

AFFORDABLE HOUSING STANDARDS

City Council – First Reading 11/17/2020



Affordable Housing Standards Amendments

General Objectives:

- Provide a clear and predicable methodology for calculating maximum rent and purchase prices for covered affordable housing units.
- Incentivize affordable housing production through removal barriers to non-profit and for-profit housing developers.
- Amend existing code provisions to achieve a mixture of unit types commensurate with community housing needs.
- Improve administrative efficiency and effectiveness of the affordable housing program.



CITIZEN INVOLVEMENT PROCESS

Planning Commission

- March 10, 2020
Study Session
- October 27, 2020
Public Hearing

Housing & Human Services Commission

- August 22, 2019
Study Session
- July 23, 2020
Study Session
- September 24, 2020
Public Hearing

City Council

- December 18, 2018
Study Session
- July 20, 2020
Study Session
- November 17, 2020
Public Hearing

Developer and Affordable Housing Provider Meetings

- August 11, 2020
- August 14, 2020

The Housing & Human Services Commission and Planning Commission have both unanimously recommended approval of the Ordinance as presented.

RESALE AND RENTAL RATE FORMULAS

- Maximum Resale Formula
 - Fixed Rate (1.5%) Proposed
 - Household sizes used for calculating initial Purchase Price (18.2.5.050.C)
- Maximum Rental Rates (18.2.5.050.B.1)
 - HOME Program Index
 - Added Low-Income Housing Tax Credit index)
- Qualifying Housing Asset Limitations (18.2.5.050.C.1.c)
 - Increased for inflation



LAND USE ORDINANCE AMENDMENTS

- Base Density Calculation (18.2.5.050.G.1.)
 - Exclude unbuildable environmentally constrained lands.

- Affordable Unit
Equivalency Table

(18.2.5.050.G.1.c&d)

- Includes 80% AMI for rental category
- Eliminates 60%AMI ownership and rental category

Income Target	Equivalency Value
120% AMI Ownership	.75
100% AMI Ownership	1.0
80%AMI Ownership OR RENTAL	1.25
60%AMI Ownership or Rental	1.5



LAND USE ORDINANCE AMENDMENTS

- Affordable Housing Development Timing (18.2.5.050.G.4)
 - Allow transfer of land to an affordable housing provider to satisfy timing requirement
- Affordable Housing Distribution (18.2.5.050.G.5)
 - Remove requirement that affordable units be distributed throughout the project.



LAND USE ORDINANCE AMENDMENTS

- Affordable Housing: Housing Types Flexibility (18.2.5.050.G.6)
 - Allow variety in unit types and sizes – maintaining comparable bedroom mix.
- Annexation Density bonuses for providing affordable housing (18.2.5.050.G.8)
 - Align with existing standards within City: Increase from 25% to 35% allowable bonus for affordable housing.



LAND USE ORDINANCE AMENDMENTS

- Term of Affordability (18.2.5.050.G.8)
 - 60 Years for Rental Housing
 - 30 Years for Ownership Housing
- SDC Deferral (Separate Resolution update – 12/15/2020)
 - Payment required in full, with interest at year 30 if the unit is leaving affordability program.
 - Reduced repayment required for each year remaining in program after year 30, until forgiven at fully after 60 years of affordability



LAND USE ORDINANCE AMENDMENTS

- SDC Deferral Resolution (amendments forth coming)
- SDC Affordable Housing Payoff Estimate - Proration for staying in program up to 60 years.

Year	SDC Deferral Amount with interest (1.5% ENR)	Payback amount to leave program
Entering Program	\$14,000.00	Not eligible until completion of 30-year term.
30 Years	\$21,883.12	\$21,883.12
40 Years	\$25,396.26	\$16,931 (1/3 reduction)
50 Years	\$29,473.39	\$9,824 (2/3 reduction)
60 Years	\$34,205.08	\$0

LAND USE ORDINANCE AMENDMENTS

- Annexation 5-year supply of land Criteria (18.2.5.050.H.1)
 - Amend the provisions of the Ashland Land Use Ordinance that relate to residential annexations requiring there be less than a five-year supply of vacant or re-developable land in the current City Limits.



NEXT STEPS

- Public Hearing
 - City Council First Reading (11/17/2020)
 - City Council Second Reading (12/15/2020)
 - Final Adoption
 - Resolution 2006-13 Amendments
 - SDC Deferral amendments

