



Council Business Meeting

July 18, 2023

Agenda Item	DLCD Housing Grant Application Authorization	
From	Lind Reid	Housing Program Manager
Contact	Linda.reid@ashland.or.us 541-552-2043	
Item Type	Requested by Council <input type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input checked="" type="checkbox"/> Presentation <input type="checkbox"/>	

SUMMARY

Staff is requesting authorization to prepare and submit an application requesting a planning grant from the Department of Land Conservation and Development to hire a consultant to assist the City in drafting a Manufactured Park Zone ordinance. This is a prioritized activity identified in the recently adopted housing production strategy document.

POLICIES, PLANS & GOALS SUPPORTED

[Housing Production Strategy](#)

BACKGROUND AND ADDITIONAL INFORMATION

The Oregon Legislature appropriated funding to the Oregon Department of Land Conservation and Development (DLCD) for the purpose of providing technical assistance to local governments in addressing the requirements of House Bill 2003. The Oregon Housing and Community Services Department has identified that approximately 32 percent of renter households in Ashland experience severe rent burden. This severe rent burden qualifies the City for priority funding assistance from DLCD. Ashland was fortunate to be the recipient of both 2019-21, and 2022-2023 planning assistance grants from DLCD which allowed the City to work with the DLCD selected consultant EcoNorthwest to update Ashland’s Housing Capacity Analysis and to develop Ashland’s Housing Production Strategy.

The City is requesting this grant funding to hire a consultant to assist the City in implementing an action identified and prioritized through the Housing Production Strategy document which was adopted by the Council at the regular meeting on May 2, 2023.

FISCAL IMPACTS

The City is not required to provide any matching funds for this grant application; however, City staff will work with the consultant to support the progress of this activity through the public engagement process as needed. The grant application will be for approximately \$30,000.

DISCUSSION QUESTIONS

Not Applicable

SUGGESTED NEXT STEPS





Council Business Meeting

Staff recommends that the Council authorize staff to prepare and submit an application for a planning grant from the Department of Land Conservation and Development to hire a consultant to assist the City in drafting a Manufactured Park Zone ordinance.

ACTIONS, OPTIONS & POTENTIAL MOTIONS

I move to authorize staff to prepare and submit an application for a planning grant from the Department of Land Conservation and Development to hire a consultant to assist the City in drafting a Manufactured Park Zone ordinance.

REFERENCES & ATTACHMENTS

Attachment 1: Draft Council Letter of Support

Attachment 2: Housing Production Strategy – Manufactured Home Preservation Excerpt

Attachment 3: [DLCD Housing Planning Grant Application Packet](#)



July 18, 2023

Ethan Stuckmayer, Housing Program Division Manager,
Department of Land Conservation and Development
635 Capitol Street NE, Suite 150
Salem, Oregon 97301-2540

Re: DLCD Housing Planning Assistance Grant Application

Dear Mr. Stuckmayer

I would like to take this opportunity to express the Ashland City Council's support for the City of Ashland's 2023-2025 Housing Planning Assistance grant application to the Department of Land Conservation and Development. The application aims to implement one of the strategies outlined in the recently adopted Housing Production Strategy document. Specifically, it supports a change in the City's zoning code to address the preservation of manufactured housing parks as an affordable housing type within our City.

The appropriation of funding by the Oregon Legislature to the Department of Land Conservation and Development (DLCD) for the purpose of providing technical assistance to local governments aligns with our shared goals of increasing the provision and retention of needed housing. The Oregon Housing and Community Services Department has determined that approximately 32 percent of renter households in Ashland experience severe rent burden, making the City eligible for priority funding assistance from DLCD.

Ashland has been fortunate to receive planning assistance grants from DLCD in both 2019-21 and 2022-2023. These grants allowed us to collaborate with the DLCD-selected consultant, EcoNorthwest, in updating Ashland's Housing Capacity Analysis and developing the Housing Production Strategy. With the recent adoption of the Housing Production Strategy document, our community is now well-positioned to continue the momentum and implement the actions outlined in the strategy.

The grant funds will be used to enlist consultant assistance in developing a public hearing-ready draft of an ordinance. This ordinance aims to establish a Manufactured Home Park zone with restrictions on other uses, safeguarding the needed housing type as identified in the Ashland Housing Production Strategy. The City of Ashland and the State of Oregon can work together to advance our shared objectives of promoting affordable and workforce housing through the award of a Housing Planning Assistance Grant.

Thank you for your consideration,

Mayor Tonya Graham, City of Ashland

Date

Office of the Mayor, City of Ashland

20 East Main St.
Ashland, Oregon 97520
ashland.or.us

Tel: 541.488-6002
Fax: 541.552.5311
TTY: 800.735.2900

City of Ashland Housing Production Strategy

Adopted May 21, 2023

Excerpted Section

G. Maintain quality and support preservation of existing manufactured home parks

Rationale

Preserve and support development of existing manufacturing housing parks because they play a significant role in providing naturally occurring affordable housing.

Description

Ashland has four manufactured home parks, as of November 2020, with a total of 255 spaces. Manufactured home parks provide opportunities for affordable housing for homeowners of a type that is not otherwise present in the housing market. Closure of manufactured home parks was common in Oregon during the mid-2000's and new manufactured home parks have not been developed in Oregon cities in the last decade or more.

Oregon regulates closure of manufactured home parks (in ORS 90.645). The State requires owners of manufactured home parks to give notice of closure or conversion of a manufactured home park. Manufactured home park owners are required to pay households a fee (of between about \$6,000 and \$10,000) when closing manufactured home parks.

In the face of closure or sale of a manufactured home park, preservation of manufactured home parks can be accomplished through a range of approaches, such as resident owned cooperatives or non-profit ownership. Since 2007, 30 manufactured home parks have been preserved statewide. In 2019, the Legislature funded a manufactured dwelling park loan program through OHCS specifically preserve manufactured home parks. Oregon Housing and Community Services (OHCS) works with Community Development Financial Institutions (CDFI) to preserve manufactured home parks through this loan fund.

Organizations that provide support for preservation of manufactured home parks includes: OHCS, Network for Oregon Affordable Housing, Banner Bank, and CDFIs. Nonprofits like CASA of Oregon and St. Vincent de Paul of Lane County have assisted with preservation of many of the 30 manufactured home parks.¹ Between 2019 and September 2021, OHCS' manufactured dwelling park loan program supported preservation of a manufactured home park in Newport

Another approach is adopting a zone that allows manufactured home parks as a permitted use and prohibits other types of single-family detached or multifamily housing. Cities such as Cornelius and Portland have taken this approach.²

¹ Based on information from the report *Washington County's Manufactured Housing Communities: Facts, Risks, and Resource*, Final Report, April 2022.

² *Washington County's Manufactured Housing Communities: Facts, Risks, and Resource*, Final Report, April 2022.

The City can also support repair and rehabilitation of manufactured home parks as part of Action I. Ashland could work with owners of manufactured home parks, especially those where redevelopment is being considered, to identify opportunities to preserve manufactured home parks through these approaches.

City Role

Working with owners and nonprofit organizations to support preservation efforts.

Partners and their Role

Lead Partner. City of Ashland Planning Division

Partners. Oregon Housing and Community Services (OHCS), owners of manufactured home parks

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Extremely-low, very-low, low-income households; existing residents of manufactured home parks	Households with incomes below 80% of MFI	Renter or Owner	None; Preservation of existing manufactured home parks

Potential Risks

Impacts are likely to be minor or have no negative impact. If zoning changes were implemented in such a way that property owners can demonstrate the land use regulations reduce the fair market value of their property, the property owner could file a Measure 49 claim and the city could be required to compensate the property owner based on the reduction in the fair market value of the property resulting from the land use regulation.

Implementation Steps

To support preservation of existing manufactured home parks:

- Draft code amendment to adopt a zone that allows manufactured home parks as a permitted use and prohibits other types of single-family detached or multifamily housing.
- Work with Ashland’s Planning Commission and City Council to get public input on and adopt the code revisions.

To support preservation of existing manufactured home parks:

- Partner with nonprofits, the housing authority, and manufactured home park owners to support preservation efforts. Offer financial support where possible.

Implementation Timeline

Timeline for Adoption	Implementation to Commence	Timeframe of Impact
2024	2025	On-going

Funding or Revenue Implications

If no specific funding or revenue source is identified at this time, staff time and available Planning Division tools and resources will be relied on to provide support in the form of letters of support, research on preservation options, and acting as a convener of stakeholders. Providing monetary resources to help preserve existing parks could result in a higher-cost strategy.