

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



October 26, 2017: 4:30 – 6:30pm
Siskiyou Room of the Community Development Building
51 Winburn Way

1. (4:30) **Approval of Minutes** (5 min)
September 28, 2017
2. (4:35) **Public Forum** (5 min)
3. (4:40) **New Commissioner Welcome and Introduction** (5 min)
4. (4:45) **Debrief of the Bus Tour** (10 min)
5. (4:55) **Annual Presentation to the Council Discussion** (20 min)
6. (5:05) **Holiday Meeting Schedule** (15 min)
7. (5:20) **Housing Trust Fund RFP priority discussion** (20 min)
8. (5:40) **Social Service Strategy Discussion** (20 min)
9. (6:00) **Liaison Reports** (20 min)
 - Liaison Reports**
 - Council (Traci Darrow)
 - SOU Liaison (Unfilled)
 - Staff (Linda Reid)
 - General Announcements/Local Housing Updates
10. (6:20) **November 26, 2017 Meeting Agenda Items**
 - Quorum Check** – Commissioners not available to attend upcoming regular meetings should declare their expected absence.
11. (6:25) **Upcoming Events and Meetings**
 - Next Housing Commission Regular Meeting**
 - 4:30-6:30 PM; November 26, 2017 in the Siskiyou Room of the Community Development Building
12. (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 Draft Minutes September 28, 2017

CALL TO ORDER

Commission Chair Rohde called the meeting to order at 4:30 pm in the Siskiyou Room at the Community Development and Engineering Offices located at 51 Winburn Way, Ashland OR 97520.

Commissioners Present:	Council Liaison
Tom Gunderson	Traci Darrow, absent
Rich Rohde	
Heidi Parker	SOU Liaison
Michelle Linley	
Gina DuQuenne	
Linda Reppond	Staff Present:
	Linda Reid, Housing Specialist
Commissioners Absent:	Carolyn Schwendener, Clerk
Sue Crader	

The Commissioners introduced themselves to new member Linda Reppond. Ms. Reppond explained she is a Minister and for a number of years has worked with young adults. She has been involved in a ministry called Launching Pad which has been active in Ashland for about four years. Ms. Reppond and her husband recently purchased Ann Hathaway's cottage on East Main. She is hoping there is an opportunity on this Commission to be a bridge between the hospitality people and the community.

APPROVAL OF MINUTES

DuQuenne/Linley m/s to approve the minutes of the July 27, 2017 regular Commission meeting. Voice Vote: All Ayes, motion passed.

PUBLIC FORUM

Susan Berryhill introduced herself. She has lived in Ashland for almost forty years. She referred to herself as a "Climate Change Pilgrim." Ms. Berryhill explained that two years ago when the valley experienced a large amount of smoke it came into her house and trashed it. State Farm Insurance has not paid the claim at this time. Ms. Berryhill explained they cannot reside in their house due to allergies so they have become short term renters in Ashland. This has proved to be a difficult task. One issue is very few home owners who rent allow pets. Ms. Berryhill conveyed that any kind of new innovative housing such as cottage housing, tiny houses etc. is very exciting, adding that cottage housing still seems to be expensive. Ms. Berryhill concluded with the statement, one step away from being homeless, is real.

Phil Miller introduced himself commenting that he and Susan have lived in about twenty-five different places in the last two years. His motivation for smaller units is affordability. Mr. Miller had three questions regarding the new Cottage Housing Ordinance.

- If we were able to construct three cottage housing units on our property would we have to rent them or would there be the possibility of individual ownership?
- Would the Cottage Housing Ordinance allow for the use of nightly Vacation Rentals rather than long term rentals? What we are really lacking, stated Mr. Miller is long term affordable rentals.
- Has NIMBY (not in my backyard) been addressed?

COTTAGE HOUSING ORDINANCE

City Senior Planner, Brandon Goldman, gave an overview of the updated Cottage Housing Ordinance. Goldman explained that the Planning Commission has held seven different meetings to iron out the details regarding size of units, number of units, heights of the buildings, design standards as well as issues related to parking.

Cottage Housing could be applied within Single Family Residential Zones but would not apply within Multifamily Zones. The general objectives of the Cottage Housing Standards is to provide alternative types of housing for small households; provide high quality infill development which maintains traditional cottage amenities and proportions; contribute to neighborhood character; efficiently use residential land supply; and meet regional plan commitments through consideration of innovative land use strategies to accommodate future population growth.

Goldman addressed Mr. Millers questions.

- Because Cottage Housing developments are in Single Family Residential Zones, Traveler's Accommodation, VRBO's and Bed and Breakfasts are all prohibited in those zones. We would not envision any of the cottage housing to be vacation rentals, stated Goldman.
- Because the cottage units would have a zero lot line beneath them they would likely be geared towards ownership however property owners could develop them and use them for rentals.
- Regarding NIMBY; Goldman acknowledged there have been concerns expressed with regard to the compatibility of the cottage housing developments within neighborhoods. Goldman remarked that because the City has chosen to not increase the Urban Growth Boundary it's necessary to figure out how to infill with existing lands within the city limits and do so in a way which is minimally intrusive in existing neighborhoods.

Rohde remarked the newspaper articles implied the cottage units would be affordable but that is not necessarily the case. Goldman explained that by merit of their size the units would be less expensive than larger homes so they do provide an ownership opportunity to people who could not afford larger homes. Unless a cottage housing development was actually proposed by an affordable housing provider it's not likely to have the private market sell for less than they could actually get at the current housing market, added Goldman. This ordinance would provide developers a different housing option to consider but it would most likely still come in at what the market would bear.

Reid commented that workforce housing is a definite need within our community citing the 2012 Housing Needs Analysis.

Gunderson elaborated in talking to others the prices seem extraordinarily high. He recently sold a three bedroom two bath rental house for under \$300,000. In the last two years' home prices have crept up to record highs in Ashland. It would be much easier and cost effective to find a full size home to purchase in West Medford, Talent or Phoenix than a smaller home in Ashland.

An example in Ashland of a development similar to a Cottage Housing Development is Creekside cottages on Siskiyou Boulevard. The difference is it's developed on a multi-family zone.

Parker thanked Goldman expressing her appreciation that staff took into consideration the Commissions feedback from the first reading and made changes. The Commissioners concluded by saying there is a Housing Trust Fund available now for developers. What we need is some creativity from our nonprofits and other groups to come forward. Rohde added we need to incentivize some of the affordable housing developers.

The first reading of the Cottage Housing Ordinance will go before Council at their November 7th meeting. Second reading will be in December.

BUS TOUR UPDATE

The Commission has scheduled an Affordable Housing Bus Tour for Wednesday October 11, 2017 between 4:00 pm and 6:30 pm. The tour will accommodate approximately thirty people. The Commissioners discussed the logistics of the tour. The tour will begin at Snowberry Brook located at 2261 Villard Street. First stop will be at Access' Hyde Park Development where Tamara Foley from Access will talk about that development and Access' programs. Then to Garfield and East Main, Access' Parkview Apartments and Habitat's two ownership units. Then on to Rice Park where a resident will talk about that project. Then back to Snowberry for a tour of one of their units followed by a question and answer session and wrap up.

CDBG CAPER PUBLIC HEARING REVIEW AND APPROVAL

Reid gave an overview of the CAPER. The City of Ashland is an entitlement city under the U.S. Department of Housing and Urban Development's (HUD) CDBG Program. The City of Ashland receives approximately \$158,000 each year from HUD to apply toward housing and community development projects that benefit low and moderate income persons in Ashland. The Consolidated Annual Performance Evaluation Report (CAPER) summarizes the individual project status of those improvements funded with CDBG funds for the program year 2016. The CAPER

reports the accomplishments generated by the activities funded in the Program Year 2016 and how those activities allow the City to make progress in meeting the outcomes and goals identified in the 2015-2019 Consolidated plan.

Opened for public testimony. No one in the audience spoke.

DuQuenne/Linley m/s to approve the CAPER for the program year 2016. Voice Vote: All ayes, motion approved.

HOUSING ELEMENT DRAFT POLICY REVIEW AND RECOMMENDATIONS

Reid explained as part of the Housing Element Update staff would like this Commission to discuss and recommend any further revisions. The purpose of the City's Comprehensive Plan is to have a document which sets forth general, long-range policies on how the community's future development should occur. The Comprehensive Plan was adopted in 1982 and covers twelve individual areas such as Transportation, Parks, Environmental Resources, Public Services, etc. Individual sections of the plan are updated over time; the Housing Element was last updated in 1989. The goal is to make this document become timeless by making the language broader.

The Commissioners discussed the document and made the following comments.

Commissioners liked the goals, especially number two as it reflects the HHS goals. (Support the creation and preservation of housing that is affordable to low and moderate income households.)

If the City decided to expand inclusionary zoning to the entire city rather than just annexations is there anything that addresses that in the document. Didn't see anything in the document that would preclude that. One goal is to provide land that is available for affordable housing. Given that land values are continually going up inclusionary zoning is one way, if you have it in the city, it would facilitate that.

Since its impossible to accurately predict how the marketplace will allocate housing units. What are we doing to assure that the housing needs can be met? We don't have policies set aside, we don't land bank? Lofty goals but what are we actually doing to accomplish them? Reid reminded that Commission this document sets a vision but it's not an action document. As a planning document this provides the language to allow those things to happen so that people can point to it as a justification of undertaking an action.

On Clay Street across from Snowberry Brook is vacant land that is soon to become a Dog Park. The question is why isn't this land utilized for more housing units as opposed to a Dog Park? Could the dog Park be put somewhere else and this land become available for housing?

The State of Oregon passed a law 29.12 that allows Cities to utilize State money to do land banking. This law allows cities to buy land for affordable housing with no payments on either principal or interest for five to eight years while looking for developers for the land. This could allow us to acquire land if some became available, stated Rohde.

With the cost of housing being so expensive manufactured homes are more affordable, they have become greener and not so objectionable. The Commission agreed it's important to maintain the housing manufactured stock that the City has. Encouraging residents to purchase Mobile Home Parks can help preserve affordable housing.

Does policy 11 allow tiny houses? Yes.

The Commissioners agreed that if they have further comments regarding the Housing Elements they will send them to Reid through email.

GENERAL ANNOUNCEMENTS

Rohde announced the Oregon Housing and Community Services is having Strategic Planning Forums around the State during the months of October and November. The Forum closest to our area is in Grants Pass on November 6th. The forums will be talking about their strategic vision on how we can be more effective with housing developers. How can we work more in partnership?

Parker announced that the Winter Shelter is opening the week of November 12th offering five shelter nights per week. She needs to speak with the city Administrator regarding the use of Pioneer Hall. Training for volunteers will be on Wednesday November 8th at the Presbyterian Church between 6:30 to 8:30. All are welcome to attend.

Friday November 3rd is Pasta with a Purpose. ORHA is putting on a pasta feed to raise money to help with the expense of the shelters.

This year's Sleep Out is on November 4th in the evening on Lincoln school property. Find out what it's like for the homeless.

OCTOBER 26, 2017 MEETING AGENDA ITEMS

Quorum Check- All everyone should be here.

Discuss the November and December meeting dates.

UPCOMING EVENTS AND MEETINGS

Next Housing and Human Services Regular Commission Meeting – 4:30-7:00 PM; October 26, 2017, in the Siskiyou Room at the Community Development & Engineering Department located at 51 Winburn Way.

ADJOURNMENT

The meeting was adjourned at 6:30 p.m.

Respectfully submitted by Carolyn Schwendener

Memo

DATE: 10/26/2017

TO: Housing and Human Services Commission

FROM: Linda Reid, Housing Program Specialist

RE: Affordable Housing Bus Tour Debrief

The Housing and Human Services Commission Agenda held and educational bus tour event on Wednesday November 11th. The event was attended by approximately 20 individuals.



Memo

DATE: 10/20/2017

TO: Housing and Human Services Commission

FROM: Linda Reid, Housing Program Specialist

RE: Housing and Human Services Commission Annual Update to the City Council
2017

The annual H&HS commission update to the Council is scheduled for November 7, 2017. The commission needs to decide what should be included in the update and who will be presenting. Here is what was written for the update last year.

Mayor and City Council,

The Housing and Human Services Commission is pleased to report on the work we have undertaken this year.

Furthermore, the Commission would like to provide the Council with a brief overview of the commission's areas of focus in the coming year.

Affordable Housing Trust Fund

The Housing and Human Services Commission has been working with the Council and City Staff to research and identify potential funding sources for the Affordable Housing Trust Fund (AHTF), to the end the City helped to organize an education and outreach event, the Housing Solutions Forum, to engage the community and further identify funding solutions. Currently the commission is continuing to work toward finding a permanent funding source for the AHTF.

Student Fair Housing

After two years of working with students, landlords, renters and Ashland citizens the Housing and Human Services Commission forwarded a recommendation regarding updates to the City's

Fair Housing Ordinance. In August of 2016 the City Council adopted an update of the Fair Housing Ordinance to clarify and expand protections for students and others.

CDBG

City staff and H&HS commission completed the process of reviewing and making award recommendations regarding the City's allocation of Community Development Block Grant Funds.

Goals

The Housing and Human Services Commission held their annual goal setting retreat on December 15, 2015. At their retreat the commissioners identified nine goals;

- 1. Donation Boxes-Education Campaign/PR, Resource bucks in hotels/businesses, identify and collaborate with stakeholders, highlight solutions (where does the \$ go?)*
- 2. Affordable Housing/Inclusionary Zoning*
- 3. Housing Trust Fund Permanent funding source.*
- 4. Diversity*
- 5. More Porta-Potties*
- 6. Develop Housing Resources for workforce/Middle Income households.*
- 7. Increase Shelter nights and volunteers*
- 8. Transitional shelter*
- 9. Research Rental Issues.*

Since identifying and prioritizing the nine goals stated above, the Commission has taken steps to explore several of them;

Homeless Goals:

Most notably the commission has opened a dialog with community groups and organization undertaking work to provide solutions to issues faced by homeless and low-income residents.

Porta-Potties

A subcommittee of the commission has explored options for locating additional porta-potties in needed locations in town. The Subcommittee has talked to local business and churches as potential partners and is currently working with City staff in identifying potential locations on City owned property and costs for an additional porta-potty in preparation for putting together a proposal to put before the Council.

Housing Goals

Lastly, a subcommittee of the Commission helped to plan, organize and host a housing solutions forum to explore affordable housing solutions including;

- Potential funding sources for the Affordable Housing Trust Fund,*
- Solutions for addressing issues facing renters, and*
- Potential shelter and transitional housing solutions for homeless populations.*

Memo

DATE: 10/26/2017

TO: Housing and Human Services Commission

FROM: Linda Reid, Housing Program Specialist

RE: Holiday Meeting Schedule

Every year the Housing and Human Services Commission members decide upon an alternative meeting schedule for the months of November and December as the Commission's regular meeting schedule conflicts with major holidays. The commission has several options:

- Schedule alternate meeting dates for both month's meetings
- Schedule an alternate meeting date for one month and skip meeting the other month (commissions are allowed to skip one meeting a year)
- Skip one month's meeting and schedule a longer meeting for the other month (possibly a retreat)



Memo

DATE: 10/26/2017
TO: Housing and Human Services Commission
FROM: Linda Reid, Housing Program Specialist
RE: HTF RFP Discussion

The Housing and Human Services Commission members have inquired about issuing an RFP for the Affordable Housing Trust fund money. The first step in that process is to review the direction regarding RFP issuance contained in the HTF Ordinance and to decide on a strategy for prioritizing the uses of the fund (as per prior Council direction). Attached is the ordinance establishing the HFT and the resolution that governs the use of the fund.



ORDINANCE NO. 2966

**AN ORDINANCE AMENDING THE ASHLAND MUNICIPAL CODE,
ADDING A NEW CHAPTER 4.36, PROVIDING FOR THE ESTABLISHMENT OF AN
AFFORDABLE HOUSING TRUST FUND**

Annotated to show deletions and additions to the code sections being modified. Deletions are lined through and additions are in bold .
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WHEREAS, Article 2. Section 1 of the Ashland City Charter provides:

Powers of the City The City shall have all powers which the constitutions, statutes, and common law of the United States and of this State expressly or impliedly grant or allow municipalities, as fully as though this Charter specifically enumerated each of those powers, as well as all powers not inconsistent with the foregoing; and, in addition thereto, shall possess all powers hereinafter specifically granted. All the authority thereof shall have perpetual succession.

WHEREAS, the above referenced grant of power has been interpreted as affording all legislative powers home rule constitutional provisions reserved to Oregon Cities. City of Beaverton v. International Ass'n of Firefighters, Local 1660, Beaverton Shop 20 Or. App. 293,531 P 2d 730, 734 (1975); and

WHEREAS, the City Council of the City of Ashland has determined that in order to protect the health, safety and welfare of existing and future residents of Ashland who are adversely impacted by the lack of housing available to all income types, specifically very low, low, and moderate income households, it is necessary to establish a fund to support the development, preservation, and rehabilitation, of needed housing types within the City; and

WHEREAS the City of Ashland City Council recognizes that for a healthy community the provision of a range of affordable housing opportunities and funding mechanisms for affordable development is a top priority for the City of Ashland; and

WHEREAS, the City Council of the City of Ashland has determined that neither the private market, nor the public sector, has yet provided the levels of housing affordability necessary to maintain a balanced community, local government must take an active lead to ensure an adequate supply of housing for residents and working people of all income levels;

THE PEOPLE OF THE CITY OF ASHLAND DO ORDAIN AS FOLLOWS:

SECTION 1. A new Chapter 4.36 [AFFORDABLE HOUSING TRUST FUND] is hereby added to the Ashland Municipal Code to read as follows:

Chapter 4.36 AFFORDABLE HOUSING TRUST FUND

Section 4.36.010 Purpose

Section 4.36.020 Definitions

Section 4.36.030 Dedication of Revenue

Section 4.36.040 Establishment of Policies and Procedures

4.36.010 Purpose

A. The purpose of the Affordable Housing Trust Fund [AHTF] is to support the creation or preservation of housing that is affordable to people with incomes that do not exceed 120% of the area median income, as defined by the Department of Housing and Urban Development for the Medford-Ashland Metropolitan Service Area.

B. AHTF funds will support activities that create, preserve or acquire housing within the Ashland Urban Growth Boundary. AHTF funds may also be used for permanent or transitional housing for homeless families and individuals, and for the modernization, rehabilitation and repair of public housing.

C. The AHTF is not intended to be the sole source of funding for affordable housing and any activity or project eligible for support from the AHTF is expected to develop additional sources of funds.

4.36.20 Definitions.

The following words and phrases whenever used in this chapter shall be construed as defined in this section unless from the context a different meaning is intended.

A. Affordable Housing Trust Fund (AHTF) means a separate account created by the City Finance Department established by this ordinance and used exclusively for AHTF purposes as set forth in this Ordinance and implementing Resolutions of the Council.

B. Administrative Procedures mean the procedures for administration of the AHTF established by Resolution of the City Council, including but not limited to procedures which outline application, evaluation, and all other associated procedures for administration of the AHTF.

C. Affordable Housing means residential housing primarily for households or persons earning less than 120% the area median income where housing costs including principal, interest, taxes, insurance, and homeowners association dues, or rent, do not constitute more than 30% the household income, and as more fully defined per Council Resolution 2006-13.

D. Eligible uses and Activities mean those uses for the AHTF which are set forth in implementing Resolution of the City Council, such uses including but not limited to uses and activities which facilitate the production and preservation of affordable housing within Ashland's Urban Growth Boundary.

E. Affordable Housing Priorities means priorities established from time to time by the City Council by Motion, Order or Resolution, to guide the allocation of funds from the AHTF.

4.36.030 Establishment of Affordable Housing Trust Fund / Use of Funds

A. There is hereby established and created an Affordable Housing Trust Fund, [AHTF], a separate account established by the City of Ashland Finance Department for purposes consistent with this ordinance and to provide a discrete account for earmarked affordable housing funds and dedicated affordable housing funds.

B. The AHTF allows for dedicated funds to be used in support of Affordable Housing Priorities through receipt of donations and dedicated revenue streams, including but not limited to donations, grants, sale of surplus City Property, or any other revenue sources approved by the Ashland City Council or the People of Ashland.

C. Distribution of funds shall be in accordance with the policies and procedures per Resolution 2008-_____.


4.36.040 Establishment of Policies and Procedures

The Administrative Procedures associated with the AHTF, including fund administration, determination of eligible applicants, eligible uses and activities, award preferences, eligibility criteria, award process, and selection criteria are initially approved by the City Council per establishment of Resolution 2008-_____.

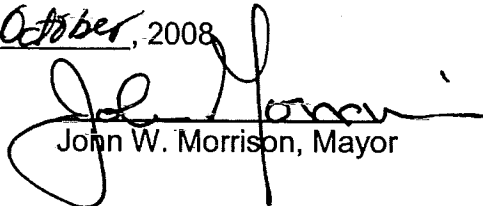
SECTION 2. Severability. The sections, subsections, paragraphs and clauses of this ordinance are severable. The invalidity of one section, subsection, paragraph, or clause shall not affect the validity of the remaining sections, subsections, paragraphs and clauses.

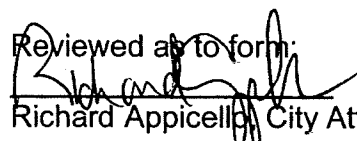
SECTION 3. Codification. Provisions of this Ordinance shall be incorporated in the City Code and the word "ordinance" may be changed to "code", "article", "section", or another word, and the sections of this Ordinance may be renumbered, or re-lettered, provided however that any Whereas clauses and boilerplate provisions (i.e. Sections 2-3) need not be codified and the City Recorder is authorized to correct any cross-references and any typographical errors..

The foregoing ordinance was first read by title only in accordance with Article X, Section 2(C) of the City Charter on the 16 day of September, 2008, and duly PASSED and ADOPTED this 7 day of October, 2008.


Barbara M. Christensen, City Recorder

SIGNED and APPROVED this 8 day of October, 2008


John W. Morrison, Mayor

Reviewed as to form:

Richard Appicello, City Attorney

RESOLUTION NO. 2008- 34

**A RESOLUTION ESTABLISHING POLICIES AND PROCEDURES FOR
ADMINISTRATION OF THE AFFORDABLE HOUSING TRUST FUND**

RECITALS:

- A. WHEREAS**, the City of Ashland City Council approved the establishment of the Affordable Housing Trust Fund (Ordinance 2966), to keep our community diverse by facilitating the production and preservation of affordable housing throughout Ashland; and
- B. WHEREAS**, The policies and procedures for administration of the Affordable Housing Trust Fund establish eligible uses, eligible applicants, the method by which funds are awarded, and selection criteria; and
- C. WHEREAS**, the City Council understands the changing nature of the housing market and corresponding housing needs, and therefore has established the policies and procedures for administering the Ashland Housing Trust Fund (AHTF) to remain flexible to respond to changing market conditions and opportunities; now therefore

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. Purpose

- 1.1** The purpose of the City of Ashland's Affordable Housing Trust Fund (AHTF) is to establish a dedicated source of revenue to provide ongoing funding for housing projects or programs that address the housing needs of Ashland residents. To this end the AHTF is established to address the primary purpose of encouraging the creation of housing for homeownership or rent, at a cost that will enable low and moderate income families to afford quality housing while paying no more than thirty per cent of gross household income on housing.
- 1.2** To promote the rehabilitation, preservation and production of quality, well designed rental and ownership housing the AHTF will award funds to community development partners that are furthering the AHTF mission. It is expecting that the local contributions made through Ashland's Affordable Housing Trust Fund will assist in maximizing the leveraging of State and Federal funds, as well as encourage private sector investment in affordable housing.

- 1.3 Understanding the high cost of housing regionally, it is evident that low and moderate income households are not being served by the housing market. To address the disparity between the cost of housing and the means of resident households to afford housing, the Affordable Housing Trust Fund aims to provide direct financial support to projects that retain or increase the supply of needed housing for households earning less than 120% the Area Median Income as defined by HUD.
- 1.4 The Administrative Procedures associated with the Affordable Housing Trust Fund, including fund administration, determination of eligible applicants, eligible uses and activities, award preferences, eligibility criteria, award process, and selection criteria are hereby established.

Section 2. Eligible Applicants

- 2.1 The Affordable Housing Trust Fund is structured to ensure that many different types of organizations are eligible to receive financing.
- 2.2 Eligible applicants include governmental subdivisions, community development corporations, local housing authorities, community action agencies, community-based or neighborhood-based non-profit housing organizations, other non-profit organizations, for-profit entities, and private employers.

Section 3. Eligible Uses and Activities

- 3.1 Affordable Housing Trust Funds shall support the creation or preservation of housing that is affordable to households with incomes that do not exceed 120% of the area median income, as defined by HUD for the Medford-Ashland metropolitan service area.
- 3.2 Affordable Housing Trust Funds will be focused on those activities that create, preserve or acquire housing within the Ashland Urban Growth Boundary.
- 3.3 Housing developments financed by the Affordable Housing Trust Fund (AHTF) which receive subsidy, financing, tax credits or other assistance under a State or Federal housing program, may contain market rate units insofar as permissible under those programs and/or to the extent that they are necessary to support the creation of and/or on-going sustainability for the affordable housing units in the development. However, Affordable Housing Trust Funds may not be used to support such market rate units.

- 3.4** Affordable housing units developed utilizing subsidy from the Affordable Housing Trust Fund shall comply with the income, rent and purchase housing cost limits established by Resolution 2006-13, as amended, and as restricted by a covenant prepared by the City of Ashland.
- 3.5** The Affordable Housing Trust Funds can be provided as either a grant or a loan depending on the project or program receiving funding. To retain a significant degree of flexibility the eligible uses have a broad application including the following:
- 3.5.a Acquisition and Construction** of new affordable housing. Eligible acquisition and construction costs include reasonable costs associated with building or land purchase, including but not limited to:
- Purchase price
 - Option costs
 - Financing fees
 - Appraisal costs
 - Closing costs
 - Interest
 - Inspection fees
 - Title insurance
 - Relocation costs
 - Architectural/engineering fees
 - Construction costs
- 3.5.b Conservation** of energy through the use of “green” technologies provided that the benefits of the energy savings is passed on in the form of reduced costs to the qualified occupants of the affordable housing.
- 3.5.c Land Banking:** the purchase of land to be dedicated toward the development of affordable housing in the near or long term.
- 3.5.d Predevelopment activities** undertaken by a community development organization in support of the development of affordable housing including planning, architectural services, engineering services, landscape design, legal services, surveys, appraisals, site clearance and demolition, environmental clearance, permit application fees and system development charges.

- 3.5.e Bridge loans** to assist in development of low-income housing (for rental or owner occupancy). Bridge loans are intended to provide funding to permit housing projects to proceed in advance of the availability of permanent project funding. Bridge loan funding is available for acquisition or construction activities.
- 3.5f Capacity Building** for non-profit affordable housing providers in the form of direct grant awards to fund administration of an affordable housing project or program.
- 3.5.g Rehabilitation and Emergency Repairs** as part of an established program to secure units as affordable or to provide direct benefits to existing low-moderate income households. Eligible rehabilitation and emergency repair costs include but are not limited to:
- Architectural/engineering fees
 - Construction costs
 - Relocation costs
 - Hazardous materials abatement including lead based paint noticing consistent with The Federal Lead Safe Housing Regulations HUD requirements at 24 CFR §35
- 3.5.h Direct benefits** to low-moderate income households through an established program including down payment assistance, rental assistance, mortgage foreclosure prevention, emergency housing vouchers, homeownership training, renter education, or other programs intended to increase housing opportunities for Ashland's low-moderate income residents.
- 3.5.i Transitional and Emergency Housing** for homeless individuals and families through an established program to move people toward self-sufficiency.
- 3.5.j Other uses** as deemed appropriate by the Ashland City Council as supporting the development or preservation of affordable housing within the City of Ashland.

Section 4. Preferences

- 4.1** The general criteria of selection are found in Section 8 and may be modified through the annual Request for Proposals, however the following preferences are provided as general guidance for future applicants for Affordable Housing Trust Funds.

- 4.1.a** Developments that produce “new” affordable housing units. *New affordable housing units* shall include housing units constructed where none had existed previously, abandoned or fire-damaged residential units to be returned to residential use, and non-residential or non-residentially-zoned property converted to residential use. Any designated new affordable housing units shall be secured as affordable through recorded Resale Restriction Covenants.
- 4.1.b** Developments that provide new affordability. *New affordability* refers to existing housing where a new level of affordability is provided that does not currently exist. This could occur in rental or ownership housing where the number of affordable units is increased; where a portion of existing units will be made affordable to households at income levels substantially lower than the units previously served; or where the term of affordability on the units will be extended for a period beyond thirty (30) years.
- 4.1.c** Developments of housing utilizing the Land Trust model to secure property and perpetual affordability.
- 4.1.d** Developments that include joint ventures between multiple non-profit developers and or for-profit developers, working in partnership, to complete an affordable housing project
- 4.1.e** Developments that include a joint venture between service providers and non-profit affordable housing developers to create projects that contain additional benefits to low income individuals in the development of the project, or additional services for the residents upon completion.
- 4.1.f** Developments that incorporate the use of “green” building materials, use of energy-efficient appliances, low-water use landscaping, and incorporation of building design and operational factors that minimize energy use and resource consumption as well as avoid indoor health impacts to achieve Earth Advantage Certification.
- 4.1.g** Developments that include affordable units for the disabled and the homeless.
- 4.1.h** Projects that propose long term affordability.
- 4.1.i** Projects that are sponsored by non-profit organizations.

- 4.1.j Projects that use private funding sources and State funding sources to leverage the least amount of Ashland's Affordable Housing Trust Funds.

Section 5. Fund Administration

The Affordable Housing Trust Fund (AHTF) originated through the direction of the Ashland City Council and Ashland Housing Commission.

- 5.1 The City of Ashland acts as fiduciary agent and administrator of the funds.
- 5.2 Funds dedicated to the Ashland Housing Trust Fund shall be exclusively reserved to support the eligible uses activities identified in Section 3, and shall not be used for the general operation of the City.
- 5.3 The City of Ashland shall issue a request for proposals (RFP) to announce the availability of funds. The Affordable Housing Trust Fund RFP issuance shall be timed to run concurrent with the Community Development Block Grant Program award process.
- 5.4 The City may issue a Notice of Funding Availability (NOFA) to specifically target up to 10% in available Affordable Housing Trust Funds to undertake eligible uses and activities identified in Section 3.
- 5.5 The City of Ashland Housing Commission, and City Staff as designated by the Director of Community Development, shall review applications for Affordable Housing Trust Funds to determine project eligibility and evaluate the applications based on the selection criteria provided in the issued Request for Proposals. The Housing Commission, and City Staff, shall provide recommendations to the City Council who shall make final award decisions.
- 5.6 The City aims to administer the Affordable Housing Trust Fund in a manner consistent with other affordable housing programs such as the Ashland Community Development Block Grant Program. The implementation of a comparable application, application evaluation, and approval process will provide housing developers with a consistent and coherent method for securing housing funds from the City. Coordination of the grant allocation process with other local and state funding application timelines, will help ensure that AHTF funds are best applied to leverage additional resources in support of the housing projects.

- 5.7** Affordable Housing Trust Funds will be allocated in a manner consistent with the threshold criteria provided Section 8, and consistent with State and Local Public Contracting law.

Section 6. Match Requirements

- 6.1** The Ashland Housing Trust Fund is intended to support the development of needed housing, but is not intended to provide the sole source of funding for any development project or housing program. To ensure that affordable housing providers, and organizations that assist individuals and families in obtaining needed housing, do not rely exclusively on AHTF to support their activities, it has been determined that;
- 6.2** The Affordable Housing Trust Fund contribution shall not exceed more than 50% of the total project, or program, cost. Required Match can be met utilizing Community Development Block Grants, State or Federal Funding, direct contribution from the applicant, private donations, and the contribution of land, materials or labor to the project.
- 6.2.a** In the case that land previously owned by the applicant is considered as required match, the value of the land shall be determined by a City approved certified appraisal completed by the applicant, unless otherwise directed in Oregon Revised Statute or City Municipal Code.
- 6.2.b** The valuation of land, and available equity to be considered as matching funds, shall be verified by the City prior to the disbursement of an AHTF grant when its value is considered as required matching funds.
- 6.2.c** Donated materials and labor which are proposed as required match through the development of a project shall have their value estimated at the time of application. The actual value of these contributions is subject to verification by the City at completion of the project.
- 6.2.d** Award recipients shall provide verifiable accounting for donated labor and materials, when such was necessary to satisfy the AHTF match requirements.
- 6.3** A recipient of an AHTF grant that fails to verify the match requirements have been satisfied at the conclusion of a project

would be considered cause for the City to require full or partial repayment of any AHTF grants awarded to a project.

Section 7 – Allocation of Funds

The Affordable Housing Trust Fund is structured to allow the flexibility for the City, and housing providers, to be responsive to opportunities that arise that require an immediate expenditure of a relatively small amount of funds to secure property, or financing, as well as to ensure the majority of Affordable Housing Trust Funds are allocated through a annual competitive award process.

Establishment of two distinct and separate award processes is intended to provide for both consistency and flexibility. The issuance of a Request for Proposals (RFP) which will allocate 90% of the available allocation of Affordable Housing Trust Funds will be coordinated with other local and State funding cycles to allow applicants to best structure their project financing. Additionally a Notice of Funding Availability (NOFA) may be announced, as funds permit, to allocate up to 10% of the annual funding available. A NOFA is primarily intended to be responsive to immediate needs for a limited grant or loan if needed for predevelopment activities which will further the mission of the AHTF.

The distribution of any and all AHTF funds through Competitive or Non-Competitive awards as described in Sections 7.1 and 7.2, will be in accordance with State and Local Public Contracting laws.

7.1. Competitive Awards - Request for Proposals (RFP)

The City of Ashland has a limited amount of Affordable Housing Trust Funds to use each year in comparison to the scope of the housing needs within the community. As a result, it is essential that the funds are used to meet the City's priorities in an efficient and cost-effective manner. To this end a competitive award process has been established and a set of award criteria shall be developed to evaluate proposals received through a Request for Proposals (RFP) process in terms of how they address the specific priorities outlined in the annual RFP.

The steps for making the competitive grant awards or loans is outlined below:

- 7.1 a.** The City of Ashland may issue a Request for Proposals on an annual or intermittent basis depending on availability of funds, providing applicants with a minimum of 45 days to respond to the request.

- 7.1 b** City Staff shall assess the project proposals to determine if the eligibility criteria are met and shall develop a recommendation to provide to the Ashland Housing Commission and the City Council.
- 7.1 c** The Ashland Housing Commission will provide applicants the opportunity to make a presentation on their project proposal and provide community members the opportunity to comment by holding a public meeting.
- 7.1 d** The Ashland Housing Commission will develop a grant award recommendation to the City Council using the AHTF criteria to determine which projects best meet the City's spending priorities. Each application will be rated on a numeric scale as established in the annual RFP for each criterion of selection (Section 8).
- 7.1 e** The Ashland City Council shall make a final decision on the award of Affordable Housing Trust Funds.
- 7.1 f** The City of Ashland shall prepare an agreement between the City and the award recipient. The Agreement shall outline the conditions of award and shall be executed prior to the disbursement of any Affordable Housing Trust Funds.

7.2. Notice of Funding Availability (NOFA)

Upon electing to initiate a Notice of Funding Availability (NOFA) the City shall issue a notice of funding availability through publication in the Ashland Daily Tidings and on the City's Website providing 30 days for eligible applicants to submit qualifications for funding. The City shall review all applications received to determine if the applications meet the City's threshold criteria. If the criteria are met then the funds are awarded to, or reserved for, the applicant. Funds available through the NOFA process are awarded on a first come, first served basis, until reaching the annual funding cap. A reserve award granted to an applicant may be rescinded by the City if the applicant does not undertake the activities identified in response to the NOFA in advance of the City's issuance of another RFP or NOFA.

- 7.2.a** On an annual basis the City shall determine the amount of funds available to be distributed through a NOFA procedure
- 7.2.b** In no case shall the amount disbursed through the non-competitive process exceed 10% of the annual AHTF revenue in a given program year.

- 7.2.c** The City of Ashland recognizes that the nature of affordable housing development acquisition of property is often opportunity dependant. Further many nonprofit housing developers lack the resources to undertake feasibility studies, due diligence inspections, preliminary drawings and other activities required to evaluate potential projects as well as apply for project financing.
- 7.2.d** To enable non-profit organizations, community development organizations, the Housing Authority of Jackson County, and the City of Ashland, to be responsive to opportunities outside of the annual Request for Proposals timeline, the City may reserve a portion of Affordable Housing Trust Funds to support pre-development activities.
- 7.2.d.1** Predevelopment activities undertaken by a community development organization in support of the development of affordable housing including planning, architectural services, engineering services, landscape design, legal services, surveys, appraisals, site clearance and demolition, environmental clearance, and payment of permit application fees may be supported through a non-competitive award of a predevelopment grant that may be required to convert to a loan if the project receives full funding.
- 7.2.d.2** For-profit developers are not eligible to apply for Ashland's Affordable Housing Trust Funds to assist with predevelopment costs.
- 7.2.e** The City of Ashland is eligible to utilize the funds reserved for the NOFA process to conduct eligible activities as described in Section 3.
- 7.2.f** The City may fund through a NOFA process an ongoing down-payment assistance program; rental assistance program, education program, rehabilitation program, or other programs intended to increase housing opportunities for Ashland's low-moderate income residents which are administered by a non-profit or governmental organization.

Section 8 AHTF Grant or Loan Award Threshold and Selection Criteria

- 8.01** The project is considered an eligible use or activity under Section 3, and benefits households earning less than 120% the Area Median Income.
(threshold verification)

- 8.02** If the project is related to the provision of technical assistance to affordable housing providers, the use of Ashland Housing Trust Funds functions to increase the capacity of the organization to specifically address the mission of the AHTF.
(threshold verification).
- 8.03** Affordable Housing Trust funds shall be limited to the minimum amount necessary to complete the project. The lower the percentage of AHTF funds requested, relative to the full project costs, the higher ranking the project shall be given.
- 8.04** The project addresses the unmet housing needs as identified in the Ashland Housing Needs analysis or Consolidated Plan.
- 8.05** The lower the income level that is targeted for the benefiting households, the higher the ranking the project shall be given.
- 8.06** The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the City. The greater the number of units provided, the higher the ranking the project shall be given.
- 8.07** The project retains the affordable housing units as affordable. The longer period of time the units remain affordable, the higher ranking the project shall be given.
- 8.08** The project addresses energy conservation through the integration of green building technologies in new construction, or achieves greater energy efficiency through rehabilitation of existing housing.
- 8.09** The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organizations involved, etc.).
- 8.10** The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate service provided by another organization.
- 8.11** The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope.
- 8.12** The budget and time line are thorough and realistic.
- 8.13** The project is ready for implementation.

- 8.14 If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding (Community Development Block Grants or HOME) they should carefully review procurement requirements and limitations before obtaining a purchase option.
- 8.15 That relocation of existing residents will be minimized, and when necessary the applicant has included accurate relocation assistance costs as part of the project pro forma.
- 8.16 The proposal demonstrates that Ashland Housing Trust Funds are the most appropriate funding source, and necessary, for the project.
- 8.17 Additional selection criteria may be developed and included in the annual RFP to best direct Affordable Housing Trust Funds toward an identified priority need. Numeric Rankings for each of the selection criteria shall be incorporated into the annual RFP.

SECTION 9. This resolution was duly PASSED and ADOPTED this 16 day of September, 2008, and takes effect upon signing by the Mayor.




Barbara Christensen, City Recorder

SIGNED and APPROVED this 23 day of September, 2008.


David Chapman, Council Chair

Reviewed as to form


Richard Appicella, City Attorney