

**August 23, 2018: 4:30 – 6:30pm**

**Siskiyou Room of the Community Development Building**  
**51 Winburn Way**

- 1. (4:30) Approval of Minutes** (5 min)  
July 26, 2018
- 2. (4:35) Public Forum** (5 min)
- 3. (4:40) ECONorthwest Ashland Housing Strategy Review** (15 min)
- 4. (4:55) Social Service Grant Outreach Update and Discussion** (20 min)
- 5. (5:15) One Site Shelter Committee and Regional Shelter Updates** (20 min)
- 6. (5:35) Affordable Housing Brochure Review and Revision** (20 min)

## 7. (5:55) Liaison Reports (20 min)

## Liaison Reports

Council (Jackie Bachman)  
SOU Liaison (Unfilled)

Staff (Linda Reid)  
General Announcements/Local Housing  
Updates

## 8. (6.15) September 27, 2018 Meeting Agenda Items

**Quorum Check** – Commissioners not available to attend upcoming regular meetings should declare their expected absence.

## 9. (6.25) Upcoming Events and Meetings

**Next Housing Commission Regular Meeting 4:30-6:30 PM; September 27, 2018**

**10. (6:30) Adjournment**

Bring Mental Health services to Ashland  Seek ways to support overnight car camping program.	Work with City Council to identify programmatic priorities to offer for Social Service applicants. Restructure grant process to be data driven and based on needs.	Support the development of workforce housing.  Land Bank	Promote alternative housing, such as multi-family housing, tiny house village, intentional communities, and focus on removing barriers to their development.
Funding for a shelter coordinator	Establish single location, seven day a week shelter.	Support Porta-Pottie project	Seek to increase DHS child care providers and family-friendly childcare



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 July 26, 2018

### CALL TO ORDER

Commissioner 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.

<b>Commissioners Present:</b>	<b>Council Liaison</b>
Tom Gunderson	Jackie Bachman
Rich Rohde	
Erin Crowley	<b>SOU Liaison</b>
Erica Franks	
Heidi Parker	
Gina DuQuenne	<b>Staff Present:</b>
<b>Absent:</b>	Linda Reid, Housing Specialist
Linda Reppond	Carolyn Schwendener
Sue Crader	

### APPROVAL OF MINUTES

Franks/Crowley m/s to approve the minutes of the June 28, 2018 regular Commission meeting with two spelling corrections. Voice Vote: All Ayes, motion passed.

### PUBLIC FORUM

Mr. John Limb from the Unitarian Universalist Fellowship of Rogue Valley gave an update on the overnight parking program at that Church. The Church offers a place to park from 8:00 pm to 9:00 am. The Church also provides a porta potty, garbage bin and free Wi-Fi. The Church office is open from 9:00 am to 12:00 pm Monday through Friday and everyone is welcome to come in to use the bathroom, have a cup of coffee and sometimes even a donut. At this time the Church only has three parking spots available but Mr. Limb is hoping to convince the board to use more spots. The advantage however is that with less people they are less likely to have conflict issues. So far the experience has been good, acknowledged Mr. Limb. There has been no litter or garbage left, no complaints from neighbors and everyone has behaved themselves.

Mr. Limb explained the problem is they are flying under the radar. In the City of Ashland, it is illegal to park on private property for the purpose of camping. Their idea is to expand the program to other churches. They have been invited to do a presentation at four other Churches, Temple Emek Shalom, First Congregational United Church of Christ, Grace Point Nazarene and the First United Methodist. The Friends Church is also interested but at this time they do not have any place to park. What would help, expressed Mr. Limb, is if we had an ordinance in place to present to the other churches this might encourage them to be supportive of joining the program.

The Church has worked on making the ordinance simpler and more defined. Mr. Limb will email the updated Ordinance as well as the Eugene Ordinance to Reid who will forward it to the Commissioners. The hope, stressed Mr. Limb is that with the support of this Commission the City Council would pass the Ordinance. Reid reminded the Commissioners of the proper process of how to approach this. It is Council who needs to direct staff first to draft an Ordinance. Perhaps first we should talk with the Mayor and get it on a Study Session, suggested Reid. Once the Council is open to hearing about it we would then support it as a Commission.

It was the consensus of the Commission to support the overnight parking program to move forward. Reid and Council Liaison Bachman were directed to move it forward. Reid will provide a timeline for Bachman reviewing the background and all the work that has gone into this program. It was also suggested that any Commissioner who would like to reach out to the other Councilors in support of this program should do so.

**Audience member, Linda O'Donnell**, introduced herself. Ms. O'Donnell is interested in the issues this Commission addresses and was present to observe the meeting.

### **LAND BANK AFFORDABLE HOUSING PACKET DISCUSSION**

Parker explained this agenda item came from the Jackson County Homeless Task Force meeting held in Central Point. At that meeting a number of developers who came expressed their desire to build affordable housing but the land is so expensive it makes it difficult to do. It was suggested that if the Communities could help developers purchase land or be a partner with them it might be a possibility. Parker informed the developers about the Housing Trust Fund which could be used for this purpose. We are in such a crisis here and housing is so expensive we need to discuss land banking as a City issue, emphasized Parker. The City is currently purchasing property and it would be a good idea for the City to designate some of that land for affordable housing.

Reid acknowledged the City has land banked in the past in a variety of ways. The benefit of the Housing Trust Fund is that we can help buy down the cost of the property.

Reid suggested that the Commission update the brochures that were put together last year for the Affordable Housing Bus Tour. Highlight all the programs and incentives the City provides and supply these brochures to the developers. Reid went on to say that a Regional Housing Strategy is being developed by ECONorthwest. She will bring this document to the next meeting to discuss the strategies that are being recommended for our Community.

Rohde mentioned a Land Banking Bill that passed the Legislation allowing Cities to invest in housing without using their own money but rather the States. This Bill is still in process and most likely the money won't be available until next year. Rohde went on to say that in November we will be voting on a Bill which will allow Cities to float bonds for Affordable Housing. It will allow Cities to use the Bonding for a non-profit to develop the land.

The Commission called attention to the fact that the Ashland School District appears to own a large quantity of land which possibly could be used for workforce housing. Parker would like to encourage people in our own Community to use some of the excess land they own to build the concept of affordable Housing. The Commission would like to invite Rob Justus to our valley to give a presentation on developing Affordable Housing. Franks will speak with Michelle Glass from Rogue Action Institute about becoming a partner in the forum and developer outreach activities.

Reid will bring to next month's meeting the brochure for the Commission to help redesign.

The Commission concluded by saying the City needs to make a commitment to Land Banking either on City owned land or with Affordable Housing Developers. Why do we do this if there is no action to follow through? Reid reminded the Commission that they will be looking at the Ashland Regional Plan Housing Strategies next month and will be making recommendations on things actionable and what can be implemented now. Reid will try to send the document out before next month's meeting.

### **SOCIAL SERVICE GRANT OUTREACH PLAN UPDATE AND DISCUSSION**

Reid was able to reserve the Gresham room at the Ashland Public Library for Thursday October 25<sup>th</sup> from 4:00 pm to 7:00 pm. That meeting will be just for applicants not the general public. It was decided by the subcommittee to have listening sessions with the general public. The Commissioners will send any survey suggestions or corrections to Reid and she will update it and bring it back to next month's meeting. The listening sessions will target seniors, students and families. Some suggested places to go for the interviews would be the YMCA, Senior Center, Southern Oregon University, Family Fest at the Methodist Church, Snowberry Apartments, Ashland foodbank, Uncle Foods Diner and the Library. It was also suggested to put the survey on the City Website and in the newspaper. Putting a drop box for the surveys in the lobby of the Community Development building is a possibility.

### **ONE SITE SHELTER COMMITTEE UPDATE**

Parker reported they are making progress and having a single site building has some promise. There are however a lot of unknowns for the buildings because it involves the State Building Codes. The Presbyterian Church made the decision they cannot be the single site but they have offered to do three nights a week with a few conditions one of which is the installation of sprinklers. Parker was asked if a building was not found is it possible to meet the conditions of the Presbyterian Church. Parker answered that it would be too much of a financial burden for only three nights a week.

The Commission was impressed with the amount of work and effort that has gone into this endeavor but the obstacles have been tremendous. It might have to be a multi-tiered approach, stated Bachman, with a variety of options, yurts, tents, warming centers.

### **GRANT FUNDING OVERVIEW**

Reid distributed a corrected spread sheet for the CDBG grant money. See exhibit A at the end of the minutes. Reid reported there is currently around \$85,000 in CDBG not including the grant request from the Fire Department. The request from the Fire Department is \$50,000 to assist eligible seniors and persons with disabilities to make safety and or accessibility modifications to their residences. This amount will come out of the \$85,000 leaving a balance of \$35,000. This is going to City Council at their August 7, 2018 meeting.

### **LAISON REPORTS**

**Council Liaison Report** – Bachman reported that the Oregon League of Cities Board of Directors has set six legislative priorities for the 2019 session. The City Council was asked to pick their top four priorities from the list but the Council actually choose all six (EIGHT) Bachman pointed out that the Commission needs to be aware that mental health money may be cut back next year. Gunderson explained that the primary funding for health care for low income people is Medicare money which comes through Jackson Care Connect and AllCare. Gunderson went on to say the municipal funds aren't used directly for mental health service, even though police and ancillary City services do address mental health issues, but aren't real mental health providers. Bachman announced that Isleen Glatt is the new Senior Services Superintendent and Kelly Madding is the new City Administrator. Bachman reminded the Commissioners to learn about the proposed new Wildfire Mitigation Ordinance. It is a concern that not everyone in the Community understands what the ordinance actually says.

**Staff Liaison Report** – Reid said the Veterans Benefit Expo is happening on Saturday July-28<sup>th</sup> from 9:00am to 3:00pm. This is a one stop shop for veterans. Reid announced Neighborhood Works Umpqua is looking for board members if anyone in this group is interested in joining. Check out their website and see all the things they do, said Reid. They are a great organization and a developer of Affordable Housing.

**Announcement** – Rhode announced the Southern Oregon Inter Faith Social-Justice Coalition is sponsoring a Faith Summit on August 15<sup>th</sup> at the Methodist Church of Ashland from 4:00pm to 8:30 pm. The Keynote speaker is Rev. Dan Bryan. See exhibit B at the end of the minutes. Everyone is welcome to attend they just ask if you register online ahead of time.

### **UPCOMING EVENTS AND MEETINGS**

Housing and Human Services Commission Regular Meeting – 4:30-6:30 PM; August 23, 2018, at 51 Winburn Way.

### **ADJOURNMENT**

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

*Respectfully submitted by Carolyn Schwendener*



# Memo

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DATE: August 23, 2018

TO: Ashland Housing and Human Services Commission

FROM: Brandon Goldman, Senior Planner

RE: Housing Strategies – Regional Problem Solving Plan

The Regional Plan developed and adopted through the Regional Problem Solving (RPS) requires the development of a regional housing strategy within five years of acknowledgement of the Regional Plan. The Regional Plan was acknowledged on March 7, 2013, meaning that the regional housing strategy needed to be developed by March 7, 2018. The regional housing strategy is still under development.

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 affordable housing of low-income housing (i.e., housing for households earning less than 60% of median family income) and affordable workforce housing (i.e., housing for households earning 60% to 120% of median family income). Additionally strategies relating to identifying financial incentives in support of needed housing are also being evaluated as part of this endeavor.

The second dimension of the RPS Plan requirement relates to coordinating a regional approach for the RPS communities and Jackson County. It is both appropriate and desirable that local governments establish their own strategies and that they think regionally about those strategies. The challenge then is ensuring alignment among regional strategies that are adopted by several local governments. To this end ECONorthwest is working with the Regional Problem Solving Committee and the Department of Land Conservation and Development to develop a regional housing strategy, as required by the Regional Plan. This effort includes assisting the participating communities of Jackson County in evaluating local housing programs and land use codes to identify housing strategies to be considered to address the goal of encouraging a range of housing types.



EcoNorthwest has prepared the attached “Ashland Housing Strategy” document after a review of our land use code and existing housing programs. As the region moves forward on adopting a regional housing plan, each City will be tasked with determining which identified strategies can be implemented, and would be most effective at a local level. In advance of this future effort Staff wanted to present the housing strategies prepared for Ashland by EcoNorthWest to the Housing and Human Services Commission and the Planning Commission for general discussion.





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

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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**

	<b>Percent of Median Family Income</b>	<b>Monthly Income in 2017</b>	<b>Affordable Monthly Housing Costs in 2017</b>
<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."

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<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 land is annexed into the city and implement these policies through a public process.

Priority: On-going

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

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as a permitted use in areas zoned for a residential density of 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:** Develop policies to 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:** Increase 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:** Increase 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:** Increase 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 parking standards from the Ashland Transit Triangle project. The city could develop policies to lower parking requirements by 0.25 to 0.5 spaces

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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, increase 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:** Develop policies to 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:** Develop 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:** Develop 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 of 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. Dedicate 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: 8/17/2018  
TO: Housing and Human Services Commission  
FROM: Linda Reid, Housing Program Specialist  
RE: 2019 SSGP Grantee Forum Planning and schedule

In preparation for the issuance of the 2019-Social Service Grant RFP, the Commission will be holding a forum to gain feedback from former, current, and potential grantees on the priorities, strategies, process, and changes that they might like to see.

<b>August 2018</b>	<b>Finalize format for event/identify logistical needs</b>
<b>Sept/Oct 2018</b>	<b>Forum</b>
<b>November 2018</b>	<b>Review proposed changes/ Commission Approval</b>

Questions:

*When should we stop collecting questionnaires?*

Attachments:

Revised Grantee Questionnaire





## Social Service Grant Priority Needs Update Questionnaire

### Community Needs -Please rank the following needs in your community.

1=Very Low Need, 2= Low Need, 3=Moderate Need, 4=High Need, 5=Critical Need

**Low-Cost/affordable Housing in general?**

1      2      3      4      5

Anything specific regarding the need listed above?

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**Services for Homeless populations?**

1      2      3      4      5

Anything specific regarding the need listed above?

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**Services for Persons with Alcohol/drug addiction?**

1      2      3      4      5

Anything specific regarding the need listed above?

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**Services for Persons with Developmental Disabilities?**

1      2      3      4      5

Anything specific regarding the need listed above?

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**Services for Persons with Mental Illness?**

1      2      3      4      5

Anything specific regarding the need listed above?

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**Services for seniors?**

1      2      3      4      5

Anything specific regarding the need listed above?

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**Services for youth?**

1      2      3      4      5

Anything specific regarding the need listed above?

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**Access to affordable health care?**

1      2      3      4      5

Anything specific regarding the need listed above?

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## Social Service Grant Priority Needs Update Questionnaire

Legal assistance/advocacy?

1 2 3 4 5

Anything specific regarding the need listed above?

Life Skills Training?

1 2 3 4 5

Anything specific regarding the need listed above?

Access to public restrooms?

1 2 3 4 5

Anything specific regarding the need listed above?

Transportation?

1 2 3 4 5

Anything specific regarding the need listed above?

Access to affordable food and/or meals?

1 2 3 4 5

Anything specific regarding the need listed above?

Access to affordable childcare options?

1 2 3 4 5

Anything specific regarding the need listed above?

Other: \_\_\_\_\_

1 2 3 4 5

Anything specific regarding the need listed above?

### Unmet Needs

Please provide us with a list of your opinions on unmet service needs or gaps in your community.

### Additional Comments, Concerns or Suggestions



# Memo

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DATE: 08/23/2018  
TO: Housing and Human Services Commission  
FROM: Linda Reid, Housing Program Specialist  
RE: Winter Shelter Update

An update of the work being done to identify a new shelter location for the 2018-2019 Winter Shelter season will be discussed.





# Memo

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DATE: 8/17/2018

TO: Housing and Human Services Commission

FROM: Linda Reid, Housing Program Specialist

RE: Discussion of materials for Housing Packets

At the regular Commission meeting on July 26<sup>th</sup>, 2018, the Commission briefly discussed the Goal of conducting outreach to the development community to encourage the development of affordable housing in Ashland. An action item that was identified at that meeting was to put together a brochure to provide information about the incentives that the City of Ashland provides to promote the development of affordable housing. It was suggested that the brochures from the Affordable Housing Tour be reviewed and used as templates for the development of this new outreach tool.

Attachments:  
Housing Program Brochure  
Affordable Housing Stock Brochure





## Why we should care??

A community that does not have adequate affordable housing for its workforce is setting itself up for negative long-term consequences that may not be visible today. At the heart of it, the development of workforce housing is really community building. The provision of housing, particularly housing affordable to young families, fosters the development of strong schools, a strong economy, and ultimately ensures a healthy and sustainable community at large.

When people can't afford to live where they work, the entire community is impacted by increased traffic congestion, lack of community participation and involvement, increased response time for emergencies, and difficulty for businesses to recruit and retain qualified employees.

## Housing and Human Services Commission

*The mission of the City of Ashland Housing and Human Services Commission is to assess and make recommendations to the City Council for addressing the continuum of housing and human service needs for the purpose of enhancing community health and wellbeing.*

The City Ashland Housing and Human Services Commission has executed a number of Education and Outreach activities, including: the organization of a Housing Solutions Forum, which brought together several organizations to discuss housing issues and generate ideas to combat those issues. The Housing and Human Services Commission will continue to provide a forum for community feedback regarding housing and human services while working to educate the citizenry about City programs and efforts to combat issues of housing affordability and

### City of Ashland

20 E. Main Street  
Phone: 541-488-5305  
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[www.ashland.or.us](http://www.ashland.or.us)

## The Ashland Housing Program

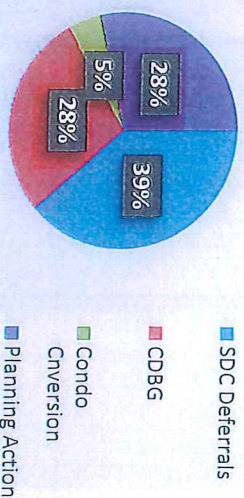
### A Brief Overview

The term "Ashland Housing Program" is applied to various activities the City undertakes to address the unmet housing needs within our community. As there is no single means of adequately addressing the housing issues facing the City, a comprehensive approach toward program development has evolved over time. This comprehensive approach is appropriate to ensure we can implement all tools available to increase the supply of affordable housing.

The Housing Program therefore has included the development of Land Use regulations, provision of financial assistance through Community Development Block Grants and the development of a Housing Trust Fund, and direct project development in collaboration with affordable housing providers.



## Units in the Affordable Housing Program



## What does the City's Affordable Housing Program Do?

The City of Ashland does not own, operate, or develop housing units. This pie chart represents housing units which are deed restricted as affordable through various City resolutions and incentive programs or which have received funding through the City's CDGB program. The deed restricted units are monitored by the City, the maximum sale and rental prices are set by the City according to the formulas derived from the resolution under which each individual unit is covered, potential renters and/or purchasers are income verified for occupant eligibility by the City.

The City's housing program began in the early 90's with a system development charge deferral program and expanded over time to include a variety of land use and incentive provisions for inclusion into the program including:

- Condominium-conversion ordinance
- Annexation ordinance
- Zone change ordinance
- Bonus density

These mechanisms provide a variety of tools with which to incentivize the provision of housing affordable to a range of incomes not currently met by the market.

At present the City's program covers somewhere around 140 units.

Some of the units are rental units but the majority of them are either owner-occupied units or are rental units which may be offered for sale.

## What does "Affordable" and "Workforce" Housing mean?

**"Affordable Housing"** is a term that refers to a households' ability to find housing within their financial means. Households that spend more than 30% of their income on housing and certain utilities are considered to experience *cost burden*.

**"Workforce Housing"** has come to mean housing targeted to households who may earn too much to qualify for affordable housing subsidies, but not enough to afford a home or an apartment.

## Actions the City has taken to address the Affordable housing need for the Ashland Community

### Enacted Land Use Policies to Incentivize Affordable Housing (Planning)

**Accessory Residential Units:** Allowed in all residential zones in Ashland

**Minimum Densities:** Ensure the limited supply multifamily zoned land is not developed as single family detached homes

**Mixed Use Developments:** Allow residential uses above commercial ground floors to maximize residential development opportunities

**Inclusionary Zoning:** Annexation requirements 15-33% of new units are affordable. 15% if very low income (60%AMI) to 33% if workforce housing affordable to households earning the median income (up to 120%AMI). Developers can also donate land to accommodate 1 out of 4 homes proposed to an affordable housing provider (Rice Village in the Verde Village subdivision for example).

**Zone Changes:** Requires a percentage of units be provided as affordable in a development that increases density. (Fordyce Co-housing for example).

**Condominium conversions ordinance** – intended to retain market rate rentals, or create affordable rental or ownership opportunities (passed in 2007).

**Density Bonuses:** Allows a builder to develop more units if a portion of them are affordable. Works best for affordable housing developers. Incentive based and thus when it costs more to develop a home than it can be rented or sold for, developers do not use the bonus incentive. Was 1 of 1, but in 2014 changed to a 2 for one bonus, meaning a builder can build 2 additional market rate units for voluntarily building one affordable dwelling.

### Financial subsidy:

- Community Development Block Grants
- Housing Trust Fund
- Land Donation

### Reduce Development costs:

- System Development Charges waived
- Engineering and Community Development Fees waived
- School Construction Excise Tax waived

## Who is Eligible for Affordable Housing Programs?

Affordable Housing Eligibility in Ashland is determined by a percentage of Area Median Income (AMI) by household size. Rental programs typically serve households earning between 0-80% AMI, while homeownership programs tend to serve households earning between 60-120% AMI. Each year the Department of Housing and Urban Development recalculates the income limits using Census Data (American Community Survey Data). Below are the income guidelines for 2017.

Household Size

Income Level	1	2	3	4
Extremely Low Income (30%)	12060	16240	20420	24600
Low Income (50%)	18,800	21450	24150	26800
Income at 60% of Median	26492	30276	34060	37845
Moderate Income (80%)	<b>30050</b>	<b>34350</b>	<b>38650</b>	<b>42900</b>
Median Income (100%)	37600	42900	48300	53600
Income at 120% of Median	52983	60552	68121	75690

City of Ashland

20 East Main Street

Phone: 541-552-2043

[www.ashland.or.us](http://www.ashland.or.us)

## What is Considered Affordable Housing?

Affordable Housing is any housing unit which is mandated to rent or sell at a rate which is below the fair market rate for a similar property in a given area.

Units which are considered affordable housing are mandated to rent or sell below market rate through some kind of federal, state, or local regulatory mechanism, usually in exchange for development/loan financing or a

## The Federal Definition of affordability

Housing costs are affordable if they do not exceed 30% of household's gross monthly income. Costs include basic utilities, mortgage insurance, HOA fees and property taxes. Households paying more than 30% of their income toward housing costs are considered "cost burdened". Households paying more than 50% of their income toward housing costs are considered "severely cost burdened".



## Rental Programs

Provide direct subsidies to renters:

*Housing Choice Voucher Program/Section 8*

*Other types of tenant based rental assistance (TBRA)*

Create Affordable Rental Housing:

*Low Income Housing Tax Credits (LIHTC)*

*Home Investment Partnerships*

Local Revenue Streams:

*System Development Charge Deferrals (SDC) Program*

*CDBG Program*

*Planning Requirements*

<https://www.slideshare.net/BBCResearch/affordable-housing-have-we-made-a-dent-58992304>

## What does "Affordable" and "Workforce" Housing mean?

"Affordable Housing" is a term that refers to a household's ability to find housing within their financial means. Households that spend more than 30% of their income on housing and certain utilities are considered to experience cost burden.

"Workforce Housing" has come to mean housing targeted to households who may earn too much to qualify for affordable housing subsidies, but not enough to afford a home or an apartment.

*The Affordable housing units in the list on page 4 have a least one form of incentive or subsidy but most likely have received a combination of incentives and/or subsidies, most receiving federal, state and local contributions that help bring down the cost and insure some measure of affordability.*

## Types of Affordable Regulatory Mandates and Programs

### Federal Financing/Subsidy Programs

- HOME Investment Partnerships
- Housing Choice Voucher Program
- Rural Development Multi-Family Loan
- Rural Development Mutual Self-Help

### State Financing Programs

- Low Income Housing Tax Credit (LIHTC)
- CDBG Funds

### Local Financial subsidy

- Community Development Block Grants
- Housing Trust Fund
- Land Donation
- Reduce Development costs
- System Development Charges waived
- Engineering and Community Development Fees waived
- School Construction Excise Tax waived

### Local Inclusionary Zoning

- Condo-Conversion Ordinance
- Annexation/Zone Change Ordinance
- Bonus Density
- Residential in Commercial Zones

## The City's Affordable Housing Stock

## State/Federally Regulated Affordable Housing

Ashland Garden Apts.	40 units	60% AMI
Ashley Senior Apts.	62 units	60% AMI
Bridge Street	4 units	60% AMI
Chestnut Apts.	4 units	80% AMI
Donald E. Lewis RC.	40 units	30% AMI
Grant Street Apts.	2 units	50% AMI
Hyde Park Apts.	6 units	50&60% AMI
Parkview Apts.	6 units	50&60% AMI
Snowberry Brook	60 units	50% AMI
Star Thistle Apts.	11 units	50% AMI
Stratford Apts.	51 units	100% AMI
Siskiyou and Faith	9 units	80% AMI
Park Street	6 units	80% AMI
Rice Park	15 units	80% AMI

## City Regulated Affordable Housing

SDC deferrals	133 units	60/80%AMI
Condo-conversions	16 units	80% AMI
Planning Actions	82 units	60/80%AMI
Bonus Density	8 units	120% AMI
CDBG	95 units	80% AMI

\*Currently (as of June 2017) there are 172 units that are regulated by City staff due to investments of CDBG funds, fee waivers, and/or are regulated through planning requirements. Of the 172 units overseen by the City, 108 are also listed as having received state and federal funding as well. Many City regulated units overlap in programs/incentives.