient of CDBG funding from the federal government, and uses city general funds to support the Housing Program staff and the development of affordable housing. In addition, City programs waive SDCs and, in some cases, waive community development and engineering fees to support affordable housing.

However, this funding is not sufficient to meet the need for affordable housing in Ashland. Further support of affordable housing development can make an important difference in the financial feasibility in the housing development, increasing the opportunities for affordable housing development.

Cities can adopt a CET of 1% of the permit value on residential construction and at an uncapped rate on commercial and industrial construction, for use on affordable housing projects. A CET is a tax assessed on construction permits issued by local cities and counties. The tax is assessed as a percent of the value of the improvements for which a permit is sought, unless the project is exempted from the tax.

Implementation Steps: Evaluate potential adoption of a CET. If the City chooses to adopt a CET, develop the rules and program to implement the CET. Identify the affordable housing program(s) that the CET will support.

Priority: High

Partners: Housing and Human Services Commission, Jackson County Homebuilders Association, Association of Realtors

Estimate of impact: The impact varies depending on the resulting programs that use the CET revenues, how much revenue is generated, and if new housing also has to pay a CET.

One of the largest limitations that cities generally face in supporting affordable housing development is a lack of funding. CET could be a crucial funding source to pay for other affordable housing policies, such as paying SDCs for low-income affordable housing.

**Action 5.b:** Evaluate establishment of an urban renewal district. Part of the purpose of the urban renewal district would be to use revenues from tax increment

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finance (TIF) to pay for a portion of the costs of the affordable housing programs in Policy 4. The urban renewal district would need to include areas of blight, where the City wants to support redevelopment, beyond development of affordable housing.

Urban renewal funds can be invested in the form of low interest loans and/or grants for a variety of capital investments, including infrastructure to service affordable housing and development of affordable housing units.

Implementation Steps: Work with the City Council to decide whether to establish an urban renewal district. Affordable housing projects developed within the Urban Renewal funding may be combined with other programs, such as land banking, payment of SDCs for government-subsidized affordable housing, or use of other affordable housing funding (e.g., CET funds).

Priority: Medium

Partners: Housing Authority of Jackson County, Access Inc., or a community development corporation

Estimate of impact: The impact on development feasibility will vary from moderate to high depending on whether TIF dollars are used for grants or loans. Typically, general fund dollars are successful at bridging gaps in development feasibility. Additionally, compared to other actions, they have lower administration costs for both the private and public sectors because the application requirements and administrative requirements may be less costly and easier to implement for a city.

**Action 5.c:** Identify other sources of funding to pay, such as transient lodging taxes, for programs that support affordable housing development. As discussed in Action 5a, Ashland does not currently have sufficient funding to adequately support affordable housing development.

Implementation Steps: Identify one or more appropriate funding sources. Consider dedication of this funding to the Affordable Housing Trust Fund or another program to support development of affordable housing.

Priority: High

Partners: Housing Advisory Committee, Jackson County Homebuilders Association, Association of Realtors

Estimate of impact: The impact varies depending on the resulting programs that use the revenues and how much revenue is generated.



# Memo

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DATE: 1/18/2019  
TO: Housing and Human Services Commission  
FROM: Linda Reid, Housing Program Specialist  
RE: Housing and Human Services Commission goals 2019

The Housing and Human Services Commission held their annual goal setting retreat on December 20th.

## **2019 Goals for Housing and Human Services Commission**

**Goal: Educate & advocate for the Ashland housing strategies.**

Action item: Schedule a study session with Council to establish Social Service grant goals.

**Goal: Tiny house village at this end of the county.**

**Goal: Rental protections-no cause eviction protections.**

Action item: Support Transit Triangle project

**Goal: Get mental health services/creative solutions.**

**Goal: Lack of DHS childcare providers**

**Goal: Support the development of workforce housing.**

**Goal: Overnight car camping program.**

**Goal: Senior Care**



