

Staff Evaluation AHTF

To: Ashland Housing and Human Services Commission
Title: Affordable Housing Trust Fund (AHTF) 2020 RFP
Date: March 26, 2020
Submitted by: Linda Reid, Housing Program Specialist

The City of Ashland has received three applications for \$216,986 in competitively available Affordable Housing Trust Funds (AHTF). The City of Ashland Housing and Human Services Commission will hold a public hearing on March 26, 2020 to review the grant requests and make a recommendation to forward to the City Council for consideration. The Council will make the final award selections at a public hearing scheduled for April 17, 2020. Staff’s assessment of each of the proposals received, and recommendations regarding the allocation of the 2020 AHTF funds are provided on the following pages.

Proposals Received

Organization	Proposed Project	AHTF Funds Requested	Resolution 2008-34 Preferences	Consolidated Plan Goal and Rank*	Council Goals
Darrell Cottage Housing Proposal	Develop 1 unit of Affordable Housing targeted to ownership households earning 120% AMI or below. And one unit of market rate housing.	\$50,000	4.1a -New affordable housing units 4.1f -Green Building	High -Provision of Affordable Housing	5. Seek opportunities to enable all citizens to meet basic needs 5.2 Support and promote, through policy, programs that make the city affordable to live in. 5.3 Leverage partnerships with non-profit and private entities to build social equity programming.

Neighborworks Umpqua	Short Term: A proposal to build capacity and enhance, strengthen and expand existing housing programs. Long Term: Predevelopment costs for potential housing development.	\$43,500	4.1c -Utilizing a land trust model 4.1h -Long-term affordability 4.1i -Sponsored by a non-profit	High -Provision of Affordable Housing	5. Seek opportunities to enable all citizens to meet basic needs 5.3 Leverage partnerships with non-profit and private entities to build social equity programming
Options for Homeless Residents of Ashland	Funding to continue operating the winter shelter program and provide case management to remove barriers and assist in obtaining permanent housing	\$110,000	4.1i -Sponsored by a non-profit	High -Addressing issues of homelessness High -Services to Special Needs Populations	5. Seek opportunities to enable all citizens to meet basic needs 5.2.a Pursue affordable housing opportunities, especially workforce housing. Identify specific incentives for developers to build more affordable housing. 5.3 Leverage partnerships with non-profit and private entities to build social equity programming 5.4 Encourage the ongoing effectiveness of the resource center.

Funding Requested/Available

A total of approximately \$216,986 in AHTF is expected to be available to distribute to applicants for projects meeting the priorities of the AHTF policies as defined by resolution 2008-34, and which are consistent with the City of Ashland 5-Year Consolidated Plan priorities.

Assessment Criteria

Staff has assessed the proposals to determine whether they meet the guidelines established by resolution 2008-34. Three areas are evaluated for each proposal.

- Applicants must meet the criteria outlined in Section 2; Eligible Applicants.
- Proposed activities must be eligible as detailed in Section 3; Eligible Uses and Activities.
- Is the activity a preferred activity as defined in Section 4; Preferences.



Preferences within resolution 2008-34 are not given a priority. There are ten preferences identified in Section 4. Projects that meet an identified preference are noted in the preference column.

Resolution 2008-34 also states that proposed activities should meet a priority identified within the City of Ashland's 5-Year Consolidated Plan. Consolidated Plan priorities are given a priority ranking of High, Medium, or Low. Those priorities are shown in the table above.

Proposal Evaluation

Cottage Housing: Staff has reviewed the Cottage Housing proposal to determine whether it meets the eligibility criteria for uses and for applicants and if the proposal addresses the preferences within section 4 of resolution 2008-34.

- The project is providing new housing units.
- The developer submitting the proposal has the capacity to carry out the project and has had demonstrated success completing projects of similar scope.
- The project is ready for implementation, has secured planning approval.
- The budget and timeline are thorough and realistic.
- The project addresses unmet housing needs as identified in the Housing Needs Analysis.
- The project retains a unit as affordable to a population with a documented need.

OHRA: Staff has reviewed the OHRA Proposals to determine whether they meet the eligibility criteria for uses and for applicants and if the proposal addresses the preferences within section 4 of resolution 2008-34.

- The agency submitting the proposal has the capacity to carry out the project and has had demonstrated success completing projects of similar scope.
- The project maximizes partnerships in the community
- This project will not duplicate a service provided by another organization.
- The proposal demonstrates that AHTF are the most appropriate funding source.

NeighborWorks Umpqua: Staff has reviewed the Columbia Care proposal to determine whether it meets the eligibility criteria for uses and for applicants and if the proposal addresses the preferences within section 4 of resolution 2008-34.

- The project is providing new affordable housing.
- The agency submitting the proposal has the capacity to carry out the project and has had demonstrated success completing projects of similar scope
- The project addresses unmet housing needs as identified in the Housing Needs Analysis and Consolidated Plan.
- The project retains the units as affordable.

STAFF RECOMMENDATIONS

Staff's recommendations are based on evaluation of applicant and activity eligibility, program preferences and the City's five-year Consolidated Plan Goals, agency experience and capacity, and readiness to proceed with the activity.

Staff recommends award of the 2020 AHTF funds as follows:



- \$0 to Darrell Cottage Housing Proposal
- \$43,500 to Neighborworks Umpqua
- \$110,000 to OHRA

Staff is recommending that all but the Cottage Housing Proposal project receive funding. The Cottage Housing Proposal is interesting, innovative and involves a public private partnership, which are all goals of the Affordable Housing Trust Fund program, however, it is unclear as to whether the unit will be deed restricted to sell at a rate that is affordable, (pg. 3 under project objective: “*The final sell price of Unit #1 will be based on current market value, appraised value and final expenses*”), furthermore, the additional profit from the sale of this unit will be used to build another unit which will not be deed restricted. The targeted income group, while having a documented need, is relatively high income, and the period of affordability is minimal. The amount of subsidy requested for this project is well above any project previously funded (\$139.00 a square foot). The requested \$50,000 grant to secure a 360sq.ft. unit targeted to a household earning up to \$65,000 per year (120%AMI) for a limited 10-year period of affordability, does not function to secure the long- term affordability, or income target beneficiaries, which are typically realized with that amount of subsidy.

Staff is recommending funding the Neighborworks Umpqua proposal to increase that organization’s capacity in to serve existing residents and to help them more effectively administer the land trusted properties located in Ashland. Lastly, staff is recommending funding Neighborworks to provide new affordable housing through a land trust model, which is a preference identified in Section 4 of the AHTF resolution.

Staff is also recommending funding to Options for Helping Residents of Ashland. The activities proposed meets an identified community need and is a specific Council Goal as well as a Housing and Human Services Commission Strategic Priority. Support for Homeless services has long been identified as a high priority community need.

The City can carry a remaining balance of \$63,486 in Affordable Housing Trust funds over into the following grant cycle or to be made available under a NOFA process as outlined in resolution 2008-34. Affordable Housing Trust funds are a very flexible source of funding for affordable housing and related activities. Having a remaining fund balance allows the City and developers to be responsive to opportunities as they arise.



