

September 26, 2012: 4:00 – 5:45pm
Siskiyou Room – 51 Winburn Way

1. (4:00) **Approval of Minutes** (5 min)
August 22, 2012
2. (4:05) **Public Forum** (5 min)
3. (4:10) **Commissioner Ethics Training** (30 min)
Barbara Christensen, City Recorder and David Lohman, City Attorney
4. (4:40) **Consolidated Annual Performance Evaluation Report (CAPER) Review, Approval and Public Hearing** (25 min)
Linda Reid-Housing Program Specialist
5. (5:05) **Housing Needs Analysis Update Public Hearing** (15 min)
6. (5:20) **Commissions Excused Absence Policy Discussion** (10 min)
7. (5:30) **Liaison Reports discussion** (10 min)

Liaison Reports
Council (Carol Voisin)
Staff (Linda Reid)
General Announcements
8. (5:40) **Schedule Retreat** (5 min)
9. (5:45) **October 24th 2012 Meeting Agenda Items**
Commissioner items suggested (5 min)
Quorum Check – Commissioners not available to attend upcoming regular meetings should declare their expected absence.
10. (5:45) **Upcoming Events and Meetings**

Next Housing Commission Regular Meeting
4:00-5:45 PM; October 24, 2012
11. (5:45) **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 COMMISSION
DRAFT MINUTES
August 22, 2012

CALL TO ORDER

Chair Regina Ayars called the meeting to order at 4:20 p.m. at the Council Chambers located at 1175 East Main St. Ashland, OR 97520.

Commissioners Present:	Council Liaison
Regina Ayars	Carol Voisin
Brett Ainsworth, arrived at 4:25	
Barb Barasa	Staff Present:
Evan Lasley	Linda Reid, Housing Specialist
Ben Scott	Carolyn Schwendener, Admin Clerk
Commissioners Absent	

APPROVAL OF MINUTES

Lasley/Scott m/s to approve the minutes of the July 25, 2012 regular Housing Commission meeting. Voice Vote: All Ayes; minutes were approved with suggested changes.

Ayars acknowledged that Richard Billin has resigned from the Commission due to time constraints and family obligations.

PUBLIC FORUM

Michael Gutman was present to observe the meeting. He is interested in joining the Commission. Mr. Gutman has been in the housing industry for over thirty years and is particularly interested in affordable housing in Ashland.

COMMISSIONER ETHICS TRAINING

The presentation was postponed until the September meeting.

FAIR HOUSING ORDINANCE OPTIONS

Reid met with City Attorney Dave Lohman, City Planner Brandon Goldman and Community Development Director Bill Molnar. Their main concern was with section 10.110.050 Procedures. The Fair Housing Ordinance was originally adopted in 1989. At that time the Housing Commission had not been established yet and the City was not a CDBG entitlement jurisdiction. The original ordinance was put together by the Planning Commission and the Citizens Review Board. The ordinance has remained substantially unchanged since its original adoption in 1989.

Section 10.110.050 Procedures states; any person who feels that an unlawful practice in regard to the Fair Housing Ordinance has taken place may file a complaint with the Fair Housing Officer. Traditionally that person has been the City Attorney. Section 10.110.050 further states, "The Fair Housing Officer or a duly authorized representative shall investigate each complaint and attempt to resolve each complaint. Failure to achieve a resolution acceptable to both parties and compliance with this ordinance shall cause the Fair Housing Officer to forward the complaint and findings to appropriate state and federal officials". Lohman's concern is that the City does not have the capacity at this time to take care of code compliance and Fair Housing should someone wish to file a complaint and

go through the City's process. The City has never gone through this process and does not at this time have the staffing capacity or training to do this.

Lohman suggested two options:

- *The City maintains the option to process Fair Housing complaints locally but change the wording and give it a qualifier – **In the event that concrete evidence is provided that demonstrates possible discrimination the Fair Housing Officer may also file a complaint with the Ashland Municipal Court as provided in Section 10.110.070.***
- *The City will still have the ability to investigate and mediate Fair Housing complaints but will not process them locally. Remove the sentence that talks about local level compliance – **The Fair Housing Officer may also file a complaint with the Ashland Municipal Court as provided in Section 10.110.070.** If this section is removed we would also remove section 10.110.090 Penalties and section 10.110.060 Authority of City Administrator to adopt rules. If you have compliance you have to adopt procedures and forms to assist in the implementation.*

When this ordinance was drafted the City identified more protected classes than the State or Federal Fair Housing laws. The City had added gender identity and sexual orientation which both are now protected classes under State law. In the event that the City identifies a protected class that is not identified as a protected class by State or Federal Fair Housing law and there is no compliance procedure in the jurisdiction then those members of that protected class who feel that they have been discriminated against will have no legal recourse. They cannot file a complaint with the State or Federal governments because that class is not recognized as a protected class outside of the jurisdiction. If the City of Ashland added students as a protected class in the future then the City would need to re-instate that compliance mechanism.

The Commissioners discussed the options and made a motion.

Ainsworth/Barasa m/s to recommend to City Council to go with option two and remove the local compliance. Voice Vote; All Ayes, motion passed unanimously.

HOUSING TRUST FUND DISCUSSION

Ainsworth distributed information regarding dedicated revenue sources for the Housing Trust Fund. The information was put together by the Housing Trust Fund Project Center for Community Change. The list included examples of jurisdictions throughout the United States and what their different methods are for sustained revenue sources. Some of those examples are:

- Developer impact fees
- Transient occupancy tax
- MF rental conversion fee
- Unexpended funds from utility
- Demolition tax
- Electronic filing fees
- Percent of valuation on building permits

Ainsworth mentioned that it is important to consider that any revenue source that is currently being used elsewhere might be somewhat of a challenge to utilize. Often developers are subject to the most impact fees which can be a burden to them. It was suggested that the Commission look at more creative revenue sources such as recording and filing fees. The Commissioners discussed Tax Increment Finance Districts. This is similar to an Urban Renewal District. A District is created in which benefits are given. Reid said the City is looking at the feasibility of it in the Pedestrian Places Zones to encourage more housing, shopping etc. The Croman Mill Site was looked at specifically. Another idea was the ability to transfer your development rights to another land owner who then can use that extra density on their property. That transfer would have a fee which could partially go to the Housing Trust Fund.

Vacation Rental properties have become a code compliance issue within our City. Reid said other community's tax vacation rentals to offset their negative impact on the rental housing market. This tax is designed to offset the impact by helping to develop affordable housing. A portion of the Business License fee for those rentals could also be assessed.

Voisin acknowledged that at a recent City Council Study Session they discussed whether or not there needs to be an ordinance that would govern Vacation Rentals similar to the Bed & Breakfast guidelines. They did not come to any conclusions but directed staff to return with more information and suggestions.

Reid will discuss with Molnar the possibility of using a small portion of the Transient Occupant Tax for the Housing Trust fund. She will also present the possibility of using vacation rental licensing fees, business licenses fees and demo permit fees. Any of these fees would need to go before the City Council for approval.

Continue this discussion at next month's meeting.

CLAY STREET REVIEW DISCUSSION

Reid reported that last year the City initiated a market analysis for the property. The evaluation said that the market was down and not a lot of lending was occurring. The property was valued at an amount of \$360,000. The City also investigated to see if there were any affordable housing providers who would be interested in developing the property. The Housing Authority of Jackson County was the only interested party. City Council directed staff to take no action on the Clay Street property with the intent to re-evaluate the City's options upon significant changes in the lending markets.

Reid recently contacted the various housing providers; Umpqua CDC, ACCESS Inc., Housing Authority of Jackson County, ACLT and Habitat for Humanity, and received the same response as last year. Though everyone seemed somewhat interested in the property none of them felt they would be ready to move forward at this time. Molnar directed Reid to check with a Real Estate Agent and get an idea of the market and the development community. Reid found that there were no significant changes in the housing market and lending is still down.

Reid presented four options.

- Delay the evaluation for another six months until spring when Reid's schedule will be a little bit lighter and at that time the Housing Needs Analysis' will be adopted. The Housing Needs Analysis' would serve as criteria for the evaluation for the RFP proposals.
- Land Bank
- Sell the Land for market value. This would require other actions. Determine market value of property. Public hearing and execute purchase and sale agreement
- Solicit a proposal for an RFP. Determine development potential.

The Commissioners discussed the options.

Lasley/Ainsworth m/s to recommend to City Council Option 1, Delay the evaluation. Voice Vote; All Ayes, motion passed unanimously.

RVTV-NEW PSA DISCUSSION

Barasa is still interested in helping with this project and has done some research as to how to proceed. One option is to get some training from RVTV and do the project herself. The college has purchased new equipment and Barasa said she is confident she could do the project using this new equipment. Another option is to try and work through the Emergency Media and Digital Arts (EMDA) Program. The college is already getting a lot of requests for collaborative work utilizing students so they will have to be somewhat selective. Barasa will give an update at

the October Housing Commission meeting.

Ayars asked to have a discussion about the possibility of not allowing Single Family homes in Multi-family zones.

Reid explained this would be a very long legislative action process because it is a legislative ordinance change. Voisin suggested the Commission set up a Study Session with the City Council. This is a recommendation in the Housing Needs Analysis of things that can be done to encourage more rental housing. After the Housing Needs Analysis is adopted this item may be able to move forward. The Commission could put it on the agenda for the goal setting meeting in December.

LIAISON REPORTS DISCUSSION

Council – Voisin encouraged the Commissioners to give a report to the City Council explaining their goals as well as their achievements. The Council would like to hear any goals the Commission might like to see them adopt. Both the conservation sub-committee and the AWAC meeting explored the idea of developing a progressive rate structure for water and electric usage in order to encourage conservation. The more a customer uses the more expensive it will be. This will be presented to Council at a study session on October 15th.

Staff- Reid announced that representatives from Dignity Village out of Portland will be coming down in September. The Homeless task force will be hosting a community forum at their regular meeting at the Community Center on September 18th in which the representatives will speak.

SEPTEMBER 26, 2012 MEETING AGENDA ITEMS

Quorum Check – Everyone will be able to attend

UPCOMING EVENTS AND MEETINGS

First Reading of the Fair Housing Ordinance, City Council-Aug 7th, 2012

Next Housing Commission Regular Meeting

September 26, 2012 4:00-6:00 PM in the Siskiyou Room located at the Community Development and Engineering Building at 51 Winburn Way, Ashland Oregon.

ADJOURNMENT - The meeting was adjourned at 5:45 p.m.

Respectfully submitted by Carolyn Schwendener



**CITY OF
ASHLAND**

**CONSOLIDATED ANNUAL PERFORMANCE
EVALUATION REPORT
(CAPER)**

**Program year 2011
(July 1, 2011 – June 30, 2012)**

Date of Report August 23, 2012

Prepared for:
The U.S. Department of Housing and Urban Development

By:
The City of Ashland
Department of Community Development
Planning Division
Ashland, Oregon



City of Ashland 2011 Program Year
Consolidated Annual Performance and Evaluation Report (CAPER)

Executive Summary

The City of Ashland is an entitlement jurisdiction, receiving an annual allocation of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). As a recipient of CDBG funds, the City is required to prepare a five-year strategic plan that identifies housing and community needs, prioritizes these needs, identifies resources to address the needs, and establishes annual goals and objectives to meet the identified needs. This five year plan is known as the Consolidated Plan.

The purpose of the Consolidated Plan is to outline a strategy for the City to follow in using CDBG funding to achieve the goals of the CDBG program, *"to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons."* This Consolidated Annual Performance and Evaluation Report (CAPER) Addresses the goals identified in the 2010-2014 Consolidated Plan which was approved in April of 2010.

Each year the City is required to provide the public and HUD with an assessment of its accomplishments toward meeting the priority goals outlined in the Five Year Consolidated Plan. This annual assessment is known as the Consolidated Annual Performance and Evaluation Report (CAPER).

This document provides a review and evaluation of the City of Ashland's progress toward meeting the annual goals and outcomes as outlined in the Action Plan for the Fiscal Year 2011-2012 as well as the larger five year goals of the 2010-2014 Consolidated Plan. The CDBG fiscal year begins July 1st and ends on June 30th, this report will summarize the City's accomplishments for that time period.

During FY 2011 the City of Ashland continued working toward meeting its homeless, at-risk and special needs priorities for supportive services through activities such as emergency rent and utility funding for low-income households at risk of homelessness. During FY 2011 the City continued to work toward affirmatively furthering fair housing by partnering with the City of Medford in support of the Fair Housing Council of Oregon to provide education and outreach to Ashland residents and to Social Service organizations that provide services to low and moderate income households. And lastly, the City awarded funds to ACCESS, Inc. for acquisition of a site on which to develop six units of affordable housing. The tables that follow provide a comprehensive overview of the Consolidated Plan's 5 year goals and the City's progress toward attaining those goals.

Priority Housing Needs/Investment Plan Table
(Table 2A)

Priority Need	5-Yr. Goal <u>Plan/Act</u>	Yr. 1 Goal Plan/Act	Yr. 2 Goal Plan/Act	Yr. 3 Goal Plan/Act	Yr. 4 Goal Plan/Act	Yr. 5 Goal <u>Plan/Act</u>
Renters						
0 - 30 of MFI	10	2/76 ¹	2/47			
31 - 50% of MFI	10	2/3	2/3			
51 - 80% of MFI	30	6/0	6/35			
Owners						
0 - 30 of MFI	0	0/3	0/3 ²			
31 - 50 of MFI	5	1/1	1/0			
51 - 80% of MFI	12	3/3	3/0			
Homeless*						
Individuals	100	20/20	20/20 ³			
Families	50	10/10	10/10			
Non-Homeless Special Needs						
Elderly	5	1/0	1/0			
Frail Elderly	5	1/1	1/0			
Severe Mental Illness	2	1/1	1/2			
Physical Disability	1	1/3	0/2			
Developmental Disability	1	0/3	1/1			
Alcohol or Drug Abuse	0	0/0	0/0			
HIV/AIDS	0	0/0	0/0			
Victims of Domestic Violence	0	0/0	0/0			
Total (Sec. 215 and other)	14	5/8	4/5			
Total Sec. 215						
215 Renter	50	10/79	10/83			
215 Owner	17	4/7	4/3			

* Homeless individuals and families assisted with transitional and permanent housing

¹ Number of Renters counted were reported through the St. Vincent De Paul's home visitation program for rental assistance to avoid homelessness. Similarly, these populations count toward the non homeless special needs populations.

² Number of owner's counted came from CDBG-R funds that assisted with weatherization upgrades, there was some crossover in CDBG-R recipient's with Housing Rehab recipients, those Households were not double counted.

³ Number of Homeless individuals and families reflected in table are from the Projected Homeless Connect Event which serves a greater number of individuals than reflected in the table. Actual numbers are quantified elsewhere. Some of those served are counted from the St. Vincent De Paul Home visitation program.

Priority Housing Activities/Investment Plan Table
(Table 2A)

Priority Need	5-Yr. Goal <u>Plan/Act</u>	Yr. 1 Goal Plan/Act	Yr. 2 Goal Plan/Act	Yr. 3 Goal Plan/Act	Yr. 4 Goal Plan/Act	Yr. 5 Goal <u>Plan/Act</u>
CDBG						
Acquisition of existing rental units	40	10/0	10/0			
Production of new rental units	10	2/62	2/0			
Rehabilitation of existing rental units	2	2/2	0/0			
Rental assistance	0	0/79	0/83			
Acquisition of existing owner units	0	0/0	0/0			
Production of new owner units	14	2/7	2/8			
Rehabilitation of existing owner units	3	1/3	1/3			
Homeownership assistance	15	0/0	5/0			
Other						
Condo- Conversion/Other	0	0/0	0/0			
ARU (Accessory Residential Unit)	0	0/2	0/2			
General Fund (SDC & Comm. Dev. fee Waiver	0	0/0	0/0			
Production of new rental units HOME/LIHTC	0	0/60	0/0			
Affordable Homeownership or Rental Total	0	0/7	0/8			
Rental Only Total	52	10/60	10/0			

Annual Housing Completion Goals
(Table 3B)

Grantee Name: City of Ashland Program Year: 2011	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
BENEFICIARY GOALS (Sec. 215 Only)						
Homeless households	0	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	22	6	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households	0	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Sec. 215 Beneficiaries*	22	6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RENTAL GOALS (Sec. 215 Only)						
Acquisition of existing units	0	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	14	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	0	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Rental	14	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HOME OWNER GOALS (Sec. 215 Only)						
Acquisition of existing units	0	0	<input type="checkbox"/>	<input type="checkbox"/>		
Production of new units	8	6	X	<input type="checkbox"/>		
Rehabilitation of existing units	0	2	X	<input type="checkbox"/>		
Homebuyer Assistance	0	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Owner	8	8	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COMBINED RENTAL AND OWNER GOALS (Sec. 215 Only)						
Acquisition of existing units	0	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	22	6	X	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	0	2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Homebuyer Assistance	0	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Combined Total Sec. 215 Goals*	22	8	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OVERALL HOUSING GOALS (Sec. 215 + Other Affordable Housing)						
Annual Rental Housing Goal	14	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	8	8	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Overall Housing Goal	22	8	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* The total amounts for "Combined Total Sec. 215 Goals" and "Total Sec. 215 Beneficiary Goals" should be the same number.

Priority Community Development Activities
(Table 2B)

Priority Need	5-Yr. Goal Plan/Act	Yr. 1 Goal Plan/Act	Yr. 2 Goal Plan/Act	Yr. 3 Goal Plan/Act	Yr. 4 Goal Plan/Act	Yr. 5 Goal Plan/Act
Acquisition of Real Property	0					
Disposition	0					
Clearance and Demolition	0					
Clearance of Contaminated Sites	0					
Code Enforcement	0					
Public Facility (General)	0					
Senior Centers	0					
Handicapped Centers	0					
Homeless Facilities	0					
Youth Centers	0					
Neighborhood Facilities	0					
Child Care Centers	0					
Health Facilities	0					
Mental Health Facilities	0					
Parks and/or Recreation Facilities	0					
Parking Facilities	0					
Tree Planting	0					
Fire Stations/Equipment	0					
Abused/Neglected Children Facilities	0					
Asbestos Removal	0					
Non-Residential Historic Preservation	0					
Other Public Facility Needs	0					
Infrastructure (General)	0					
Water/Sewer Improvements	0					
Street Improvements	10,000	2,000/0	0/0			
Sidewalks	10,000	2,000/205 3	0/0			
Solid Waste Disposal Improvements	0					
Flood Drainage Improvements	0					
Other Infrastructure	0					
Public Services (General)	0					
Senior Services	10	2	0			
Handicapped Services	4	0	0			
Legal Services	0					
Youth Services	10	0	0			
Child Care Services	0					
Transportation Services	0					
Substance Abuse Services	0					
Employment/Training Services	0					
Health Services	0					
Lead Hazard Screening	0					
Crime Awareness	0					
Fair Housing Activities	10	0	10			
Tenant Landlord Counseling	0					
Other Services	0					
Economic Development (General)	0					
C/I Land Acquisition/Disposition	0					
C/I Infrastructure Development	0					
C/I Building Acq/Const/Rehab	0					

Other C/I	0					
ED Assistance to For-Profit						
ED Technical Assistance						
Micro-enterprise Assistance						
Other						

OUTCOME PERFORMANCE MEASUREMENTS
(Table 1C, 2C, 3A)

Availability/Accessibility of Decent Housing (DH-1)							
Specific Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number CDBG/Other	Percent Achieved
DH 1.1	Provide assistance to non-profit organizations that assist the homeless and those at risk of becoming homeless, provide transition assistance to the homeless and help prevent homelessness. (*These goals are established for the Medford-Ashland & Jackson County Continuum of Care region.)	CDBG General Fund Private	2010	Number of homeless, or households at risk that have received services to improve health, safety, provide counseling, or improve conditions and assistance to homeless populations that enable them to be self sufficient.	150 Individuals and persons per year*	400 ⁴ / 0 714 ⁵ /0	200% 475%
			2011				
			2012				
			2013				
			2014				
MULTI-YEAR GOAL					750	400	
DH 1.2	Encourage development of transitional and supportive housing for extremely low and low-income special needs populations.	CDBG General Fund Private	2010	Number of individuals with special needs that have received services designed to improve health safety, general welfare, and self reliance.	5	0	0 %
			2011		3	0	0%
			2012		2		
			2013		2		
			2014		2		
MULTI-YEAR GOAL					14	0	0%
DH 1.3	Provide assistance to non-profit organizations that provide support services for extremely low and low-income special needs populations.	CDBG General Fund Private	2010	Number of group homes or other supportive housing developed for the elderly, individuals with special needs.	0	0	0%
			2011		0	0	0%
			2012		1		
			2013		0		
			2014		0		
MULTI-YEAR GOAL					1	0	100%
Affordability of Decent Housing (DH-2)							

⁴ This number reflects the combined total of homeless and at-risk individuals served through the one day Project homeless connect event as well as through the CDBG funded St. Vincent De Paul Home Visitation Program.

⁵ This number reflects the combined total of homeless and at-risk served through the one day Project Community Connect Event which served 629 individuals and the St. Vincent De Paul Home Visitation Program which served 85 but still had some grant funds to expend.

DH 2.1	Encourage the acquisition and construction of affordable rental housing.	CDBG General Fund Private	2010 2011 2012 2013 2014	Number of new rental units affordable to, and occupied by, lower-income households	2 2 2 2 2	2 ⁶ / 0	100 %
			MULTI-YEAR GOAL		10	2	0%
DH 2.2	Encourage the acquisition and construction of affordable housing by private developers.	CDBG General Fund Private	2010 2011 2012 2013 2014	Number of new for purchase housing units created by private developers that are affordable to, and occupied by lower-income households.	2 2 2 2 2	0 / 0 0 / 0	100 %
			MULTI-YEAR GOAL		10		
Sustainability of Decent Housing (DH-3)							
DH 3.1	Support the acquisition and development of affordable rental housing units through a sustainable program, which retains the units as affordable in perpetuity, such as a land trust.	CDBG General Fund Private Federal	2010 2011 2012 2013 2014	Number of existing or new housing units that have been secured as affordable through deed restrictions recorded on the property	5 5 5 5 5	2 ⁷ / 0 0 / 0	40 % 0 % 0 % 0 % 0 %
			MULTI-YEAR GOAL		25	2	0%
DH 3.2	Support Acquisition and development of affordable ownership housing units through a sustainable program which retains the units as affordable in perpetuity, such as a land trust	CDBG	2010 2011 2012 2013 2014	Number of existing or new housing units that have been secured as affordable through deed restrictions recorded on the property	4 2 5 2 1	0/7 ⁸ 0/8	100 %

⁶ ACLT completed the development of 2 new rental units on Bridge Street during program year 2010.

⁷ See footnote #1 above.

⁸ Groundworks completed 7 of the 15 proposed new ownership units in the Rice Park development in the 2010 program year. These units were developed to meet a City planning requirement and have no CDBG funding in them.

			MULTI-YEAR GOAL		14	7	100%
DH 3.3	Retain existing affordable housing, rental and ownership, by supporting rehabilitation programs which recapture the rehabilitation costs for further use in Ashland.	CDBG General Fund State Federal Private Fund	2010	Number of housing units occupied by low income households that have been rehabilitated	1	3 ⁹ 3	100 % 100 %
			2011		1		
2012	1						
2013	0						
2014	0						
			MULTI-YEAR GOAL		3	3	100%
DH 3.4	Retain existing affordable housing, rental and ownership, by supporting rehabilitation programs using a sustainable program which retains the units as affordable in perpetuity.	CDBG General Fund	2010	Number of existing housing units that have been rehabilitated and retained as affordable through deed restrictions recorded on the property.	10	0/0 0/0	0% 0%
			2011		10		
2012	10						
2013	5						
2014	5						
			MULTI-YEAR GOAL		40		0%
Availability/Accessibility of Suitable Living Environment (SL-1)							
SL 1.1	Accessibility-Availability of improved public infrastructure serving low-moderate income persons	CDBG General Fund	2010	Number of households benefiting from new or enhanced city sidewalks.	20	60 ¹⁰ /117 1 ¹¹	100%
			2011		20		
2012	20						
2013	20						
2014	20						
			MULTI-YEAR GOAL		100	1230	100 %
Affordability of Suitable Living Environment (SL-2)							
SL 2.1	Construct new sidewalks on existing streets in extremely low-, low- and moderate income neighborhoods.		2010	Linear feet of sidewalk completed in qualified low-income Census block groups.	2,000	0/2065 ¹² 0/0	100%
			2011		2,000		
2012	2,000						
2013	2,000						
2014	2,000						
			MULTI-YEAR GOAL		10,000	2065	100%
Sustainability of Suitable Living Environment (SL-3)							

⁹ Three homeowner rehab projects were completed in PY 2010 utilizing revolving loan fund repayments.

¹⁰ Residents of Snowberry brook who will benefit from the CDBG funded sidewalk improvements.

¹¹ # of residents of census block groups 001900-1, 002000-1, and 001800-1 divided by the average household size (2.14). These improvements were funded through the City's general fund.

¹² Linear feet of sidewalk improved or installed in low-income census block groups funded by the City's general fund.

SL 3.1	Install Wheel chair ramps in existing sidewalks.		2010	Number of wheel chair ramps installed in existing sidewalks.	1	1/23 ¹³ 0/0	
			2011		1		
			2012		1		
			2013		1		
			2014		1		
			MULTI- YEAR GOAL			5	

¹³ City General Funds paid for the installation or upgrade of 11- wheelchair ramps in census tract 1900 blockgroup 1, 8- wheelchair ramps in tract 2100 blockgroup 2, and 5 in tract 2000 blockgroup 1 all of which qualify as low income census block groups

Availability/Accessibility of Economic Opportunity (EO-1)							
Specific Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number CDBG/ Other	Percent Achieved
EO 1.1	No goals identified		2010				
			2011				
			2012				
			2013				
			2014				
MULTI-YEAR GOAL							
Affordability of Economic Opportunity (EO-2)							
EO 2.1	No goals identified		2010				%
			2011				%
			2012				%
			2013				%
			2014				%
MULTI-YEAR GOAL							%
Sustainability of Economic Opportunity (EO-3)							
EO 3.1	No goals identified		2010				%
			2011				%
			2012				%
			2013				%
			2014				%
MULTI-YEAR GOAL							%
Neighborhood Revitalization (NR-1)							
NR 1.1	No goals identified		2010				%
			2011				%
			2012				%
			2013				%
			2014				%
MULTI-YEAR GOAL							%
Other (O-1)							
O 1.1	No goals identified		2010				%
			2011				%
			2012				%
			2013				%
			2014				%
MULTI-YEAR GOAL							%
Other (O-2)							

O 2.1	No goals identified		2010				%		
			2011				%		
			2012				%		
			2013				%		
			2014				%		
			MULTI-YEAR GOAL				%		

OUTCOME PERFORMANCE MEASUREMENTS
Table 1C
Summary of Specific Homeless/Special Needs Objectives

#	Specific Objectives	Sources of Funds	Performance Indicators	Expected Number	Actual Number	Outcome/ Objective*
	Homeless Objectives					
	Special Needs Objectives					
	Other Objectives					

***Outcome/Objective Codes**

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

OUTCOME PERFORMANCE MEASUREMENTS
Table 2C
Summary of Specific Housing/Community Development Objectives

#	Specific Objectives	Sources of Funds	Performance Indicators	Expected Number	Actual Number	Outcome/Objective*
	Rental Housing					
	Owner Housing					
	Community Development					
	Infrastructure					
	Public Facilities					
	Public Services					
	Economic Development					
	Neighborhood Revitalization/Other					

*Outcome/Objective Codes

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

Table 3A -- Summary of Specific Annual Objectives

#	Specific Annual Objectives	Sources of Funds	Performance Indicators	Expected Number	Actual Number	Outcome/ Objective*
	Rental Housing					
	Owner Housing					
	Homeless					
	Special Needs					
	Community Development					
	Infrastructure					
	Public Facilities					
	Public Services					
	Economic Development					
	Neighborhood Revitalization/Other					

***Outcome/Objective Codes**

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

I. Summary of Resources and Distribution of Funds

The City of Ashland utilized Community Development Block Grant funds to assist in furthering the goals and objectives identified in the Consolidated Plan. For Fiscal Year 2011 the City received \$186,256 in CDBG funding. The City also utilized carryover funds in the amount of \$13,522 in unallocated CDBG funds from the 2010 program year. See table 1.1 below.

In the 2011 program year the City of Ashland awarded funds to; ACCESS Inc. \$136,142 in CDBG funds to acquire a lot on which to build six units of affordable housing, \$27,938 to St. Vincent De Paul home Visitation Program to provide emergency rent and energy assistance to avoid homelessness, and lastly \$27,623 to provide audible signals added to existing cross walks to assist the sight impaired did not get utilized in the 2010 program year.

In Program Year 2011, the City drew down \$203,945, in Community Development Block Grant Funds.

Table 1.1

Agency/Organization	Funds Committed	Funds Expended in FY 2010	Funds Expended in FY 2011	Remaining Balance
ACCESS, Inc.	\$136,142.00		\$136,142.00	\$0
St. Vincent De Paul 2011	\$27,938.00		\$20,856.49	\$7,081.51
St. Vincent De Paul 2010	\$30,000	\$29,276.16	\$723.84	\$0
Public Works-ADA	\$27,623			\$27,623.00
City of Ashland (Admin 2010)	\$44,909.00 ¹⁴	\$42,378.55		\$2,530.45*
City of Ashland (Admin 2011)	\$37,251.00		\$37,251.00	\$0
CDBG Fund total	\$303,863.00	\$71,654.71	\$194,973.33	\$37,237.96
CDBG-Recovery Act	\$55,622.00	\$46,650.21	\$8,971.79	\$0
Total	\$359,485.00	\$118,304.92	\$203,945.12	\$37,237.96

*Funds returned to HUD, due to General Fund discrepancy

A) Geographic Distribution of Expenditures

The City of Ashland is a relatively small community both in population and incorporated area. Ashland is 4.4 miles long and 1.7 miles wide and comprises seven census tracts and 20 block groups. Of those 20 block groups 8 qualify as Low- to Moderate- Income area benefit block groups. There are no areas that fall under HUD's definition of racial or minority concentrations within the City. The 2000 Census estimated that 92% of Ashland's populations is White alone. The City of Ashland does not have any designated Revitalization Neighborhoods nor does the City have any areas that qualify as being affected by slum or blight conditions. The city did not target any CDBG funds to a designated area.

¹⁴ The City returned \$2,530.45 in CDBG admin funds which are not reflected in IDIS.

II. Narrative Statement

A) Assessment of Three to Five Year Goals and Objectives

In April of 2010, the City of Ashland adopted the Five-Year Consolidated Plan (2010-2014). Fourteen priorities (goals) are identified in the Five-Year Consolidated Plan. The priorities are not ranked in order of importance. Each project/activity, which was undertaken during Program Year 2011, is listed and discussed under the relevant priority.

The assessment provided in this CAPER covers the 2011 Program year (July 1, 2011-June 30, 2012).

For the 2011 Program year the City had very little progress to report on the three to five year Consolidated Plan Goals. Two projects, one of which will provide a total of 15 homeownership units and 60 rental units for low to moderate income households were completed in the 2010 Program year. One of these projects, the 60 unit rental development utilized CDBG funding for public facilities improvements. Please see tables 2A, 1C, 2C, and 3A for details.

B) Affirmatively Furthering Fair Housing

In the 2011 Program year the City undertook several activities to affirmatively Further Fair Housing. The City continued its support to the Fair Housing Council of Oregon (FHCO), working with that organization in partnership with the City of Medford and the Southern Oregon Housing Resource Center to provide education and outreach on a regional level. The City convened a meeting with the Fair Housing Council of Oregon, the Southern Oregon Housing Resource Center, the Southern Oregon Rental Owner's Association, and other community stakeholders where fair housing activities for the 2011 Program year were discussed and coordinated on a regional level. These activities which came out of this meeting included; bringing the Fair Housing Display to the Southern Oregon region for the entire month of April, and bringing it to communities who had not previously had the opportunity to host the display, the display was featured at the Southern Oregon spring home show which has been held since 1983 and sees upwards of 20,000 people annually. Regional providers of housing and legal services discussed training needs and gaps in fair housing compliance and coordinated with the Fair Housing Council of Oregon around a grant opportunity to provide more Fair Housing presence and compliance in the Southern Oregon region. The Fair Housing Council received notice in June of 2012 that they were awarded funding to provide a .50 FTE employee stationed in the Southern Oregon Region. ACCESS, Inc. has offered to provide office space for this person. The FHCO is currently in the process of hiring for this position and expects them to become active locally in the 2012 Program Year.

In the 2008 Program year, the City of Ashland Contracted with the Fair Housing Council of Oregon to undertake an update of the City's Analysis of Impediments to Fair Housing Choice (AI). The final draft of the AI was completed in September of 2009. In the updated City of Ashland AI the Fair Housing Council of Oregon identified several impediments to fair housing choice. Many of the recommendations were in line with activities that the city was currently undertaking, and some of the recommendations the City has begun to work toward implementing. The City of Ashland Housing Commission has completed a review and recommended revisions to the City's local Fair Housing Ordinance which will be presented to the City Council for adoption during the 2012 program year.

The Fair Housing Council identified 15 impediments to Fair Housing Choice in the City of Ashland's Analysis of Impediments to Fair Housing Choice. In Program year 2009 the City initiated action on nine of those impediments. In Program Year 2011 the City continued its work on those activities as well as ongoing education and outreach efforts through targeted trainings and public awareness activities. Though the City is far from accomplishing the goals laid out in the AI, the City is committed to affirmatively furthering fair housing and continuing to work with community partners, citizens, and other jurisdictions on implementing the recommendations included in the AI. The City will report further activities and accomplishments on the goals noted above as well as the remaining unaddressed goals in successive CAPER's.

C) Affordable Housing

Progress on the Consolidated Plan goals 1.1 and 1.2, the development of affordable rental and homeownership housing; had throughout the period covered by the 2005-2009 Consolidated Plan been hampered by the high cost of land in the City of Ashland. Though this has been a considerable barrier to providers of affordable housing in the Jackson County area, the recent economic downturn has served to slow the pace of market rate development in Ashland allowing opportunities for more affordable housing development. The City met its Consolidated Plan goals for affordable ownership housing and for the development of rental housing for the previous five year period. For the current five year period beginning in program year 2010, the City is on track with the goals for affordable rental, ownership and long term deed restricted units.

In the 2008 and 2009 program years the City of Ashland partnered with the Housing Authority of Jackson County to jointly acquire a 10 acre property. The City traded 1.7 million in land, and \$720,000 in cash, the Housing Authority paid 1.2 million for a total purchase price of 3.6 million. The direct contribution from the city toward the land purchased for the Housing Authority development was \$160,000. The development was completed in the spring of 2010 and fully leased at that time as well. The completion of this project allowed the City to meet the goal of developing 55 new affordable rental units which was identified in the previous five year consolidated plan.

The City has also met and exceeded Decent Housing goal 3.3 for ownership housing rehabilitation primarily utilizing CDBG program income and CDBG-Recovery act funds.

During the 2011 Program year the City continued to work with Rogue Valley Community Development Corporation on the completion of the remaining eight units of the self help homeownership units(seven units were completed in the initial phase of the project in 2010). Each of these units is deed restricted to remain affordable through the SDC deferral program for a period of 30 years, through the annexation ordinance for a period of 60 years, and through the Rogue Valley Community Development Corporation's (RVCDC) land lease for a period of 99 years.

The City of Ashland does not directly develop or manage affordable housing. The City of Ashland has prioritized the provision of affordable housing to be the highest priority need in the Consolidated Plan. Over the years the City of Ashland has developed a number of programs, incentives, and regulations in an effort to promote the development of affordable housing. Specifically; the City provides a density bonus to developers who construct affordable rental and ownership units, the City defers the System Development Charges (SDCs) for affordable rental

and single family homes so long as they remain “affordable” for a period of 30 years. The maximum rent limit set by HUD can not be exceeded, nor can the housing units be sold outside the program during this period, (a change in the SDC waiver program instituted in 2005 was to eliminate the ability to “buy-out” of the program by paying off past SDCs), lastly, the City added language to the zone change, annexation, and condominium conversion ordinances that provides for a percentage of affordability under certain circumstances. The funding source for these activities is the City of Ashland’s General fund for administration of the City sponsored affordable housing program and foregoing collection of System Development Charges and applicable Community Development and Engineering fees.

The City continues to examine and initiate new and innovated programs to promote, develop, and retain affordable housing.

Worst Case Needs

The City of Ashland has undertaken many steps to meet the needs of low-income renters with severe cost burden, to address substandard housing and to lessen or alleviate instances of involuntary displacement. Specifically, the City has worked with the local providers of affordable housing to promote the production and retention of affordable rental and ownership housing in Ashland. In 2010 the Housing Authority of Jackson County completed the first large scale affordable rental housing project built in Ashland in the last twenty years. The Housing Authority currently provides approximately 100 housing choice vouchers to residents in the City of Ashland, these vouchers help to alleviate severe cost burden to some Ashland renters. The City of Ashland Housing Commission has listed as one of that body’s top priorities the preservation of expiring use HUD subsidized rental complexes. In program year 2011 the City awarded funds to ACCESS, Inc. the CAP agency for Jackson County to develop 6 units of affordable housing and to St. Vincent De Paul Society to assist those at risk of losing their housing or at risk of having their utilities shut off.

In an effort to reduce the number of households living in substandard housing, the City awarded homeowner rehabilitation program funds to the Housing Authority of Jackson County over three grant years, 1997, 1998, and 2000. Loan repayment proceeds from prior year’s home owner rehabilitation projects are put into a revolving loan fund to complete more homeowner rehabilitation projects. In program year 2010 loan repayments proceeds from prior year’s payoff in the amount of \$46,448.99, were utilized to complete repairs on three more owner occupied units. Two of the projects leveraged funds from the City’s energy efficiency program funded with CDBG recovery act dollars. The Housing Authority has not received any new payoffs in Program year 2011.

In 2009 the City was the recipient of \$55,622 in Community Development Block Grant Recovery Act (CDBG-R) funds. The City council allocated those funds to complete weatherization and energy efficiency upgrades on housing units occupied by low-income homeowners. These funds were leveraged with other available funds on a case by case basis to help further the grant funds and complete needed repairs, weatherization, and energy efficiency upgrades. There are four programs which could be used to leverage funds with the CDBG-R funds; USDA’s Rural Development Department offers low interest loans of up to \$20,000 to complete needed repairs to owner occupied homes, and up to \$7,500 in grant funds to repair the homes of owner occupants who are 62 years old and older, the City of Ashland Homeowner repair program that is detailed in the paragraph above, Access, Inc.’s low-income weatherization program, which provides weatherization measures such as insulation, window replacement and roof repairs on

mobile homes, manufactured homes and single family residences,(this program has senior and disabled preference) and the City of Ashland's Conservation program which offers a zero percent interest 60 month loan of up to \$7,500 for owner occupied units repaid through utility bill or a City incentives. The City makes referrals to Rural Development or the Housing Authority for homeowner repair needs or to ACCESS, Inc. in an effort to leverage CDBG-R funds and assist those populations within the City with the least ability to pay for needed repairs and energy efficiency upgrades. Although the intent of the CDBG-R program is to promote energy efficiency measures, lower utility expenses for low income residents and work toward community wide energy conservation allowing the City to meet the tier two energy goals of reducing the City's overall energy use as well as, the larger goal of preserving affordable housing units and making health and safety improvements is also being met. Detailed outcomes for this program are reported in section F, Leveraged resources.

The city passed a tenants rights ordinance in 2007 in an effort to protect the basic rights of tenants living in multi-family residential units who may be displaced or affected by the conversion of existing multi-family rental housing into for purchase housing. The ordinance requires property owners to notice tenants about the conversion and of the tenant's right to relocation assistance if certain conditions are not met. The City of Ashland follows all federal regulations regarding relocation when carrying out CDBG activities. The City recognizes the continued need for affordable housing for city residents, and will continue to seek out and prioritize opportunities to develop, maintain, and preserve affordable rental and ownership housing to meet the needs of very low, low, and moderate income households.

During the 2008 and 2009 Program year the City's CDBG funding went toward assisting the Jackson County Housing Authority in completing a large scale affordable housing development, the first multifamily housing development built by the Housing Authority in Ashland ever, and the first new affordable multifamily development in the past 20 years. This 60 unit development known as Snowberry Brook was completed and leased in the spring of 2011. The new development includes three fully accessible units that meet the section 504 building code for ADA accessibility, and one hearing impaired unit. All 14 of the ground floor flats were designed and built to be ADA adaptable. And 43 of the units were designed and built to be "visitable" units for people in wheelchairs providing 36" exterior and restroom doors. Similarly, a portion of the funding awarded to the Housing Authority for public facilities improvements provided for the installation of 3,250 linear feet of new sidewalk on newly developed interior streets and on previously unimproved public right of way along a major collector roadway completing the connection between two existing sidewalks between two arterial transportation routes. Lastly, the grant funds paid for the installation of 13 new wheel chair ramps further increasing ADA accessibility.

D) Continuum of Care

Consolidated Plan goals aimed at serving homeless and special needs populations are currently on track primarily due to the efforts of the Jackson County Homeless Task Force's (HTF) annual Project Homeless Connect event as well activities undertaken by the Society of St. Vincent De Paul to keep people in their homes. City staff is an active member of the Homeless Task Force, a subcommittee of the Continuum Care, and continues to work toward creating more resources for local and regional homeless and at-risk populations.

Program year 2011 was the fourth year that the HTF organized a Project Community Connect Event. In the 2008 program year the City of Ashland in partnership with the many other individual members and organizations of the Homeless Task Force put on the first annual Project Homeless Connect Event. Since that time new partner organizations and private sector businesses have donated their time and services to the event. Over the past few years the coordination effort has become more efficient, organized, and inclusive. This year the one day event took place on Friday, June 22nd, at the Medford Armory. The purpose of the event was to connect homeless populations and those at risk of homelessness to service providers, government agencies and community resources. The Project Community Connect event also serves as an opportunity for individual community members to welcome those experiencing homelessness or on the verge of homelessness back into the community through volunteerism and recognition. The event provided a hot meal and resources for approximately 629 people. Many of the agencies who participated reported that they have had follow ups from the event. Services ranged from free haircuts, dental, mental and medical health services, veterinary services, to hygiene kits, food baskets and hot lunch. Attendance at this year's event was up considerably from the previous year. There are several factors that can affect attendance rates, including the day of the week, and the weather.

Jackson County's Ten Year Plan to end Homelessness was adopted by the Jackson County Commissioners on June 3rd 2009. Paul Carlson, HUD Region X, Regional Coordinator of the U.S. Interagency Council on Homelessness, Robert Franco from the U.S. Interagency Council on Homelessness, and Karen Clearwater, from Oregon Housing and Community Services (OHCS) spoke at the event in support of the Ten Year Plan. The Jackson County Ten Year Plan to end homelessness is available on the Jackson County Website at: http://www.co.jackson.or.us/files/10-Year_Plan_to_End_Homelessness.pdf The City of Ashland continues to contribute to a coordinated effort to serve the Homeless populations and those at risk of homelessness

As mentioned the City is on track to meet the Consolidated Plan Goals of assisting 150 persons annually by providing assistance to non-profit organizations that assist the homeless and those at risk of becoming homeless, by providing transition assistance to the homeless and helping to prevent homelessness. However, due to the Housing Program Specialist's continued involvement in the Homeless Task Force in general and more specifically the time spent on the planning and participation in the Project Homeless Connect Events, the number of persons benefiting from this activity will be counted as contributing toward this goal during the 2011 Program Year and in subsequent years. The activities undertaken by the Housing Program Specialist to this end will be divided between CDBG administrative costs and City General Fund as part of the City's Housing Program. For all other activities undertaken in the 2011 program year to assist homeless and special needs populations the City primarily looked to the general fund and non-CDBG funds to fulfill these goals. Please see Outcome and Performance Measures table for details.

The City directs over \$100,000 in general fund dollars to safety net services each year. Awards to selected service providers are made on a two year cycle, with recipients receiving the full award amount on July 1st, of each year. Therefore the award indicated in table 1.3 below is an annual allocation and the recipient ultimately receives twice the amount listed. Several homeless service providers, low income health care, and essential continuum of care services are funded each year. In the 2010 program year the "Social Service Grants awarded totaled \$120,342. Given the relatively small size of the award requests, the use of the City's General Fund grant

awards enables these non-profits to direct the award to services with a minimal amount of grant administration costs.

The City has not directed funds specifically toward addressing the needs of persons with special needs that may require supportive housing (such as persons with HIV/AIDs) preferring instead to target funding and staff time to serving the needs of all populations experiencing or at risk of homelessness. If an affordable housing provider applied for CDBG funds to support the development of permanent supportive or transitional housing for those experiencing homelessness, at risk of homelessness, or living with a disease that necessitated supportive housing that application would meet several of the City's priority goals for CDBG. Currently providers of affordable housing and services that target such populations express concerns about ongoing funding for staffing and other operational costs that the City alone could not provide. City staff and members of the Jackson County Homeless Task Force continue to monitor new and existing funding sources to better serve this population. However staff and the task force have yet to identify any suitable new resources.

In Program Year 2011 one new application was funded through the Continuum of Care HUD Homeless SuperNOFA. The Jackson County Continuum of Care received a bonus award of \$11,718 to the Oregon Department of Human Services to house homeless populations with HIV/Aids. For complete CoC grant award details see table 1.2 below.

Table 1.2
Continuum of Care Grant Funds FY 2011

Agency Name	Program	Amount
ACCESS-Woodrow Pines Unit	SHPR	\$10,901
Community Works-TLP program	SHPR	\$116,015
DHS-HIV/Aids housing	SHP	\$11,718
RVCOG/DASIL-Home At Last Program	SHPR	\$132,297
Society of St. Vincent De Paul-Hope House	SHPR	\$50,000
TOTAL		\$320,931

Table 1.3
City of Ashland Social Service Grants FY 2010-2011

Organization	Awarded
	Annual allocation (2 year disbursement = award below x 2)
ACCESS, Inc.	5,700
CASA of Jackson County, Inc.	2,000
Center for Non-Profit Legal services	6,039
Children's Dental Clinic	3,285
Community Health Center	35,000
Community Works-Dunn House	15,270
Community Works-Sexual Assault Victims Services	2,600
Community Works-Helpline	10,250
Community Works-Street Outreach	8,000
Help Now! (low income legal assistance)	1,133
Jackson County Children's Advocacy Center	4,000
Jackson County S.A.R.T.	2,480
Mediation Works	2,100
Ontrack, Inc.	3,000
Pathway Enterprises, Inc.	3,120
Planned Parenthood of South West	4,000
RV Manor-Senior Volunteer Program	2,000
RV Manor-Foster Grandparent Program	1,500
SOASTC	1,200
S. Ore. Child Study and Treatment Center	2,815
Southern Oregon Drug Awareness	1,500
WinterSpring Center for living with grief and loss	1,350
Total Awarded	\$ 120,342 ((\$240,682 over two years)

E) Other Actions

a. Actions to Address Obstacles to meeting Underserved Needs

No specific actions were taken during 2011 that are not identified elsewhere in the Consolidated Annual Performance and Evaluation Report. The 2010-2014 Consolidated Plan does not identify specific underserved populations, however, since the loss of Interfaith Care Community of Ashland, the only local service provider for the homeless population, the City has made it a goal to explore opportunities to be more proactive in assisting the Homeless Community. In 2009 the City of Ashland City Council articulated goals relating to homelessness; "facilitate efforts to address homelessness by; replacing services previously provided by ICCA, Developing and emergency shelter for minors, better connection services available in Jackson County to Ashland's homeless, and ensuring [that] Jackson County's 10 Year Plan addresses the specific issues faced in Ashland. To that end the City Council has appointed a 10 person ad hoc advisory committee to explore community oriented solutions to the homeless issue and to advise the council on what the City can do to reduce homelessness locally and regionally. Lastly, in the

2011 Program year the City of Ashland awarded funds to St. Vincent De Paul's home visitation program to support their ongoing efforts to prevent homelessness. These activities are reported elsewhere in this document.

The City's continued involvement in the Jackson County Homeless Task Force is also instrumental in assessing the needs and resources of homeless populations. Similarly, the City's support for local providers of services to low income, at risk, disabled, homeless, and elderly populations through the Social Service grant program funded out of the City's general fund helps to offset the lack of resources and helps to support local providers of services to those populations. See table 1.3 above for details.

b. Foster and Maintain Affordable Housing

As mentioned previously the City of Ashland worked with the Housing Authority of Jackson County to complete a sixty unit affordable rental housing development. The City is also working with ACCESS, Inc. on a project that will create six new affordable rental units targeted to low income households. In the 2011 program year the City also saw the completion of eight new homeownership units affordable to low and moderate income households.

An Affordable Housing Committee was formed in 1990 and reconvened in 1994 to search for ways to provide economical housing in Ashland. In 1995 a formal Housing Commission was formed. The Housing Commission has endeavored to create policies that will allow additional housing opportunities for low- and moderate- income Ashland households.

The City of Ashland Housing Commission continues to explore opportunities to promote the protection of the City's HUD expiring use units, researching funding sources for the newly established City of Ashland Affordable Housing Trust Fund, as well as working toward finding new resources to serve the City's homeless populations.

c. Eliminate barriers to affordable housing

Goal 4 of the 2010-2014 Consolidated Plan looks at examining and taking steps toward eliminating barriers to affordable housing, to that end the Housing Commission, the Planning Commission, and the City Council held a joint meeting to open a dialog between city officials, community members, and developers of affordable housing. The joint meeting took place in September 2008. Barriers to affordable housing and what steps can be taken to overcome such barriers and promote the development of affordable and multi-family housing within the City were examined and discussed. Several viable ideas came out of that joint meeting and continue to be explored by the City. The City continues to consider the potential impacts to affordable housing that changes in the Ashland Land Use Ordinance may have, as well as to look at ways that the ALUO need to be updated in order to promote affordable housing and housing types. One such issue is the ALUO's requirements for manufactured housing in single family zones. Staff is currently working on updating the requirements to make it easier for landowners to place manufacture housing units on single family lots by removing outdated language that does not account for the changes and energy efficiency measures that manufactured housing has undergone since the code was originally adopted. Changing this ordinance will allow low- and moderate income individual's better access to USDA loan programs for manufactured homes.

d. Overcome gaps in institutional structure and enhance coordination.

City of Ashland Staff will continue to provide staff support to the City of Ashland Housing Commission including a Housing Program Specialist, which will help provide institutional

structure as well as to examine and implement opportunities for intergovernmental cooperation. The City will also continue to be an active participant with the Southern Oregon Housing Resource Center to maintain and promote further regional coordination and partnership in housing and community development related activities. Ashland will continue to work with the Jackson County Continuum of Care's Homeless Task force to address the development of affordable housing and resources for homeless and at risk populations at a regional level. Staff will further outreach efforts with those entities and organizations that offer resources to Ashland residents.

e. Improve Public housing and resident initiatives

The Housing Authority of Jackson County operates all Public Housing Units in Jackson County. In 2006 HAJC filed for disposition of all of their public housing units, three of which were in the City of Ashland. Consequently there are no Public Housing Units within the City of Ashland.

f. Evaluate and reduce lead-based Paint hazards.

Outside of Staff time, the City did not use CDBG funds for this activity during PY 2011. The City will ensure that lead testing and clearance is completed on any federally funded project involving a structure built prior to 1979.

g. Ensure compliance with program and comprehensive planning requirements.

HUD has established specific requirements for implementation of the Consolidated Plan. The City of Ashland has made every effort to ensure that it is in compliance with these comprehensive planning requirements. Requirements include holding public hearings, allowing for adequate periods to receive public comments, and ensuring proper public notification of these and other actions. The City continues to make every effort to comply with all regulations that govern the CDBG program.

h. Reduce the number of persons living below the poverty level.

The Housing and Community Development Act of 1992 requires communities to include in their Consolidated Plan a description of an anti-poverty strategy. The City of Ashland has limited resources for addressing the issues involved in reducing poverty and improving the self-sufficiency of low-income residents. Affordable housing is one of the factors directly related to poverty that the City of Ashland does have some ability to influence, and the related goals are covered in the Housing Goals section. In addition, the City supports housing, social service, and economic development programs targeted at the continuum of care needs of the homeless.

In another effort to address poverty within Ashland, during 2001-2002 the City of Ashland passed a Living Wage Ordinance. This ordinance requires that employees of the City, or employers receiving financial assistance or business from the City in excess of approximately \$15,000 (adjusts annually) must pay a minimum of \$12.96 per hour (adjusted annually) to employees engaged in work related to the City project or service contract. The City of Ashland operates a variety of funding and other assistance programs which, together, strategically address the goals of reducing poverty and improving the self-sufficiency of low-income residents. The activities undertaken in conjunction with this anti-poverty strategy can be separated into two primary areas of effort: human services programs targeted at the continuum of care needs; and affordable housing programs. The City of Ashland provides funding to agencies that address the needs of low income and homeless residents through a Social Service Grant program. The goal of this program is to improve living conditions and self sufficiency for residents by meeting such basic

needs as food, shelter, clothing, counseling and basic health care. The goal is carried out by providing funds in excess of \$100,000 every year to various area agencies whose focus meets one or more of these targeted needs.

The Social Service Grant program is funded entirely with general fund dollars from the City of Ashland budget. The award process is coordinated with the City of Medford and the United Way of Jackson County. Local agencies and organizations providing continuum of care activities in the Rogue Valley coordinate their applications through a Community Services Consortium. The coordination of services and related funding requests through the consortium attempts to insure that the broad range of needs is met without overlap or duplication of service. The second element of the City's anti-poverty strategy targets the development and retention of affordable housing. The City of Ashland has made a serious effort to address the issues of housing affordability.

In 2009-10 the Mayor and City Council identified the goal of creating and implementing an Economic Development Strategy that would incorporate the four objectives:

- Diversifying the economic base of the community
- Supporting the creation and growth of businesses that use and provide local and regional products.
- Increasing the number of family wage jobs in the community
- Leveraging the strengths of Ashland's tourism and repeat visitors.

In July 2011 the Council adopted the economic development strategy in an effort to provide higher wage jobs and economic stability to the Ashland area.

F) Leveraging Resources

While the City itself did not use CDBG funds to leverage other public and private resources, local non-profits have reported the CDBG funds to be essential in obtaining private donations and other public and private grants.

With regard to projects funded in PY 2011 the amount leveraged from other sources totals \$1,046,298. Access, Inc. leveraged Oregon Housing grant funds in the amount of \$941,173 and City SDC deferrals in the amount of approximately \$30,625. The Society of St. Vincent De Pau's Home Visitation Program provided \$64,100 in organizational matching funds and leveraged \$10,400 in funding from other sources. Lastly, Recovery Act funds received by the City through the Community Development Block Grant program which the City used to provide energy efficiency upgrades for low-income homeowners in conjunction with the City's Conservation loan and rebate program leveraged \$1,000 in homeowner contributions. Two of the three units completed in Program Year 2011 received insulation measures from ACCESS, Inc.'s weatherization program. The City does not track or receive information regarding leveraged funds for these activities.

G) Citizen Comments

The availability of the Consolidated Annual Performance and Evaluation Report (CAPER) for the use of 2011 CDBG funds was advertised in the September 14th 2012, edition of the Ashland Daily Tidings (advertisement enclosed) and was posted continuously on the City of Ashland web site from September 14th, 2011 through September 30th, 2011 for public comment. Additionally the Housing Commission reviewed the CAPER at their September 26th Regular meeting and

held a public hearing to obtain comments. No comments had been received as of 3:00 PM September 27th 2012. The 2011 CAPER document remains archived on the City website. (www.ashland.or.us/cdbgcaper2011)

H) Self Evaluation

a. Impact of Activities on Identified Needs

The City of Ashland Five-Year Consolidated Plan for 2010-2014 includes a list of 14 “Goals” of the community. These goals demonstrate that the highest priority need is the provision of affordable housing. To this end, 65% of the yearly CDBG allocation is directed to this highest priority need. Homelessness and the provision of social services to low and extremely low income households were also identified as a critical need and thus the City maintains a 15% set aside for such activities. Administration of the program utilizes the remaining 20%. Outside of the CDBG Program the City allocates over \$100,000 per year of general funds to address social services, \$250,000-300,000 per year to support alternative transportation (goal 11), and over \$100,000 annually to economic development although only a limited percentage (approximately \$2,000-5,000) of this program can clearly be seen to increase economic opportunities to low income residents.

Ashland is a small-city with limited resources; it is unlikely that each of the fourteen identified goals can be addressed in any single program year. Furthermore, while Ashland experiences a broad range of needs similar to larger communities, the resources and services available to assist low- to moderate-income people in the Rogue Valley is limited and comparable to rural areas.

In recent years the City of Ashland has been very proactive in its approach to tackling the problem of providing affordable rental housing and home-ownership opportunities for low-income households. Through the elimination of regulatory barriers to affordable housing, the imposition of new regulations that promote affordable housing (see Goal 4), and the establishment of an Affordable Housing Trust Fund. The City continues to look to new and innovative ways to promote, protect and support affordable housing. The City of Ashland continues to offer System Development Charge deferrals for new units affordable to low-moderate income households thereby reducing development costs for affordable housing projects. The City of Ashland is the only city in Jackson County to offer this kind of incentive.

Another priority need which the City has had difficulties addressing is assisting individuals in the transition from homelessness to permanent housing situations. Local non-profit agencies, which provide assistance and homeless prevention services, report that the population of homeless individuals in Ashland and in the Rogue Valley has been increasing since the onset of the nationwide recession. Since the loss of the City's only organization providing direct services to homeless populations in 2007, the Ashland City Council adopted an Emergency Shelter Resolution in an attempt to provide a resource for the City's homeless population in extreme weather (see goal # 6). The City will assist in endeavors to develop transitional housing within the city, and would entertain using CDBG funds in supporting an organization that offered emergency and transitional housing. Currently an Ad Hoc Subcommittee appointed by the Council in 2010 is exploring innovative ways to develop more resources for homeless and at risk populations.

In comparing the outcomes proposed in the 2010-2014 Consolidated plan with the actual outcomes for this program year, staff sees that the majority of the outcomes have been met,

such as the number of new rental units, services to homeless populations, and rehabilitation projects

b. Barriers to Fulfilling Strategies

The most obvious barriers to addressing the Priority Needs of the Five-Year Consolidated Plan are a lack of resources and the high cost of housing in the Ashland Community. Due to the current economic climate housing prices have declined throughout the country. This is true of Ashland as well, though the decrease in property values in the Ashland market has been nominal by comparison. The situation has, however, allowed more opportunities for local and regional developers of affordable housing. The median home price in Ashland in June of 2011 was \$272,000, which is still quite high when compared with Jackson County at \$166,000. Property values in Ashland increased more rapidly than the in rest of the state and Jackson County during the housing boom (increasing on an average of over 20% over the past 5 years) and have maintained their values despite the economic downturn.

Ashland's CDBG allocation has decreased annually in recent years,(though Recovery Act funds and the Obama Administration's commitment to fully fund the CDBG program provided a respite from this trend). The Future projections imply that further reductions are possible or even the elimination of entitlement community status. The loss of Federal support for affordable housing places an increasing burden on small communities to address the goals established in the Consolidated Plan with local regulatory controls or local commitment of funding. Although Ashland continues to promote affordable housing through direct financial support and the establishment of regulatory incentives and controls, limited resources and limitations on the extent of regulation allowable under state law reduce options for the City.

c. Improvements

The City of Ashland ranked the Priority Needs of the Five-Year Consolidated Plan for 2010-2014 to help address identified needs with the limited resources available for social services and Capital Improvement in the Rogue Valley. Specifically this ranking directs the majority of available CDBG funds to the highest priority need, the provision of affordable housing.

1) Monitoring

Each Community Development Block Grant (CDBG) Program Year the City reviews each CDBG activity that was underway and ranks the sub-recipient's risk factors by assigning points for each of the rating criteria on the form provided. The designated points on the rating form are established to prove a means of quantifying a Risk Factor and are useful as tools in determining the extent of monitoring for a given activity. Other factors, as deemed relevant by the City of Ashland, can be used in establishing a higher or lower risk factor than the numerical rating system. A CDBG monitoring visit may consist of an on-site monitoring or a desk monitoring. All CDBG grantees will be monitored once prior to a contract being administratively closed. The areas monitored may include:

The CDBG staff objectives for monitoring are to determine if grantees are:

- Carrying out their CDBG-funded activities as described in their contracts (as modified or amended);
- Carrying out the program or project in a timely manner in accordance with the schedule included in the CDBG contract;
- Charging costs to the program or project which are eligible under applicable regulations;
- Complying with other applicable laws, regulations and terms of the CDBG contract;

- Conducting the program in a manner which minimizes the opportunity for fraud, waste and mismanagement; and
- Have a continuing capacity to carry out the approved program or project.
- Overall management system, record keeping and progress in activities.

When a grantee is found to be out of compliance, CDBG staff will identify a specific period of time in which compliance should be achieved. Usually the grantee will have 30 days to correct deficiencies. Copies of supporting documentation demonstrating that corrective action has been taken will be required. Additional time for corrective action may be allowed on a case by case basis. Failure by the grantee to correct deficiencies may result in funds being withheld and possible restrictions on future grants.

For the 2011 Program year CDBG staff completed the risk analysis worksheet for the two sub-recipients with open activities. A summary of the monitoring and the cumulative numeric ranking based on the CDBG program risk analysis worksheet is provided for each recipient. As part of the City's annual CDBG Monitoring Program a Risk Analysis was completed in September of 2011 in which the CDBG programs exposure, effectiveness and efficiency was evaluated. None of the sub-recipients of CDBG funds were categorized as 'High Risk' through this analysis. The City elected to conduct monitoring visits with both recipients that had active CDBG funded projects as part of our monitoring strategy for this program year as is outlined more fully below.

- 1.) **Ashland Supportive Housing (ASH):** Staff conducted an on-site monitoring of this project in the 2011 Program Year.
- 2.) **St. Vincent De Paul-Home Visitation Program:** Staff conducted an on-site monitoring of this project in the 2011 Program Year.

III CDBG Program Narrative

The activities undertaken as described in the Consolidated Annual Performance and Evaluation Report (CAPER) were consistent with the 2010-2014 Consolidated Plan and the 2011 Action Plan.

The table below shows the projects awarded CDBG funds in Program Year 2011:

CDBG Funded Projects for Program Year 2011

Project ID	Recipient Organization	Activity Name	Location	CDBG Funds	Households or Persons Assisted Annually
2011-1 (Consolidated Plan Goal 14)	City of Ashland	CDBG Administration	city wide	\$37,251*	city wide
2011-2 (Consolidated Plan Goal 8.1 & 8.2)	St. Vincent De Paul	Home Visitation Program-Homeless Prevention	City wide	\$27,938	60 Low-Income Households

2011-3 (Consolidated Plan Goal #8.1 & 8.2)	ACCESS, Inc.	Acquisition and predevelopment of a parcel of land to be developed as 6 units of rental housing affordable to households earning 60% AMI	Tax lot 391 E 11 CB 1035	\$136,142	6 low-income households
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* In program year 2011 the City returned \$2,530.45 in admin funds due to a general fund issue.

Assessment of Relationship of CDBG funds to Goals and Objectives

Goal 1: *To increase the supply of affordable rental housing for extremely low-, low- and moderate-income families. Where possible, give funding priority to those projects that will provide benefits to residents with the lowest incomes.*

Action to meet priority and time-line

The City issued an RFP on January 3rd 2011. The City received five applications in response to this RFP. At a public hearing held on April 5th, 2011, the Ashland City Council directed City staff to award \$136,142 in Capital improvement funds to ACCESS, Inc. to acquire a parcel of land on which to develop six units of affordable housing and \$27,938 to St. Vincent De Paul to provide emergency rental and utility assistance to low-income families facing eviction or shut offs. The City has yet to expend \$27,623 awarded to the City's Public Works Department in 2010 for the installation of ADA crosswalk signals to aid the sight impaired.



These projects will assist the city in meeting several of the goals and outcomes identified in the 2010-2014 Consolidated Plan. Specifically Goals 8.1 and 8.2; *Encourage the development of transitional and supportive housing for extremely low- and low-income special needs populations and to provide assistance to non-profit organizations that provide support services for extremely low- and low-income special needs populations.* Goal 6.1 to provide assistance to non-profit organizations that assist the homeless and those at risk of homelessness, provide transition assistance to the homeless and help prevent homelessness. Goal 7; *to provide safe and convenient access to alternative transportation routes,* and Outcomes; Decent Housing 1.1, 1.2 and 1.3 SL 1.1: *Accessibility-Availability of improved public infrastructure serving low-moderate income persons.*

Housing Authority of Jackson County (HAJC)

Established in 1969, the Housing Authority of Jackson County is the regional provider of the HUD



Housing Choice Voucher Program, as well as a variety of other state and federally funded rental programs that serve low to moderate income families. Currently the Housing Authority provides housing and related services to 2,243 households in Jackson County. Their mission is: *To provide, develop and preserve decent, safe and affordable housing to families and individuals while coordinating efforts toward self-sufficiency.*

HAJC Snowberry Brook

The Housing Authority of Jackson County was awarded \$345,000 in CDBG funds in Program Year 2008 and \$165,367 in Program Year 2009 to complete public facilities improvements in support of an affordable housing development. The Snowberry Brook project was completed in spring of 2011. The 60 unit development is affordable to households earning 60% of the Area Median Income and below. It is the first Earth Advantage certified multi-family project completed in the City of Ashland. Snowberry Brook is also the first new large scale affordable rental housing development built in the City in over two decades is the first multi-family property built by the Housing Authority in Ashland.

The Housing Authority was awarded over 11 Million in Consolidated Funding Cycle (CFC) grant funds from Oregon Housing and Community Services (OHCS) to build Snowberry Brook. These funds had a direct economic impact on employment. The Housing Authority has not taken on any new projects in Ashland during program year 2011.

Ashland Community Land Trust (ACLT)

Ashland Community Land Trust was established in 1998 in an effort to help address Ashland's growing affordable housing crisis. The purpose of the land trust is to create and sustain long-term affordable housing in the city limits of Ashland for low and moderate-income families. The

land trust acquires and holds land, while the improvements are sold or rented to the low-income residents. ACLT consists of a six member volunteer board that works to create new affordable housing units that are deed restricted through a land trust model to insure long term affordability. In the 13 years that the land trust has been in existence they have been able to create and maintain 16 units of affordable deed restricted housing. Their housing portfolio consists of a variety of housing types, from single family ownership units to multifamily rental apartment units.

ACLT Bridge Street

ACLT purchased the property located at 404 and 408 Bridge Street with \$328,800 in CDBG funds during the 2006 program year. The purchase of the property was completed on October 12, 2006. Originally the development of the two ownership units was planned to be a collaboration between ACLT and Rogue Valley Habitat for Humanity, however,



Habitat was unable to undertake the project at that time, so ACLT decided to move forward with the project on their own. Utilizing the expertise of the all volunteer board ACLT was able to finance, design, and complete the two units without the assistance of a partner agency as all of their other projects had utilized in the past. Through the planning and financing process staff worked with ACLT to facilitate the completion of the project. ACLT hosted a ribbon cutting ceremony on the completed unit in June at that time both new units had been leased. Currently all four units were being utilized as rental units due to the economic pressures of the current housing market, though ACLT would like to offer them for sale in the future. ACLT has not undertaken or completed any new projects in program year 2011.

ACCESS, Inc.

ACCESS, Inc. has served as the Community Action Agency for Jackson County since 1976. ACCESS, Inc. has also served Jackson County as a Community Development Corporation (CDC) since 1998. In that time ACCESS has developed agency-owned housing and partnered with other non-profits and for-profits in the creation and management of affordable housing for families, seniors and people with disabilities. ACCESS has developed more than 200 units of affordable housing and currently manages many of these units. Including all of the properties held by the Ashland Community Land Trust.

In Program Year 2011, following the recommendation of the Housing Commission, the City Council approved an award to fund ACCESS, Inc.'s Hyde Park acquisition proposal in the amount of \$136,142 to purchase a property located at 2272 Dollarhide Way on which to develop 6 units of affordable housing targeting families and individuals making 60% of the AMI or below



for a period of not less than 60 years. In the Spring of 2012 ACCESS applied for and was awarded funding to build the units from the State of Oregon's Housing & Community Services and the Consolidated Funding Cycle (CFC), which distributes limited grant and tax credit funds for affordable, multi-unit, rental housing development. ACCESS received \$941,173 from the State of Oregon. The new units will

include three 1-bedroom units, two 3-bedroom units, and one 2-bedroom unit to accommodate six families. Rent will range from \$490 to \$660 per month, depending on the unit's size. The building concept is to build a "green" structure and to follow the Earth Advantage Certification path.

The units are expected to be available for rent in summer of 2013, and ACCESS will begin accepting rental applications in spring of that year. The outcomes for this activity are expected to be reported in the 2013 CAPER.

Goal 2: *To increase the homeownership opportunities for extremely low-, low- and moderate-income households. Where possible, give funding priority to those projects that will provide benefits to residents with the lowest incomes.*

The development of affordable home ownership opportunities for low- and extremely low- income households is a high priority for the City of Ashland. In 2007 the City sold surplus City owned property, the proceeds from the sale of this property was applied to the goal of addressing Ashland's Housing needs.

A portion of the proceeds from the sale of surplus City property have been applied to the purchase of a .32 acre portion of a 2 acre property owned by the Ashland Parks Department located on upper Clay street at the terminus of Chitwood Lane. In late 2007 the City of Ashland issued a Request for Qualifications for a qualified affordable housing developer to develop five affordable housing units for homeownership. Rogue Valley Community Development Corporation (RVCDC) was chosen. RVCDC worked on developing a plan for the Chitwood property until June of 2010 when that agency decided to withdraw their application citing lack of qualified homeowner's for the project and high construction cost. The City of Ashland City Council voted to transfer the property back to the parks department to be used for park purposes

in exchange for the original purchase price to be dedicated to the Affordable Housing Trust fund to further future affordable housing development.

Groundworks formerly Rogue Valley Community Development Corporation (RVCDC)

Groundworks formerly RVCDC received two prior CDBG awards which resulted in the acquisition of Property during the 2004 CDBG Program Year. Combined the two properties allowed RVCDC to develop 15 affordable ownership units in cooperation with the USDA Rural Development Mutual Self Help Program. Through the Mutual Self-help homeownership program homebuyers contributed a significant amount of “sweat equity” to the project in order to lower the purchase price to below \$120,000 per unit.

Groundworks – Rice Park.



Most recently Groundworks was gifted an acre of land located off of Nevada Street in association with an annexation to develop a “green” net zero energy subdivision. The donation of land to RVCDC was completed in order to comply with a condition of approval of the annexation that land sufficient to accommodate 25% of the units as affordable housing be dedicated to an affordable housing provider. Though no CDBG funds were contributed to this project, considerable staff time assisted in compiling an environmental Assessment and in working with

that organization to execute deed restrictions to maintain long term affordability. The City deferred \$53,923.36 in SDC's for the seven units completed in PY 2010 and deferred approximately \$61,626 in SDC's for the eight units completed in PY 2011 for an approximate total of \$115,549 in System Development deferrals for all 15 units, further the City council authorized an additional \$38,295.00 in Community Development and Engineering fee waivers, for a cumulative city contribution of approximately \$153,844 in non-collected fees to assist in buying down the overall cost of development. This contribution allowed Groundworks to further reduce the purchase price of each unit by approximately \$10,000. As with the two previously completed projects within the City, (2001 Siskiyou Blvd in 2005, and 795 Park Street in 2008) Groundworks has partnered with USDA's Self-Help Program to obtain low-interest construction loans for the home-owner/builders to develop the six units intended for this site. All units were made affordable to households earning less than 80% Area median income. Homebuyers also utilized USDA low interest home loans to further reduce the housing cost burden.

Affordable Housing Program

The City of Ashland continues to offer incentives to non-profit and for-profit developers, community development corporations, and public housing authorities to encourage the development of new affordable housing options.

The City also continues to look for ways to create new regulations or amend existing regulations that serve to promote, protect, and maintain the City's affordable housing stock. These incentives and regulations are detailed below.



In 2005-2006 the City passed a resolution (res 2006-13) that established Ashland's Affordable Housing Guidelines as well as the thresholds for a waiver of Community Development fees, and Engineering Services fees for eligible affordable units that are voluntarily provided. These fees amount to 1.85% of a project's valuation. The automatic waiver of these fees for voluntarily provided affordable units amount to a direct subsidy from the City in the average amount of approximately \$1500 - \$2500 per unit.

This program allows the deferral of SDCs for any affordable unit targeted to ownership households earning less than 80% the Area Median Income (AMI), or rental households earning 60% AMI or less. A total of 70 households are currently participating in the program. During the 2011 program year one project received SDC deferrals. The eight units completed in phase two of RVCDC's Rice Park project detailed above.

Density Bonus Program

The City of Ashland offers a density bonus for the voluntary inclusion of affordable housing within a subdivision or multifamily development. No new developments have been applied for which utilized this incentive during the 2011-2012 Program year.

Condominium Conversions

The City allows for the conversion of rental units to saleable units on a sliding scale, where the larger the complex the more rental units must be retained. In cases where an owner wishes to exceed this limitation to create more market rate ownership units the City then requires the provision of affordable housing. The City considers units that are required to be affordable to be added to our inventory only upon the recording of deed restrictions on the property. The Affordable Housing Program parameters under resolution 2006-13 establish that rental units required to be affordable following a condominium conversion shall be available to households earning 80% AMI for a minimum of 30 years. The land use ordinance regulating the conversion of apartments to condominiums was amended in 2007 and was primarily intended to preserve a decreasing supply of rental apartments.

The time period between the initial approval for conversion of an apartment complex into condominiums, and the actual recording of a condominium survey can be lengthy. The corresponding resale restriction covenants (deed restriction) are not imposed until such time as

the condominium survey is completed thus this CAPER will distinguish between those approved and those considered complete.

Total Conversions

In the 2011 CDBG program year no new condominium units were added to the city's affordable housing stock through condo conversions. Currently there are no planning applications pending approval for conversion of existing apartments. Although 71 total units completed or initiated conversion to condominiums in 2006-2007, only three units converted in 2007-2008, and only six in 2008-2009. The rate of condominium conversions has decreased considerably since 2006. This marked reduction in conversions may be attributed to the recent economic downturn in the housing market as well as City initiated ordinance changes instituted to addressing the adverse impacts of such conversions on tenants and on the City's rental housing stock.

Total Affordable Units Added to the Cities Inventory from July 1, 2010 - June 30, 2011

During the 2011 CDBG program year eight of the Rice Park self help homeownership units were completed and granted Certificates of occupancy.

Goal 3: To maintain the existing affordable housing supply. Where possible, give funding priority to those projects that will provide benefits to residents with the lowest incomes. Also, give funding priority to those programs which retain the units as affordable in perpetuity, or recapture the rehabilitation costs for further use in Ashland.

Technical Assistance

The City provided technical assistance to nonprofit organizations whose mission includes providing affordable housing. This technical assistance includes; providing information on the CDBG program, City zoning regulations, educating agencies on the planning process and providing information on the City's affordable housing programs including deferred systems development charges and density bonuses. The City also aims to direct potential affordable housing developers to other resources such as Rural Development programs and Oregon Housing and Community Services. The City of Ashland has provided technical assistance through the Planning Division as requested and has supported applications consistent with the Consolidated Plan. The City provided assistance to ACCESS, Inc for CDBG funded projects, as well as in preparing applications for proposed developments during the 2011 CDBG program year.

CDBG-R

Through the CDBG-R program the City was able to assist 16 low-income homeowners over a three year period with energy efficiency and conservation upgrades. In conjunction with this program many of the homeowners received necessary home repairs that served to maintain the integrity of the structure while reducing the energy cost burden.

Goal 4: Encourage the development of emergency and transitional housing for homeless families with children and/or individuals.

In 2007, the Ashland City Council approved a resolution setting forth policies and conditions under which the city will provide emergency housing for homeless and other individuals during severe weather conditions. In the event of the need for an emergency shelter during extreme weather, the use of Pioneer Hall or other available city-owned buildings may be used. The temporary shelters are staffed by community volunteers organized and trained by the private citizen.

Ashland experiences “extreme weather” conditions primarily during the winter months where temperatures can drop below 20 degrees, and exposure to the elements can be hazardous to persons without adequate shelter. The provision of such emergency housing in City buildings is a relatively new activity for the City and was initiated because of the loss of ICC the City of Ashland’s emergency services provider. In 2009, the City turned over the responsibility of initiating, staffing, and running the emergency cold weather shelters to the local churches who previously volunteered their space and resources to that purpose.

Expanding beyond previous years severe forecast parameters, the Presbyterian Church committed to hosting a shelter every Sunday from December through February. The choice of Sunday night was made to dovetail with the First Congregational Church’s Monday “Bread together” breakfast and shower offering.

The City continues in its endeavor to develop transitional housing by working regionally with the Jackson County Homeless Task Force, and locally through the Housing Commission and local providers of food, meals, and services to homeless populations. The City of Ashland’s CDBG program would entertain supporting an organization that offered emergency and transitional housing in the former ICCA location or in a yet to be identified property but has not directed resources directly for its development. In 2010 the City formed an Ad Hoc Homeless Steering Committee to work to develop more resources for homeless populations in Ashland. The Committee has been instrumental in created resources such as a 24 hours restroom facility in the downtown, partnering with La Clinica Del Valle and the Methodist church to host a medical/dental van every week, and a “Listening Post” project in which homeless or at risk populations can talk to a volunteer who listens without judgment. Currently the HSC is working toward developing a day-center and more shelter opportunities during the winter months.

No CDBG funded actions were undertaken or completed during the 2011 program year that specifically applied CDBG funds toward the development of emergency or transitional housing.

Goal 5: Support services for homelessness prevention and transition. Where possible, give funding priority to services that are part of a comprehensive approach that improves the living conditions of clients. Safety net services or services that meet basic needs shall only be funded with CDBG dollars if it can be demonstrated that clients receiving those benefits are part of a program that will eventually help them obtain self-sufficiency.

Aside from the CDBG Planning and Administrative funding allocated to provide support for the Housing Program Specialist position in general, and specifically to time spent planning and participating in the 2011 Project Homeless Connect Event, the City funded one CDBG project during the 2011 program year that specifically applied CDBG funds toward the support services for homelessness prevention that focus on better maintaining self sufficiency. The City allocated \$27,938 in social service funds to support the St. Vincent De Paul Home visitation program

which provides emergency rent and utility assistance to low-income households in an effort to avoid homelessness.

The City does allocate over \$100,000 of general fund dollars each year in Social Service grants from the City General Fund. These Social Service grant allocations are listed under the Continuum of Care Narrative, as table 1.2.

Goal 6: To support housing and supportive services for people with special needs. People with special needs include the elderly, the frail elderly, persons with developmental disabilities, persons with physical disabilities, persons with severe mental illness, persons with alcohol or other drug dependencies and persons with HIV/AIDS or related illnesses.

For the 2011 program year the City funded one activity in support of this goal. The City awarded \$27,938 in funding to The St. Vincent De Paul Home Visitation program to assist people with emergency rent and utility assistance. Many of the households who utilize these service fall under the special needs category.

The City will continue to support the development of housing and supportive services for individuals with special needs. The City allocates "Social Service Grants" out of the City's General Fund to address these needs. Through this City Grant Program an annual allocation of \$120,342 was awarded to 20 agencies of which the majority specifically addresses supportive services for people with special needs. This allocation was provided for FY 2010 and FY 2011 for cumulative doubling of the award amounts listed. In total the City contributes \$240,682 over a two year period to the agencies listed in Table 1.3.

Of these awards most notably the Community Health Center was provided \$35,000 annually to provide health care services, Community Works was given a combined total annual award of \$36,120 to provide services including rape crisis counseling as well as temporary shelter for victims of domestic violence. Additionally an annual grant of \$3,000 was provided to OnTrack Inc. to assist in the operating expenses for their drug abuse treatment programs.

Goal 7: To provide safe and convenient access to alternative transportation routes in extremely low-, low- and moderate-income neighborhoods.

In previous years the City had made a CDBG commitment to sidewalk improvements in moderate- and low-income neighborhoods by allocating ten percent of the total federal funding for sidewalk improvement and new construction annually in prior years. However the Ashland Consolidated Plan was revised to eliminate this 10% set-aside beginning with the 2002-2003 program year. This limitation on the allocation of CDBG was continued in the 2005-2009 Consolidated Plan and the 2010-2014 Consolidated plan further eliminating the potential to apply CDBG funds to sidewalk improvements exclusively based on qualified low-income neighborhood status.

In the 2008 program year CDBG funds in the amount of \$345,000 were awarded to the Housing Authority of Jackson County to complete public facilities improvements along Clay Street and in program year 2009 the City awarded HAJC \$165,367 to complete public facilities improvements along two new interior streets including sidewalks, and street lighting. To this end the Housing

Authority has spent \$510,367 of their combined 2008 and 2009 CDBG awards to complete those improvements.

During the 2011-2012 program year the City of Ashland provided the Rogue Valley Transportation District (RVTD) with \$116,946 to underwrite the cost of public transportation by providing reduced bus fares City wide. As the RVTD bus routes transect each of Ashland's low income neighborhoods (Census block groups 0018, 0019, 0020) the reduced fares benefited extremely-low, low- and moderate-income households by lessening the cost of public transportation. The fare reduction was a 50% reduction from fares elsewhere in the Transportation district. This reduction meant fares in Ashland were only \$1.00 versus \$2.00 elsewhere in the valley. Further the City's contribution to RVTD also reduced the fare from \$4.00 to \$2.00 for the Valley Lift program which provides door to door transportation for the disabled and mobility impaired residents of Ashland. Lastly the City purchased \$33,000 in bus passes to be provided to qualified low income senior citizens and participants in Department of Human Services Programs.

The City did not utilize CDBG funds toward this goal in the 2011-2012 program year. The full \$149,946 contribution to RVTD for reduced fares was provided by the City's General Fund.

Goal 8: To make city facilities easier and safer to use for people with disabilities.

The City committed to providing accessibility improvements to City-owned buildings through an agreement with the Department of Justice (DOJ) to improve access to City facilities. The City has completed all improvements outlined in the Department of Justice Agreement to be compliant with the Americans with Disabilities Act and received an acknowledgement of compliance in FY 2006 from the DOJ, thereby ensuring those identified City facilities are accessible to people with disabilities. As new facilities are designed and developed, or new standards for accessibility are established, the City will ensure that the accessibility needs of Ashland's residents are addressed.

In the 2010 program year the City awarded \$27,623 in CDBG funding to the Public Works Department to make ADA improvements to crosswalks in the downtown area by installing audible beacons. This activity is yet to be completed.

Goal 9: To affirmatively further fair housing.

Fair Housing Council of Oregon (FHCO)

In the 2011 Program year the City undertook several activities to affirmatively Further Fair Housing. The City continued its support to the Fair Housing Council of Oregon (FHCO), working with that organization in partnership with the City of Medford and the Southern Oregon Housing Resource Center to provide education and outreach on a regional level. The City convened a meeting with the Fair Housing Council of Oregon, the Southern Oregon Housing Resource Center, the Southern Oregon Rental Owner's Association, and other community stakeholders where fair housing activities for the 2011 Program year were discussed and coordinated on a regional level. These activities which came out of this meeting included; bringing the Fair Housing Display to the Southern Oregon region for the entire month of April, and bringing it to communities who had not previously had the opportunity to host the display, the display was featured at the Southern Oregon spring home show which has been held since 1983 and sees upwards of 20,000 people annually. Regional providers of housing and legal services discussed training needs and gaps in fair housing compliance and coordinated with the Fair Housing

Council of Oregon around a grant opportunity to provide more Fair Housing presence and compliance in the Southern Oregon region. The Fair Housing Council received notice in June of 2012 that they were awarded funding to provide a .50 FTE employee stationed in the Southern Oregon Region. ACCESS, Inc. has offered to provide office space for this person. The FHCO is currently in the process of hiring for this position and expects them to become active locally in the 2012 Program Year.

The Fair Housing Council identified 15 impediments to Fair Housing Choice in the City of Ashland's Analysis of Impediments to Fair Housing Choice. In Program year 2009 the City initiated action on nine of those impediments. In Program Year 2011 the City continued its work on those activities as well as ongoing education and outreach efforts through targeted trainings and public awareness activities. Though the City is far from accomplishing the goals laid out in the AI, the City is committed to affirmatively furthering fair housing and continuing to work with community partners, citizens, and other jurisdictions on implementing the recommendations included in the AI. The City will report further activities and accomplishments on the goals noted above as well as the remaining unaddressed goals in successive CAPER's. For details regarding the impediments to fair housing choice that were identified in the AI and what steps the City has initiated to remove those impediments please see pages 21 through 26, Section B, entitled Affirmatively Furthering Fair Housing.

In previous years the City has partnered and contracted with the Fair Housing Council of Oregon to offer trainings targeting different groups. The City continues to undertake education and outreach activities alone and in partnership. Some of the outreach activities include the availability and distribution of Fair Housing Brochures which are available in the Community Development building lobby in Ashland and are distributed through the Southern Oregon Housing Resource Center regionally to area housing providers and public buildings such as public libraries and community events such as Project Community Connect and the Multi-Cultural Fair. Lastly City staff coordinates annually with the FHCO and Jefferson Public Radio to provide the opportunity to host the FHCO education and outreach coordinator on a call in radio show to provide community education and outreach. Currently the City is looking at utilizing resources previously targeted to support trainings to be used instead to support a local Fair Housing presence in coordination with the City of Medford, the State of Oregon and HUD through the FHCO.

City of Ashland general funds and CDBG funds (Planning and Administration allocation) were utilized for staff support as well. Lastly, City General Funding through social service grant funds provided \$12,000 over a two year period in support of the Center for non-profit legal services.

Legal Services and CASA

The City of Ashland provided the Center for Non-Profit Legal Services a general fund grant in the amount of \$6,039 explicitly to provide legal assistance for low income Ashland households facing housing discrimination or harassment. Low-income Ashland households facing housing discrimination were able to obtain legal services through the Center for Non-Profit Legal Services that may not otherwise be in a position to pursue legal action. During the 2010-2011 program year the City also provided CASA with a \$2,000 grant to assist them in providing minority residents with an advocate and a resource for housing assistance. These activities attempt to address the enforcement side of Fair Housing in addition to the educational trainings that work preemptively to reduce discrimination before it occurs. The City's social service grant program is a two year grant allocation.

The City did not utilize CDBG funds toward the \$8,000 in grants noted above.

Goal 10: Assure activities assisted by the City are conducted in compliance with state and federal laws that apply to lead-based paint hazards, and the information distributed about lead-based paint is in compliance with current state and federal laws.

Revolving Loan funds from the City's CDBG funded Housing Rehabilitation program were not available to complete repairs on residences occupied by low- to moderate- income homeowners in the 2011 Program Year. The City did complete energy efficiency and weatherization upgrades to three homes occupied by low- to moderate- income homeowners utilizing CDBG-R funds. All projects undertaken were reviewed for environmental review compliance as well as the potential for lead based paint. The City will continue to ensure that when the potential of lead based paint hazards exists on any activity undertaken by the City and funded all or in part by CDBG funds that any and all effected parties will be provided with appropriate information and that proper interim measures or abatement will take place.

Goal 11: To reduce the number of people living in poverty in the City of Ashland.

The City did not use CDBG funds for a specific activity addressing this goal during the 2011 Program year. As mentioned previously in the document the City did award funds to the St. Vincent De Paul Home visitation program that works with homeless and those at risk of homelessness to obtain and maintain housing through rental assistance and case management. Often the volunteers in this program are able to offer such support services as obtaining SSI and SSD, or assisting with job search and employment. Though these activities are not directly captured in reporting data, the service is part of the mission of the Home Visitation program and as such can contribute to a reduction of the number of people living in poverty.

As outlined below the ALIEAP program provides financial assistance to impoverished households and thus improves their living conditions and may function to assist individuals in moving out of poverty.

Ashland Low-Income Energy Assistance Program (ALIEAP)

As the City of Ashland owns and operates the Electric Utility, the City is in the unique position to assist very-low income households in meeting their energy needs, specifically during the winter months when energy costs and use are highest. To this end the City targets assistance to Low-income Ashland utility customers who need help to pay their heating bills over the course of each winter.

Applicants must have an active electric utility account with the City and the Applicant's household income may not exceed 125% of the Federal Poverty Guidelines. Over the course of the CDBG program year (July 1, 2011 – June 30, 2012) the City of Ashland provided \$38,398.92 in direct assistance to a total of 274 extremely-low or low-income households, seniors and peoples with disabilities to assist with electric utility bills. The City provided \$28,380.53 to assist 275 extremely-low or low-income households with heating assistance. The City of Ashland also provided a senior discount totaling \$29,248.86 to 48 residents and Disabled Discounts to 73 residents totaling \$18,682.72.

Goal 12: Promote and support activities in the community that improve or provide access to economic opportunities for extremely low- and low-income residents of Ashland.

Although no CDBG funds were directed to address this goal, the City of Ashland granted numerous Economic Development Grants during the 2010 CDBG program year. These grants are a two year allocation and therefore carry over into the 2011 program year. Twenty different organizations received awards, however the majority were granted to organizations supporting the arts (Ballet, theater, singers, etc.).

Home Occupations

Ashland also recognizes the increasing opportunities for low income residents to participate in home businesses, either as a proprietor of services, manufacturer of goods, or through employment at such small home occupations. Between July 1 2011 and June 30, 2012 the City issued 118 Home Occupation permits for new businesses within residences. Home Occupation Permits allow incubator businesses, home based services, and internet based businesses and other such small, residentially compatible, business opportunities for Ashland residents. Given the ability to work out of ones home, expenses typically required for securing commercial property are eliminated. No data is collected on the incomes of applicants for Home Occupation Permits so it can not be determined how effective this is at providing opportunities for low- or extremely-low income households.

Goal 13: Remain aware of the barriers to affordable housing in Ashland, and where it is within the City's ability; take steps to overcome such barriers.

Education and Outreach is a significant role of the Housing Commission and such activities often have the benefit of not just disseminating information, but collecting information as well. Such a dialogue within the City facilitates an awareness of the barriers to affordable housing and highlights mechanisms available to address such barriers. A coordinated effort between the Housing Commission, the Planning Commission, and the City Council took place September 2008 to discuss barriers to affordable housing and what steps can be taken to overcome such barriers and promote the development of affordable and multi-family housing within the City. Several viable ideas came out of that joint meeting and are being explored by the City. In program year 2008 the City also reviewed and completed the Questionnaire for HUD's Initiative on Removal of Regulatory Barriers. The Housing Commission will continue to implement the actions outlined in the adopted Affordable Housing Action Plan, <http://www.ashland.or.us/Page.asp?NavID=1350> specifically; identification of funding methods to support the Trust Fund is a primary goal of the Housing Commission and that body has continued working toward that goal in the 2011 program year. In Program year 2011 the City staff has began an update of the City's Housing Needs Analysis (HNA) which looks at the income and demographics of the City's population in comparison with the type, cost, and availability of the City's housing stock. The last time the City updated the HNA was in 2002, out of that effort the Affordable Housing Action Plan was developed to address the housing inequities identified. Once adopted the HNA will serve as a technical supporting document to the Comprehensive Plan, and will act as a basis for policy discussion and implementation to address concerns of housing availability and affordability.

No CDBG public service or CIP funds were expended toward reducing barriers to affordable housing in Ashland in the 2011 program year. Administrative CDBG funds have contributed to

the support of activities that address the development of affordable housing units funded in whole or in part with CDBG awards.

The City General Fund has provided the funding for addressing the Council goals of establishing a Housing Trust Fund. Further the Land Use modifications that assist in the removal of barriers to affordable housing and the Housing Needs Analysis update will be undertaken utilizing Staff funded through the City General Fund.

Goal 14: *To provide institutional structure and intergovernmental cooperation.*

The City of Ashland employs a Housing Program Specialist, which assists in providing institutional structure as well as examining and implementing opportunities for intergovernmental cooperation. City of Ashland Staff continues to provide staff support to the City of Ashland Housing Commission. Together the City of Ashland's Housing Commission and the Housing Program Specialist monitor the accomplishments of the City's housing programs, make recommendations to the City Council on housing policy and serves as an advocate for affordable housing in the City's political process. The Commission also provides coordination and continuity to programs to meet housing and community development needs. The Ashland Housing Commission oversees specific affordable housing projects undertaken by the City in partnership with private groups. The Commission promotes cooperation between local non-profit organizations, private interests and governmental agencies for projects in Ashland to insure that the resources are used as efficiently as possible and that there is not duplication of efforts.

The Housing Commission has included in their regular meetings an update on any affordable housing projects that are underway within the City. This allows affordable housing providers an opportunity to express to the commission progress on or obstacles to their developments. This communication will function to assist in educating the Commission as well as provide further opportunity for cooperation between the City and organizations working to address our housing goals.

The Housing Program Specialist sits on the Board of the Southern Oregon Housing Resource Center to assist in regional coordination of that organization's efforts, which include coordinating regional services and affirmatively furthering fair housing. Ashland continues to work with the Jackson County Continuum of Care's Homeless Task force to address affordable housing and homeless issues on a regional level.

For the 2011 Program Year the city utilized \$34,720.55 in Federal CDBG funds for administration of the CDBG Program (after the City returned \$2,530.45 in admin funds due to a discrepancy in the general fund line item allocated for that purpose). Administration of the CDBG program includes staff support of programs and projects that further the goals outlined in the Consolidated Plan, provision of technical assistance, and the monitoring of the activities of sub-recipients. City of Ashland general funds are also utilized to contribute toward CDBG program administration as well as staff support of non-profit organizations and intergovernmental cooperation.

Assessments of Efforts to Comply with Grantee Certifications

The City of Ashland's 2010-2014 Consolidated Plan, the City provided Certifications that it will conduct its federally-funded activities in compliance with pertinent federal regulations and requirements. Ashland has followed these Certifications during the 2011 Program year reported herein, and has in good faith carried out the implementation of its Consolidated Plan, not

hindering its implementation either through action or willful inaction. Further, where affirmative action by the City is called for within the certifications (e.g., furthering fair housing, compliance with a community development plan, appropriate use of funds, and compliance with lead paint procedures) this Consolidated Annual Performance Evaluation Report has included a narrative to update the reader on actions taken.

Changes in Program Objectives

There were no changes in program objectives in 2011.

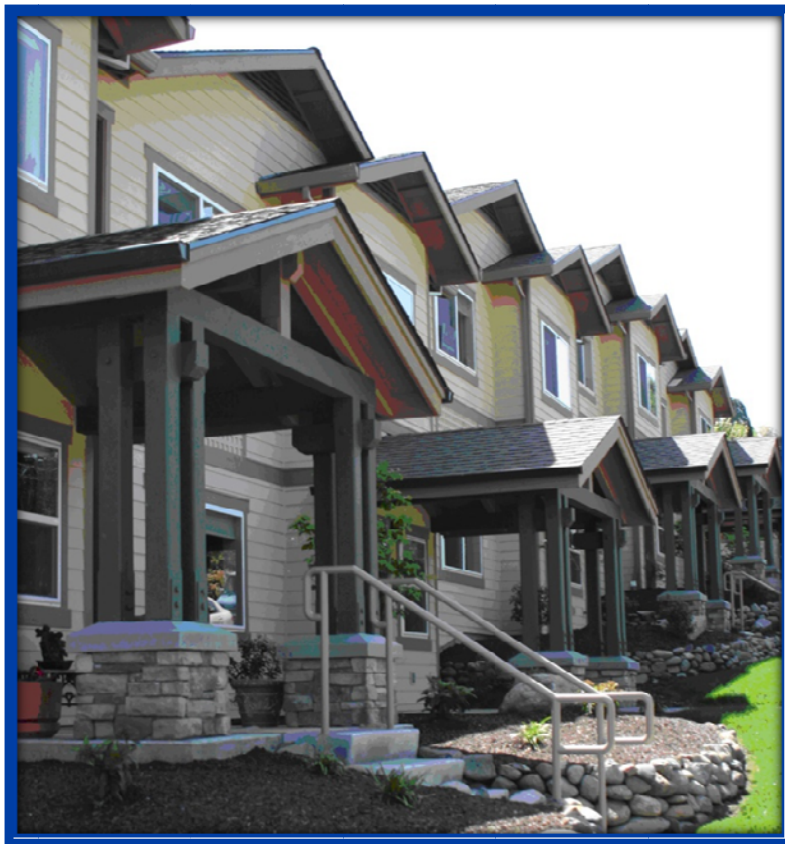
CITY OF ASHLAND



HOUSING NEEDS ANALYSIS

WORKING DRAFT August 28, 2012

2012



A Technical Supporting Document to the Housing
Element of the City of Ashland Comprehensive Plan

Prepared by the City of Ashland Community Development Department

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EXECUTIVE SUMMARY

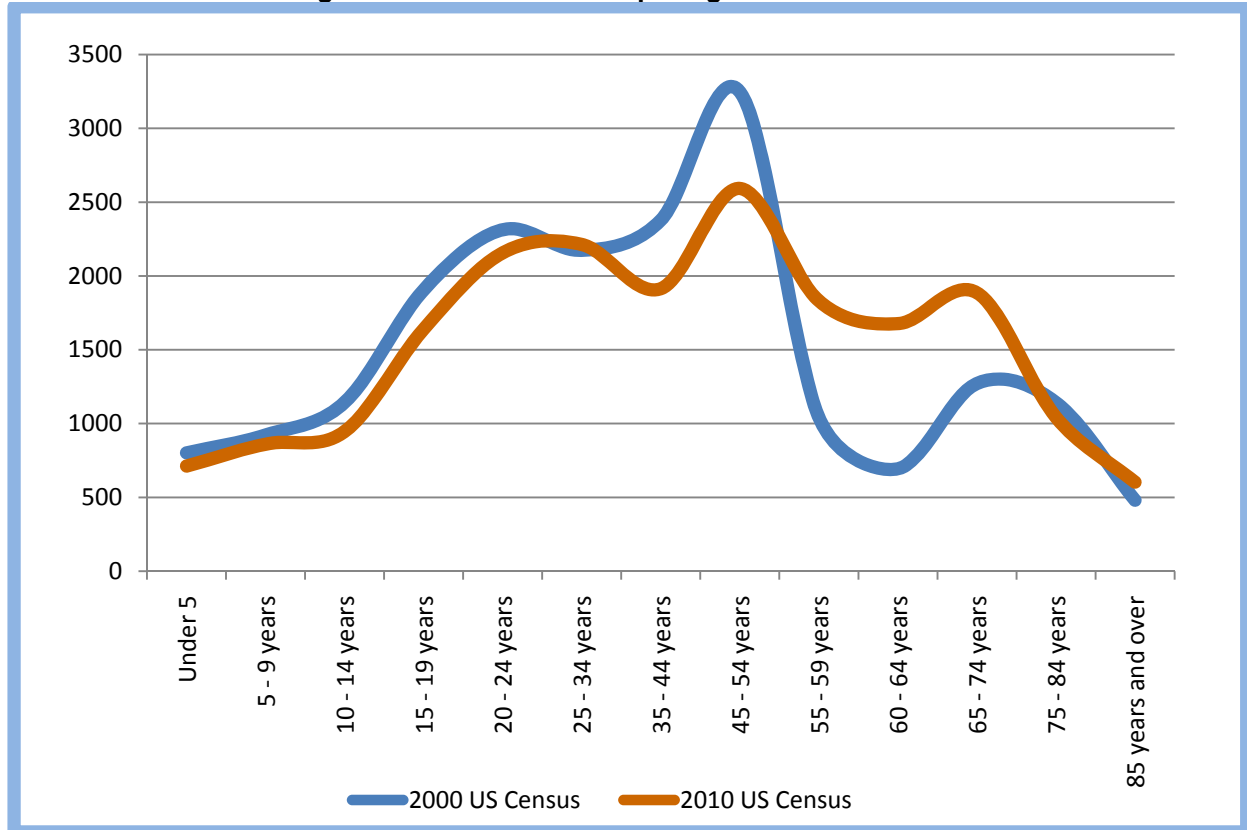
The 2012 Housing Needs Analysis provides a summary of housing and demographic trends within the City of Ashland in an effort to allow the City to meet the population's housing needs in the future. This report is intended to provide an evaluation of housing trends in Ashland since the last detailed housing assessments were completed including the 2002 Housing Needs Analysis and the 2007 Rental Needs Analysis. The following is a review of those trends, a brief summary of steps the City has taken to address the findings, recommended actions identified in the prior housing assessments, and an evaluation of what the results of those actions have been.

Findings

Ashland is growing-but relatively slowly: The City of Ashland has grown in population from 16,234 in 1990 to 20,078 in 2010 according to the US Census. This 0.79% historical growth rate is largely consistent with the City's Comprehensive Plan and Jackson County's population estimate for the City of Ashland that predicts the population will continue to grow at an average annual rate of approximately 0.75% between 2005 and 2060. Between 1990 and 2000 Ashland's population grew by 20% while the population grew by only 2.8% in the decade between 2000 and 2010. This marked disparity in population growth between these past two decades may suggest that the actual annual growth rate is trending toward a diminishing growth rate and if that proves to be the case it will be a trend which bears close monitoring.

Growth has not occurred evenly in all age groups: The population growth rate of individuals 65 years old and older grew at a faster rate in Ashland than in the rest of the State, while the population of individuals between the ages of 35 and 44 actually declined. In the last decades Ashland has also seen a substantial decrease in the population of nearly all age groups between 15 and 55 (one exception was the 25-34 age groups which saw a 3.4% increase between 2000 and 2010). The populations of age groups 55 years old and older see growth with the exception of that age group of 85 years old and older.

Figure 1. Ashland Persons per Age Cohort 2000-2010



This trend of an aging citizenry should persist into the future as the largest population growth has been and will continue to be in the age groups represented by the large baby boom cohort. This group which was in their 40's and 50's in 2000, and their 50's and 60's in 2010, (where those groups saw increases of 110% and 85% respectively), will be in their 70's and 80's by 2020. Overall the forecast for the State of Oregon (*Source: OREGON'S DEMOGRAPHIC TRENDS February 2010, State Office of Economic Analysis*) anticipates there will be 53% more elderly in 2020 than in 2010. Given Ashland's desirability as retirement destination such trending indicates Ashland will likely see a continuation of this trend.

Fewer households own housing in Ashland compared to other areas: The 2010 Census showed 51% of Ashland households own their homes and 49% are in renter occupied housing. Ashland has a lower percentage of homeowners and a higher percentage of renters than Jackson County with a 63.3% ownership rate, the State of Oregon with a 63.8% ownership rate or the Nation as a whole with at 66.6% homeownership rate. The 2000 Census data showed 52.3% of housing units in Ashland were owner occupied and 47.7% of units were renter occupied. This regional rental/owners disparity could be affected by the presence of the University which increases the student age population that is typically in the market for rental housing, but also shows a greater demand for rental units relative to the rest of the region.

The fastest growing employment sectors in Ashland do not pay enough for a household to afford fair market rents: Individuals employed in the fastest growing employment sectors in Ashland, services and retail jobs; do not make enough money to pay fair market rent in Ashland. However, this trend is not specific to Ashland; in general wages have been outpaced by housing costs since the 1980's.

The number of low-income households has decreased since 2000 after having increased between 1998 and 2000: Between 2000 and 2010 the estimated number of families and individuals living below the poverty level has decreased from 12.5% to 11.5% and from 19.6% to 18.8% respectively. Although the decrease is slight, it may signal a reversal in a trend identified in the 2002 housing Needs Analysis which found an increase of 2.7% in the estimated number of low-income households between 1998 and 2001. The 2010 Census now reports a decrease in the number of households who report having an annual income of less than \$75,000 a year while the number of households reporting an income of over \$75,000 has increased.

Housing sales prices increased nearly 50% between 1998 and 2001 and have remained higher than the regional average: Housing prices in the early part of the decade rose precipitously, and in 2001 this trend was just getting started. In 2007 at the height of the housing boom, the average home price in Ashland was \$438,750. With the fall out of the housing market in 2008 and the ensuing foreclosure crisis, housing prices in most areas fell drastically. Housing prices also fell in Ashland during the recession, though not as significantly as in other parts of the county. According to the Roy Wright Appraisal Service, 85 housing units sold in Ashland in 2011 the average sales price was \$285,000.

The median home sales price in Ashland is not affordable to households with median incomes: the 2012 median household income for a family of four in the Medford/Ashland Metropolitan Statistical Area is \$58,500. In order to afford a median priced home in Ashland a household would have to earn \$75,000 a year. Only 23.8% of the population reports having an income over \$75,000 a year, while 50% of the ownership housing stock is targeted to this group. It is clear that there is an excess of ownership housing on the market at price ranges which are not commensurate with the earning capability of the majority of the population in the region.

The largest dwelling unit gap exists for households earning less than \$10,000 annually: The findings of the Housing Needs Model for the City of Ashland using 2010 Census Data shows that the City lacks an adequate number of rental units affordable to those residents with the lowest incomes; those making less than \$10,000 a year. Households making 30% of the Area Median Income or less make up approximately 12.2% of all Ashland households. Only 3.05% of the City's rental housing stock (approximately 152 units) is considered affordable to this population. The City's current need for rental housing in a price range affordable to those with the lowest income is estimated to be 955 units; this leaves a gap of approximately 803 units needed to house these very low income households. Housing Units affordable to these populations, which include predominantly households under the age of 35, and to a lesser extent over the age of 55, could be offset by Housing Choice (formerly section 8) Vouchers. The 729

households under the age of 35 that report having an income of under \$10,000 a year may be due in part to the presence of Southern Oregon University, which includes a high percentage of non-traditional students.

Ashland has a large deficit of affordable owner-occupied housing units: The 2002 HNA found that 46% of Ashland households earning below the median income could not afford to purchase a house in Ashland. This number has grown to approximately 57% of Ashland households; over half of the current population cannot afford to purchase a home in Ashland. The Housing Needs Model shows that there is a deficit of housing stock costing less than \$279,300, only 22% of all housing units for sale in Ashland, while there is a surplus of 2,255 units above that price.

Few multi-family units were built between 2001 and 2010: The 2002 HNA found that only 9% of the building permits issued between 1990 and 2001 were for multi-family housing types. Between 2000 and 2010, 19.6% of all building permits issued were issued for multiple family units (two-family units to five or more). Though single family units tend to get developed at a rate twice that of multi-family units, the City has seen a significant increase in the development of multi-family units in the past ten years. However, not all of the newly built multi-family units were rental units, and many rental units were lost in the same period to condominium conversion.

Ashland is falling short of providing the housing types identified in the 2002 Housing needs analysis: The 2002 HNA found that more single-family units were being built than was estimated to be needed, while both multi-family housing and government assisted housing types were either falling short or not being built at all. It is clear that single-family ownership housing development remains the most prevalent type of housing development within Ashland, while the housing types most needed, including multi-family rentals and government assisted housing are not being developed in accordance with needs.

Ashland has a relatively small inventory of land zoned for multi-family housing: The 2011 Buildable Lands Inventory identified an existing capacity for up to 1,384 Multi-family units within the Urban Growth Boundary. The Housing Needs Model anticipates up to 1,759 multi-family housing units will be needed to satisfy the anticipated demand for multi-family units by the year 2040. Without changes to allowable densities, increases in mixed use developments, or an increase in land zoned for multi-family the City may exhaust the supply of land available for multi-family housing by the year 2034.

Implications of previous housing trends:

- The number of affordable units in Ashland causes households to compete against each other for housing.
- Land zoned for multiple-family is being consumed for single family ownership units such as townhomes and condominiums.
- Housing costs are forcing Ashland workers to live in other communities
- Housing costs may be contributing to reductions in school enrollment.
- Housing costs may place greater demands on transportation systems and parking (i.e. with more people commuting).
- Housing costs may limit economic development

Recommendations

Following is a summary of potential land use strategies for addressing key housing issues identified in the 2012 HNA.

Encourage more multi-family housing: Promote policies that will increase the development of multi-family housing and provide more affordable rental housing and to meet the needs of the population. The 2002 HNA also recommended an increase in multi-family housing, and in the last decade the historic development of multi-family rental housing has continued to be insufficient to satisfy demand.

Suggestion: *Increase the land supply.* The BLI data suggest that the City has capacity for about 1,384 multi-family dwellings whereas it is anticipated that 1,759 units will be needed by 2040. One approach to encourage apartment development is to designate more land for higher concentrations of residential units (High and Medium Density zones).

Suggestion: *Promote development of residential units in commercial and employment zones.* The BLI assumes commercial developments within employment and commercial zones would only utilize 50% of their allowable residential capacity on average. Increasing the prevalence of mixed use developments (beyond the 50% expectation) will effectively increase the net supply of land and the total capacity for multi-family units.

Suggestion: *Consider restricting uses in certain zones to apartments.* The building permit data suggest that a significant amount of land designated for high-density multi-family housing has been developed as single-family attached types that are owner occupied units. Designating certain lands for rental units would encourage development of apartments.

Suggestion: *Examine opportunities for reductions in parking requirements for the provision of apartments meeting certain conditions.* Studies have shown that the number

of vehicles per household is lower in areas that are more conducive to walking and have greater access to transit (City of San Diego Feb. 2011). A unit's size and level of affordability are additional conditions that could be further evaluated in consideration of needed parking and reduced parking requirements.

Suggestion: *Consider policies that encourage redevelopment or adaptive reuse of structures.* The location of rental units is also important. Increasing the supply of rental units near employment centers and the University will make these units more attractive.

Suggestion: *Develop more government-assisted housing:* The data show a need for nearly 800 dwelling units that are affordable to households with annual incomes of \$10,000 or less. About 30% of these households, however, are in the 18-24 age range and another 25% are age 65 or over. The data suggest the City would need to develop as many as 50 units per year for the next 20 years to address this need. Given the number of total housing units developed in the City in any given year is typically less than 100, it is unlikely such a target could be met. A more realistic target would be a target based on a percentage of total units developed in collaboration with local housing organizations, which would be 10-15 units annually.

Encourage more affordable single-family housing types. The average sales price of a single-family residence was over \$282,000 in 2012. Following are some approaches that can increase more affordable single-family housing types:

Suggestion: *Evaluate land use incentives to provide for small lots intended for small unit development.* The data show a strong correlation between lot size, unit size and housing cost. The City could consider reductions in minimum lot sizes in certain residential zones to specifically promote the development of smaller dwelling units.

Suggestion: *Evaluate land use requirements to reduce barriers for manufactured housing.* The City has identified a need of 2.4% of all future housing to be manufactured homes in subdivisions and manufactured homes in parks. Revising existing policies to more readily enable the placement of manufactured homes is one potential approach to allowing more affordable single family housing.

Suggestion: *Evaluate land use incentives to promote affordable single family housing.* The City should evaluate existing density bonus allocations to better incentivize the voluntary inclusion of affordable single family housing in future developments

Suggestion: *Consider allowing Accessory Residential Units as a permitted use in single family zones.* The integration of ARUs into existing neighborhoods provides for small dedicated rental units serving single or two person households, and could also be a

resource for more affordable housing types. The City should evaluate ways to reduce regulatory barriers to the voluntary inclusion of ARUs in future developments and existing neighborhoods.

Suggestion: *Reduce development fees for low-income projects:* The City should conduct a careful review of the components of housing cost and calculate the percentage of total unit cost that is a result of development fees.

City Accomplishments

Following the Completion of the 2002 Housing Needs Analysis and Housing Action Plan the City has completed a number of actions that directly address the recommendations identified in the prior analysis including the following:

- Develop land use policies and incentives to encourage the development of affordable and needed housing types;
 - Passed annexation and zone change ordinance requirements to require the inclusion of affordable housing in new developments of a type commensurate with the market rate units provided
 - Passed condominium conversion ordinance requirements that help preserve multi-family rental housing and affordable housing.
 - Passed minimum density ordinance requirements to ensure multi-family zoned properties are developed at a minimum of 80% the base density and are thus not developed as large single family lots.
 - Passed an ordinance amendment permitting small accessory residential units to be located on small lots in multi-family zones.
- Develop more government-assisted housing
 - Coordinated with the Housing Authority of Jackson County to develop 60 new units of government assisted affordable rental housing and assisted the project through joint acquisition of land, CDBG awards, and reduced development fees.
- Reduce development fees for low-income projects
 - Amended the City's Affordable Housing System Development Charge waiver program to ensure a minimum period of affordability of 30 years for assisted units.
 - Amended the City's Community Development and Engineering fee waiver program to make affordable units automatically eligible for the waivers.
 - Developed a Housing Trust Fund framework for the dedication of resources to assist the City in meeting housing needs,
- Develop Organizational Capacity for Affordable Housing
 - Dedicated General Fund and Community Development Block Grant (CDBG) resources to maintain a full time Affordable Housing Program staff position to

- work with providers of affordable housing to develop more government assisted housing locally;
- Prioritized the use of CDBG funds to support the development of affordable housing consistently awarding the funds to projects that increase the supply of affordable housing

City efforts, in collaboration with the local organizations providing affordable housing, have resulted in over 10% of all housing units developed since 2002 have been secured as affordable to low-moderate income households. This percentage equates to a total of 178¹ units secured as affordable over the last decade.

Section I - Introduction

The housing needs analysis serves as a background report to the Housing Element of the City of Ashland's Comprehensive Plan. The purpose of undertaking an analysis of housing needs is to increase the probability that needed housing types will be built and to ensure that the city has a suitable amount of land to meet the housing development needs.

A housing needs analysis should include a comprehensive analysis of factors affecting housing needs and an up-to-date knowledge of trends affecting housing. Such factors along with household income and cost information, affect the need for various housing types in a community.

Background-Oregon Planning Requirements for Housing

Oregon Revised Statutes (ORS) 197.296 contains two key objectives. These relate to housing and land, as follows:

Housing: Ensure that development occurs at the densities and mix needed to meet a community's housing needs over the next 20 years; Land: Ensure that there is enough buildable land to accommodate the 20 year housing need inside the urban growth boundary (UGB).

The City of Ashland is not required by state planning requirements to undertake a periodic review of housing need since ORS 197.296 only applies to communities with a population of 25,000 or more. However, as a guide to providing for the current and future housing needs of its citizenry, a housing needs analysis is a valuable tool. A housing needs analysis provides elected and appointed officials and city staff with the necessary data to make decisions that balance the needs of the community with regard to housing, redevelopment, annexation and growth management, the preservation of farm land and rural areas with the need to accommodate

¹ See chart "Affordable Units per year" in Appendix D

population growth and economic development. This analysis reviews current conditions and sets the framework for policy discussions on housing needs.

Purpose-Housing Need versus Housing Demand

No one would argue that that everyone should have access to decent, safe and affordable housing, but what does that really mean? Historically the evolution of housing and the housing market have not always provided those basic elements of housing which many of us now take for granted. The market has not always had an incentive or a mandate to provide those basic elements nor was there always agreement on what constituted decent, safe, or affordable when applied to housing units.

- **Decent Housing:** The term decent housing speaks to the physical condition of housing units. Housing that lacks bathroom facilities, electricity, basic plumbing and heating and is free of open exterior holes or cracks, and infestation. One measure of safe and decent housing is the Housing Quality Standards (HQS) checklist developed by HUD (see appendix D).
- **Safe Housing:** Prior to 1927 there were no building codes, with the evolution of homeowner's insurance and the fallout of multiple tragedies due to fire, many communities adopted Uniform Building Codes to create safety standards and regulate the building industry to ensure that such tragedies were averted. In the 1990's the ICC (International Code Council) codes were adopted in most states across the country in an effort to standardize the accepted safety of residential and commercial buildings nationwide.
- **Affordable Housing:** Affordable housing refers to a household's ability to find housing within their financial means. The standard measure of affordability as defined by the U.S. Department of Housing and Urban Development (HUD) is when the cost of rent and utilities (gross rent) is less than 30% of household income. When gross rent levels exceed 30% of income, particularly by a large percentage, it places a significant burden on household finances. Householders who pay more than 30% of their income toward housing costs are called "Cost burdened". Householders who pay more than 50% of their income toward housing costs are called "severely cost burdened". When households are housing "cost burdened" their ability to pay for the other necessities of life are compromised.
- **"Needed housing":** As used in ORS 197.307, "needed housing" means housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels, including the following housing types:
 - Attached and detached single-family housing and multiple family housing for both owner and renter occupancy;
 - Government assisted housing;
 - Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490;
 - Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions.

Growth Management and Housing Affordability

While state policy does not make a clear distinction between need and demand, it is instructive to make such a distinction based on housing policy:

Housing Need is based on the broad mandate of Goal 10 that requires communities plan for housing that meets the needs of households at all income levels. Thus, Goal 10 implies that everyone has a housing need. However standards defined by public agencies that provide housing assistance (primarily HUD), identify several need components: financial need, housing condition, crowding, and needs of special populations.

Housing Market Demand is what households demonstrate they are willing to purchase or rent in the market place. Growth in population leads to a demand for housing units that is usually met primarily by the construction of new housing units by the private sector based on developer's best judgments about the types of housing that will be absorbed by the market.

It is the role of cities under Goal 10 to adopt and implement policies that will encourage the provision of housing units that meet the needs of all residents. It is unlikely that the housing market in any area will provide housing to meet the needs of every household. However, it is incumbent upon the jurisdiction to endeavor to meet the basic housing needs of its citizenry.

At the extreme there is homelessness: some people do not have any shelter at all. Close behind follows substandard housing (with health and safety problems), space problems (the structure is adequate but overcrowded), and economic and social problems (the structure is adequate in quality and size, but a household has to devote so much of its income to housing payments that other aspects of its quality of life suffer).

Moreover, while some housing is government assisted housing, public agencies do not have the financial resources to meet but a small fraction of that need. New housing does not and is not likely to fully address all these needs because housing developers, like any other business, typically try to maximize their profits.

A common assumption concerning the impact of growth management policies is that by limiting the supply of developable land, such policies reduce the supply of housing. Basic economic theory suggests that if housing supply is low relative to demand, then the price for it will be high, reducing its affordability. However, this is a simplistic view. Housing prices are determined by a variety of complex factors, such as the price of land, the supply and types of existing housing, the demand for housing, the amount of residential choice in the region, and household mobility. Further in a community like Ashland, that is an attractive destination for both tourism and retirement, the "demand" for housing in the community is not isolated to the existing residential base. Rather national market forces are also factors in establishing local housing prices as the potential buyers of Ashland's housing stock come from many areas around the country.

A report by the Brookings Institution Center on Urban and Metropolitan Policy entitled “The Link between Growth Management and Housing Affordability: The Academic Evidence,” by Chris Nelson, Rolf Pendall, Gerritt Knapp and Casey Dawkins. The report, a comprehensive review of the academic literature on the link between growth management and housing affordability, found that:

Market demand, not land constraints, is the primary determinant of housing prices.

Whether growth management programs are in place or not, the strength of the housing market is the single most important influence on housing prices. For example, Portland’s growth in housing prices is more attributed to increase housing demand, increased employment and rising incomes than to its urban growth boundary.

However, both traditional land use regulations and growth management policies can raise the price of housing, but they do so in different ways:

- Traditional zoning and other planning and land use controls limit the supply and accessibility of affordable housing, thereby raising home prices by excluding lower-income households. Such policies, already widespread in the U.S., include requirements for low-density, rules on minimum housing size, or bans against attached or cluster homes.
- Growth management policies improve the supply and location of affordable housing and accommodate other development needs, thereby increasing the desirability of the community and thus the price of housing. However, higher housing prices are often offset by lower transportation and energy costs and better access to jobs, services, and amenities.

Since housing prices may increase in any land use environment, the decision for local governments is between good and bad regulation to improve housing choice. Traditional land use practices tend to zone for low-density, expensive homes that exclude lower-income households. Good growth management policies tend to incorporate policies that increase housing densities, mandate a mix of housing types, and promote regional fair share housing.²

The housing needs assessment contained in this report will be used by the City of Ashland Community Development Department and the Ashland Housing Commission to develop a set of strategies to address housing needs in Ashland. The overarching goal is to ensure the development of a stable supply of housing for current and future residents of Ashland at all income levels, and household types.

More specifically, this report is intended to present an evaluation of housing trends in Ashland since the last detailed assessment was completed in 2002, and project current and future housing needs based on 2010 Census data, community questionnaires, and the

² The Brookings Institute, 2002.

Housing Needs Model created by former Oregon Housing and Community Services Economist Richard Bjeeland. Specifically, the report:

- Describes socioeconomic characteristics and trends that affect housing;
- Describes recent housing development trends;
- Describes housing condition, tenure, and sales;
- Assesses trends in jobs/housing location;
- Quantifies housing needs by type and density, and compares it with household incomes and other factors.

Housing Needs Analysis Organization

Following the introduction are sections presenting population trends and forecasts, rental housing and ownership housing development trends, forecasts based on population growth, affordability needs, and employment trends with relation to population changes and housing needs. Next the analysis will detail the City's existing housing inventory, its current gaps and surpluses with future housing need projections based on the data from the Housing Needs Model and reconcile those projections with existing and proposed land inventory. Lastly the needs analysis will propose possible policy options for insuring that the City meets the housing and land use needs of the population well into the future.

Section II - Framework for the Needs Analysis-Community Context

Oregon Housing and Community Services (OHCS) and the Department of Land Conservation and Development (DLCD) worked together to identify data and methodology gaps in implementing the State's housing goal. The result is the Oregon Housing Model, which specifically links income and age to housing need and affordability. The analysis uses this housing model as a starting point for projecting Ashland's housing needs to 2040. The analysis will examine Ashland's housing stock in conjunction with the 2011 Buildable Lands Inventory (BLI) and will then evaluate Ashland's housing need by type and price.

This analysis has been compiled using the following data sources:

- U.S. Census Data
- Analysis of current market conditions
- Community and property owner/manager questionnaire
- The Housing Needs Model
- Coordinated Population Projections from Jackson County
- Population Data from Portland State University's Population Research Center
- Employment data from the Oregon Employment Department
- Housing and Development data from the City of Ashland and Jackson County
- All other citations and resources are referenced in the footnotes and attached bibliography.

Historic Population Trends

Incorporated in 1874, Ashland had a population of just 300. Located on a stage line with established woolen and lumber mills, the economy of the city at that time was predominantly agricultural. By 1900 the City had grown to 3,000 residents. Ashland became the division point for the Southern Pacific's San Francisco-Portland rail line. The city experienced a population boom with the coming of the rail road. In 1899 a normal school was established. Over time the institution became known as Southern Oregon State College and eventually Southern Oregon University. The University has helped attract diverse populations to the community contributing to both the economic and cultural development of the community.

Between 1900 and 1950 the population grew steadily to 7,739. Then with the emergence of the timber industry in the Rogue Valley, the city once again experienced a population boom almost doubling in size to 12,342, by 1970. The decade between 1970 and 1980 saw heavy migration to Oregon from other states, in that time the City's population increased by approximately 2,600 people. By the late 1970's the main economic support for the Ashland community came from the

growth of the tourism industry spurred by the popularity of the Oregon Shakespeare Festival. The travel/tourism industry helped to establish a base for the hospitality industry, retail shops, and restaurants, as well as other cultural and artistic venues. By 1980, population growth tapered off as the City experienced the impacts of a statewide recession and the decline in the timber industry. The city long known for its cultural attractions and quality of life became an ideal spot for retirees. At the same time, mills were closing taking with them the living wage jobs that they provided to many area families. Despite the presence of Southern Oregon State College, the number of people aged 15-29 began to decrease. By the mid 1990's an alarming trend of elementary school closures swept the city as families moved away in search of living wage jobs and affordable housing in neighboring cities.

Jackson County has a retirement population that exceeds the state average.³ This is especially true of Ashland which has been an attractive area for retirees. A demographers report completed for the Ashland School District by Portland State University's Population Research Center noted that; "the largest population growth has been and will continue to be in age groups represented by the large baby boom cohort." In 2000 there was an influx of people in the 40-50 age range, and it is estimated that by 2020 the age will range from 60-70.⁴ This trend, illustrated in Table 1.1 below, is seen in retirement communities throughout the nation as the Baby Boomers, America's largest generation ages. This has had a disproportionately greater impact on areas like Ashland and the rest of Southern Oregon, as they are popular areas for retirement. It is expected that the retirement population will continue to grow, at the same rate or faster than it has in the past two decades. The impact of a significant retiree population has had a marked affect on several aspects of the Ashland community. The needs of a largely older, retired population have significantly affected the types of employment found in Ashland and surrounding areas. There has been a significant increase in the number of health care, medical, and support service jobs due to this trend. Similarly, the rise in retail and service sector jobs is associated with this trend. Unfortunately these new employment opportunities on average offer relatively low wages. While the increase of the retirement population has created a demand for low wage jobs, it has also driven up the cost of living, specifically with regard to real estate. Lastly, as mentioned above, the increase in retirement age residents and the high cost of living has created a situation whereby families are finding housing and/or employment elsewhere, which is having an impact on local schools.

³ Southern Oregon Workforce Housing Summit, February 2006, pg. 23.

⁴ Population Research Center, Portland State University, Ashland School District Population and Enrollment Forecasts 2009-10 to 2018-19, (Demographer Report), December 2008, Pg. 7.

Table 2.1

Ashland Population by Age Group⁵								
	1990	% of total	2000	% of total	2008	% of total	2010	% of total
Under age 5	793	4.8%	802	4.1%	1,315	6.3%	1068	5.3%
Age 5-9	5,391	33.2%	923	4.7%	1,065	5.1%	1002	5%
Age 10-14			1,144	5.9%	951	4.6%	1206	6.0%
Age 15-19			1,906	9.8%	1,613	7.8%	1655	8.2%
Age 20-24			2,314	11.9%	2,251	10.8%	1885	9.4%
Age 25-34	5,126	31.5%	2,174	11.1%	2,873	13.8%	2248	11.2%
Age 35-44			2,378	12.2%	2,096	10.1%	1918	9.5%
Age 45-54	1,545	9.5%	3,249	16.6%	2,072	10.0%	2694	13.4%
Age 55-59	551	3.3%	1,042	5.3%	1,822	8.8%	1806	9.0%
Age 60-64	595	3.6%	694	3.6%	1,318	6.3%	1406	7.0%
Age 65-74	1,279	7.8%	1,272	6.5%	1,671	8.0%	1562	7.8%
Age 75-84	771	4.7%	1,143	5.9%	1,279	6.2%	1259	6.3%
85 and over	184	1.1%	481	2.5%	456	2.2%	394	2.0%
Total Population	16,234	100%	19,522	100%	20,782	100%	20,103	100%
Total Population 55 and older	3,380	20.8%	4632	23.8%	6546	31.6%	6,427	32%

Economic Conditions

As noted in the narrative above, the City's economic development grew out of its location along major transportation routes, agricultural pursuits, and natural and cultural resources. As industries based on natural and agriculture resources waned, those farm and factory/mill jobs were replaced by predominantly service sector employment and health care driven by a shift in the population toward an older demographic (see table 1.2 above). Often these service sector jobs offer lower wages, fewer benefits, and less steady employment. These factors contributed greatly to a decrease in living wage jobs within the city, prompting many young families to seek employment elsewhere and lowering the median income of the area significantly. The 2006-2010 American Community Survey 5-year estimates the median household income for the City of Ashland at \$40,140. This is lower than the median household income of Jackson County as a whole which is estimated to be \$44,142, and significantly lower than the median income of the average American household, at \$51,914. Similarly, the percentage of families and individual living below the poverty level is substantially greater in Ashland than in Jackson County, in the State of Oregon or in the rest of the Nation. See table 1.2 below for details.

⁵United States. Bureau of the Census. 2006-2010 American Community Survey 5-Year Estimates and 1990, 2000 statistical abstract of the United States.

Table 2.2

Percent in Poverty				
Household type	Ashland	Jackson County	State of Oregon	United States
Percentage of families in poverty	11.5%	9.9%	9.6%	10.1%
Percentage of Individuals in poverty	18.8%	14.0%	14.0%	13.8%

Source: 2006-2010 American Community Survey 5-year Estimates

According to 2000 Census Data⁶ the highest proportion of low- and moderate-income households are found in the central areas of the city north of Siskiyou Blvd, primarily in census tracts 19.1, 19.2 and 18.4. This area has a larger proportion of the city's multi-family properties and is located near the University. Census data does not account for the student or seasonal population so no conclusions can be drawn about how the student population affects these census tracts. Census data does show however that these census tracts have the highest percentage of minority populations and can be considered a concentration of minority population in the city with 18, 15, and 15 percent minority populations in each census tract respectively.

Income in Oregon has been below the national average for the last quarter of a century. There are four basic reasons that income has been lower in Oregon and Jackson County than in the U.S.

- Wages for similar jobs are lower;
- The occupational mix of employment is weighted toward lower paying occupations;
- A higher proportion of the population in Jackson County consists of seniors who receive only social security;
- Due to a higher proportion of seniors in the population, there is a lower proportion of working age residents.⁷

⁶ 2010 Census information at that level is not yet available.

⁷ City of Ashland, Planning Department, Economic Opportunities Analysis 2007.

Table 2.3

Household Income 2000-2010				
	Number of households (2000)	Percentage of households (2000)	Number of households (2010)	Percentage of households (2010)
All Households	8,552	100%	9,339	100%
Less than 10,000	1,173	13.7%	906	9.7%
\$10,000 to \$14,999	918	10.7%	677	7.2%
\$15,000 to \$24,999	1,300	15.2%	1,203	12.9%
\$25,000 to \$34,999	1,090	12.7%	1,286	13.8%
\$35,000 to \$49,999	1,141	13.3%	1,490	16.0%
\$50,000 to \$74,999	1,309	15.3%	1,553	16.6%
\$75,000 to \$99,999	789	9.2%	779	8.3%
\$100,000 to \$149,999	545	6.4%	819	8.8%
\$150,000 to \$199,999	166	1.9%	294	3.1%
\$200,000 or More	121	1.4%	332	3.6%
Median Income	\$32,670		\$40,140	

Sources: U.S Census Bureau 2000 and 2010 Census data

Employment

Census counts estimate that 16,564 residents are 16 years old and older; of that number 10,322 are in the labor force. The unemployment rate in Ashland at the time of the American Community Survey 2006-2010 5-year estimates was 8.1%. However, current Oregon Employment Department data shows the unemployment rates for Jackson County in March of 2012 were 10.6% down from 11.3% in March of 2011. The unemployment rate for the State of Oregon is slightly higher than that of the rest of the country; though significantly lower than that of Jackson County at 8.6%.

Between 2000 and 2007 Jackson County added 10,246 jobs, twelve percent over the seven year period. Growth slowed in early 2008 and in October 2008 the country began to post year to year job losses. By 2010, employment had fallen below its 2004 level, mainly due to the loss of 9,550 jobs between 2007 and 2010.⁸ In a recent press release, the Oregon Employment Department stated. "As the recovery from the Great Recession continues, unemployment rates continue their slow downward drift. Unlike Oregon overall, job growth has yet to resume in the Rogue Valley. But we were in a deep hole and it will take a number of years to gain back all of the jobs lost. As government sectors are continuing to grapple with revenue losses, these sectors are poised for continued job cuts."⁹ Though all sectors of the economy have experienced severe job losses and contraction, the public sector, construction and the hospitality industry, three major employers in the region and in Ashland have been hard hit by the recent economic downturn. It would be difficult to estimate the true impact that the economic downturn has had on the employment

⁸ Current Employment by Industry," Oregon Employment Department, OLMIS. Average annual non-farm employment in Jackson County was 83,910 in 2007, 75,640 in 2008, and 74,360 in 2010.

⁹ Recent Trends: Region 8, Guy Tauer, Published April 1, 2012, Oregon Employment Department, Worksource qualityinfo.org

trends in the City of Ashland at this time. However, it is easy to surmise that there is a delicate balance to an economy based on health care, education, tourism, and recreation. Industries that rely on discretionary income often are the first to suffer in an economic downturn. Within the City of Ashland the hospitality industry, food service, retail trade, and entertainment top the list of industries in which a majority of area residents are employed. See table 1.4 below.

Table 2.4

Employment and Industry				
Industry	Ashland	Medford	Jackson County	State of Oregon
Education Services, Health Care, Social Assistance	27.9%	20.1%	21.1%	20.9%
Arts, Entertainment, Recreation, Accommodation, and food service	16.6%	11.7%	10.5%	9.2%
Retail Trade	11.9%	18.2%	16.3%	12.3%
Professional, Scientific, Management, Administrative, waste management	13.1%	8.9%	9.1%	10.0%
Manufacturing	4.9%	8.8%	8.8%	11.8%
Construction	4.8%	6.1%	7.3%	7.0%
Finance, Insurance, Real Estate, Rental and Leasing.	3.3%	6.9%	5.5%	6.4%

Source: Bureau of the Census. 2006-2010 American Community Survey 5-Year Estimates.

Table 2.4 shows that the predominant industries in Medford and Ashland are largely similar, but that the macro-economies of Jackson County and the State of Oregon as a whole show a more equitable distribution of employment throughout several diversified industries, though all employment within the state relies heavily on Education, Health Care, and Social Assistance. All of the predominant industries in the state show a particular vulnerability toward the housing and stock market's collapse and the ensuing economic downturn. This no doubt accounts for the State of Oregon having one of the highest unemployment rates in the country.

Many Ashland Residents are employed outside of the City, and conversely many employees of Ashland businesses live outside of the Ashland Community. The 2006-2010 American Community Survey estimates that 68.6% of workers 16 years old and older commute an average of 16 minutes to get to their place of employment. The majority of those commuting to work drove alone, 6.2 percent carpooled, 1.3 percent took public transportation, and 18 percent used other means. The remaining 13.3 percent worked at home. This number has grown since 2000, when 65.2% of workers reported commuting to work. Workers who routinely commute to work put added strain on both the environment through the production of pollution and the demand for fossil fuels, and public infrastructure such as roadways and parking. The City of Ashland continues to experience issues with traffic congestion, pedestrian safety, and parking. The lack of housing which is affordable, accessible, and located near employment options continues to strain the city's resources and hamper its economic development. In the 2006 Workforce Housing Summit Workbook, Guy Tauer, Regional Economist with the Oregon Employment

Department stated “Many communities and businesses have realized that their future economic prosperity is dependent on being able to provide adequate and affordable housing for their workforce, and have taken a proactive approach to dealing with this impending crisis.”¹⁰

In 2011 the Ashland City Council Adopted an Economic Development strategy which was the result of an extensive public process guided by two sub-committees appointed by the Mayor and confirmed by the Council. The subcommittees consisted of representatives from the business community, economic professionals, regional and state economic development agencies and community stakeholders.

The Economic Development strategy identifies several strengths and weaknesses in the current economic environment. Namely, the City’s primary economic industry which once consisted of mill/factory work has been replaced by tourism. The nature of tourism in the region is seasonal and the wages are traditionally low.

Two factors stand out as having an adverse impact upon the potential for economic development in Ashland; housing affordability, particularly the lack of workforce housing and the limited land supply for industrial development.¹¹ The City adopted a Buildable Lands Inventory update in 2011 which has since determined that the current supply of developable commercial lands is greater than the land need projected by the EOA¹² (*Appendix Table A4*).

Community Visions and Values

In April 2009, the Ashland City Council began work on goals to guide the City’s work for the next 18 to 24 months. To guide their goal setting, the City Council first defined their values. They described, in positive terms, the things they use to make decisions about what is good for the community and good for the City of Ashland as an organization. As members of the Ashland City Council, we value:

- **Participatory government.** We value government that is open, accessible, honest and democratic. We value responsive and visionary leadership by elected officials. We have professional, high quality staff. We seek to be efficient and effective with public funds. Our citizens are engaged with their local government as volunteers and in critical community decisions.
- **Natural Environment.** Our town is part of nature’s community. We seek to enhance the quality of water, land, air, and wildlife. We actively support energy conservation and alternative energy generation. Our parks and open spaces provide habitat for plants and animals and access to nature for our residents.
- **Responsible Land Use.** We value sustainable use of land, water, energy, and public services; our architectural heritage; and buildings with quality design and construction.

¹⁰ Southern Oregon Workforce Housing Summit, February 2006.

¹¹ Economic Opportunity Analysis for the City of Ashland, Eco-northwest, 2007.

¹² City of Ashland, Planning Department, Buildable Lands Inventory 2001, pg 11.

We value a vibrant downtown, Lithia Park and strong neighborhoods. We support transit, bicycling, and walking throughout our land use plans.

- **Free Expression.** We invite the exchange of diverse ideas. We value the social, economic, and creative contributions of the arts, cultural activities, and community events.
- **Diversity.** We are a welcoming community that invites and respects the individuality and contributions of all people.
- **Economy.** We value an economy that creates wealth for all. We strive to nurture homegrown business and to connect local consumers to local products. Our economy supports arts and culture, connects to Southern Oregon University, and supports high quality public services. We value a business community in tune with the environment and that provides good wages and economic choices for individuals and families.
- **Distinctiveness.** Ashland is a unique part of the Rogue Valley. We depend on partnerships in our community and region to meet many of the needs of our residents. At the same time, we value our ability to develop innovative approaches and to chart our own course.
- **Education.** We value lifelong education. We value the social, economic, cultural, and civic contributions of strong, integrated educational institutions.
- **Basic Needs.** We believe each person needs public safety, water, sanitation, adequate food, clothing, housing, transportation, and health care.
- **Community.** We believe Ashland is a unique and special place. Residents participate in community life and feel a sense of belonging. Community gardens, neighborhoods, schools, volunteerism, and events bring our residents together. Residents look out for each other and support those in need.

What objectives do housing policies try to achieve?

The development of new housing units is primarily driven by the private market and are built and owned privately. While land use powers of local governments can impact the development of certain housing types, the primary role of local governments has been on regulation to promote public health and safety and to provide for the installation of infrastructure. Housing policies work to address housing in four categories:

- *Community Life.* From a community perspective, housing policy is intended to provide and maintain safe, sanitary and satisfactory housing with efficiently and economically organized community facilities to service it. In other words, housing should be coordinated with other community and public services. Although local policies do not always articulate this, they are implicit in most local government operations.

Comprehensive plans, zoning, subdivision ordinances, building codes, and capital improvement programs are techniques most cities use to manage housing and its development. Local public facilities such as schools, fire and police stations, parks, and roads are usually designed and coordinated to meet demands created by housing development.

- *Social and equity concerns.* The key objective of social goals is to reduce or eliminate housing inadequacies affecting the poor, those unable to find suitable housing, and those discriminated against. In other words, communities have an obligation to provide safe, satisfactory housing opportunities to all households, at costs they can afford, without regard to income, race, religion, national origin, family structure, or disability.
- *Design and environmental quality.* The location and design of housing affect the natural environment, residents' quality of life, and the nature of community life. The objectives of policies that address design and environmental quality include neighborhood and housing designs that meet: household needs, maintain quality of life, provide efficient use of land and resources, reduce environmental impacts, and allow for the establishment of social and civic life and institutions. Most communities address these issues through local building codes, comprehensive land use plans, and development codes.
- *Stability of production.* Housing is a factor in every community's economy. The cyclical nature of housing markets, however, creates uncertainties for investment, labor, and builders. The International City Manager's Association suggests that local government policies should address this issue-most do not. Moreover, external factors (e.g. interest rates, cost building materials, etc.) that bear upon local housing markets tend to undermine the effectiveness of such policies.

Section III - Housing Trends & Existing Conditions

Analysis of historical development trends provides insights into how the local housing market is working. The housing type, mix, and density of past trends are key variables in forecasting future land need. To undertake such an analysis the following parameters are established:

- Determine the time period for which the data must be gathered.
- Identify types of housing to address (all needed housing types).
- Evaluate permit/subdivision data to calculate the actual mix, average actual gross density, and average actual net density of all housing types.

In completing this analysis the City reviewed the housing mix and density of development that occurred from 2000 through 2011 (as the 2002 HNA reviewed that data through 2001). This long term analysis provides greater insight into the functioning of the local housing market than would a typical five year period given fluctuation especially in consideration of the national housing market collapse following the subprime mortgage crisis that began in 2008.

Table 3.1 shows the actual type distribution of new housing units developed between 2000 and 2011.

Table 3.1

Housing mix by Permit Issued 2000-2011			
Housing Type	Buildings	Units	Percent of Units
Single-Family	1159	1159	80.3%
Two-Family	19	38	2.6%
Three and Four-Family	14	45	3.1%
Five or More	30	202	13.9%
Total	1222	1444	100%

Source: U.S. Census Bureau data 2000 and 2010

According to Census Data, Ashland added 1,444 new dwelling units between 2000 and 2011. This is a 16% increase in the total number of dwellings over 10 years. This rate of unit growth is down from 26% in the previous ten year period. As seen in the table above (Table 3.1), the trend identified in both the 2002 HNA and the 2007 RNA, of single family development over multi-family development has continued.

Residential Construction Trends

Housing development trends identified in the 2002 HNA have persisted. Namely single family housing development has continued to outstrip the development of multi-family housing by a significant margin. The need for multi-family housing continues to grow, while the development of multi-family housing continues to lag. Rental units in price ranges affordable to those with

the lowest incomes are in the most demand. Lastly, ownership housing affordable to those making median income to 120% of Area Median Income in Ashland despite recent gains is still out of reach.

Single Family

In 2000 the estimate of one-unit detached, and one-unit attached dwelling units represented 65.3% of the housing stock. The 2008-2010 ACS estimates that one-unit attached and detached units make up 71.9% of the City's housing stock. This is an increase of 6.6% over the past decade. There has been and continues to be a clear trend of the development of single-family housing types over all other housing types.

Multi-family

The 2008-2010 ACS estimates that Ashland's housing stock is made up primarily of single family units, with only 29.4% multi-family units. This disparity in the development of single family versus multi-family development is shown in table 3.1 above.

Condominium Ownership

The City allows conversion of existing apartments to ownership units only in cases where 25% of the units converted are affordable and where the current residents have first right of refusal. The Affordable Housing Program parameters under resolution 2006-13 establish that rental apartments converted into condominiums are to be affordable at the 80% income level for a period of not less than 30 years. Since 2003, ninety-two units have converted from rental units to condo-minimized ownership units. Twenty-eight of those units which have converted have been deed restricted as affordable. In that same period sixty-three new Condominium units have been developed. Since 2008 no new condominium units have been built or converted.

Retirement and assisted living

The City of Ashland has three large retirement/assisted living facilities and one nursing home. Altogether these facilities comprise 293 dwelling units and maintain an average occupancy rate of approximately 82%. These facilities were developed primarily in the 1980's and early 1990's. No new facilities have been developed in the last decade.

Group care homes

The City currently has a total of five group homes for youth and special needs populations able to accommodate up to 28 individuals. The University has four group housing complexes on campus offering a total of 1070 beds. The university is currently in the process of building a new residence hall which is estimated to house over 800 people within two separate buildings. However, these new beds will not increase capacity but will replace existing beds currently available in other complexes whose space will be converted to other uses.

Table 3.2

2006-2010 ACS 5-Year Estimates Housing Units by Type					
Units In Structure	2000 Estimate	2000 %	2010 Estimate	2010 %	% Change
Total Housing Units	9,071	100%	10,230	100%	12.8%
1-Unit, detached	5,375	59.3%	6,503	63.6%	21%
1-Unit, attached	544	6.0%	853	8.3%	56.8%
2 Units	458	5.0%	526	5.1%	14.8%
3-4 Units	641	7.1%	530	5.2%	-17.3%
5-9 Units	609	6.7%	513	5.0%	-15.8%
10-19 Units	380	4.2%	405	7.3%	6.6%
20 or More Units	821	9.1%	746	7.3%	-9.1%
Mobile Home	225	2.5%	154	1.5%	-31.6%

Table 3.3

Homeownership/Rental Rate Comparison				
	% Renters 2000	% Owners 2000	% Renters 2010	% Owners 2010
Ashland	47.7%	52.3%	49%	51%
Jackson County	33.5%	66.5%	36.7%	63.3%
State of Oregon	35.7%	64.3%	36.2%	63.8%

U.S. Census Bureau

Income and affordability of Housing

Housing costs are influenced by several factors, including: lot size, land cost, availability of materials, labor, interest rates, and supply and demand. Housing Choice is often driven by a household's income. Similarly, income is a key indicator of a households' ability to find and retain safe, decent housing. Income is also the main determinant in most householders' housing choice. A household which is cost burdened by a rent or mortgage payment (an amount which requires a 30% or more of a household's income) is less stable and more susceptible to losing that housing should some disruption to employment, health crisis or other unexpected circumstance arise. These vulnerable households can then fall into homelessness, or require state or federal assistance to become stable again. Ability of a household to afford monthly rent or mortgage costs will, for the most part, also be the determining factor in where a householder chooses to live. Often the household will forego other housing priorities, such as square footage, bedroom size, household amenities, commute time to work, and other quality of life choices due to housing affordability.

Renter households are two times more likely to be cost burdened than owner households. Approximately 2,737 or 63% of renter households experience cost burden, while only 1,352 or 48% of homeowners experience cost burden from housing costs. This can be attributed in part to a higher percentage of low-income rental households than owner households. In 2000, 37% of Ownership households paid less than 15% of their incomes toward mortgage costs, while a full

45% of renters paid more than 35% of their incomes toward housing costs.¹³ In the ensuing decade the rapid rise in housing values has substantially increased the costs of homeownership, but even with that increase homeowners as a group still tend to experience less cost burden than renters.

As seen in Section II- Framework for Housing Needs-Community Context, the City of Ashland has a higher percentage of families and individuals living below the poverty level than Jackson County or the State of Oregon as a whole. The City also has a higher proportion of lower paying service sector jobs and a higher percentage of seniors in the population than in other parts of the County or State. These factors contribute to the large percentage of households experiencing cost burden.

According to the State Housing and Community Services Department, housing cost in 1990 was increasing at a rate of 9% while household income increased at an annual rate of 2%. Between 2000 and 2010 median mortgage costs for homeowners in Ashland went up by 53%. Rental costs for Ashland residents increased 47% in that same period. While median Household income increased by only 22.9%.¹⁴ This long term trend of housing costs outstripping incomes has exacerbated the demand for affordable housing throughout the state. The increasing need for affordable housing units has taxed the traditional methods of funding affordable housing and cannot be sustained into the future should the trend continue.

Rental Units

2008-2010 ACS estimates that 48.2% of all occupied housing units or 4,498 are renter occupied units. Fair Market rents for Jackson County as established by the Department of Housing and Urban Development mandate the maximum amount that projects developed using Low Income Housing Tax Credits (LIHTC) or Tax-Exempt bonds are allowed to charge. These amounts correspond to the HUD income guidelines for that area. In 2012 the Fair Market rent for a two bedroom unit was \$807 a month. In order for an individual to afford a rental unit at that rate, and not experience cost burden, they would need to earn \$15.13 an hour. Currently the 2008-2010 ACS estimates that the median income for a worker in Ashland is \$19,042 per year or \$9.92 an hour. Currently a HUD regulated two bedroom unit in Ashland is mandated to rent for \$590 a month.

In 2012 the City of Ashland posted a questionnaire on the City's website that looked at specific housing related questions some of which corresponded to questions posed in the 2007 Rental Needs Analysis' random call survey conducted by Riley Research. The City also sent out a business reply mailer to a selected list of rental property owners and property management companies compiled from two sources; the City's business license registry(which included all businesses who rent six or more units), and the list of rental properties developed by SOU

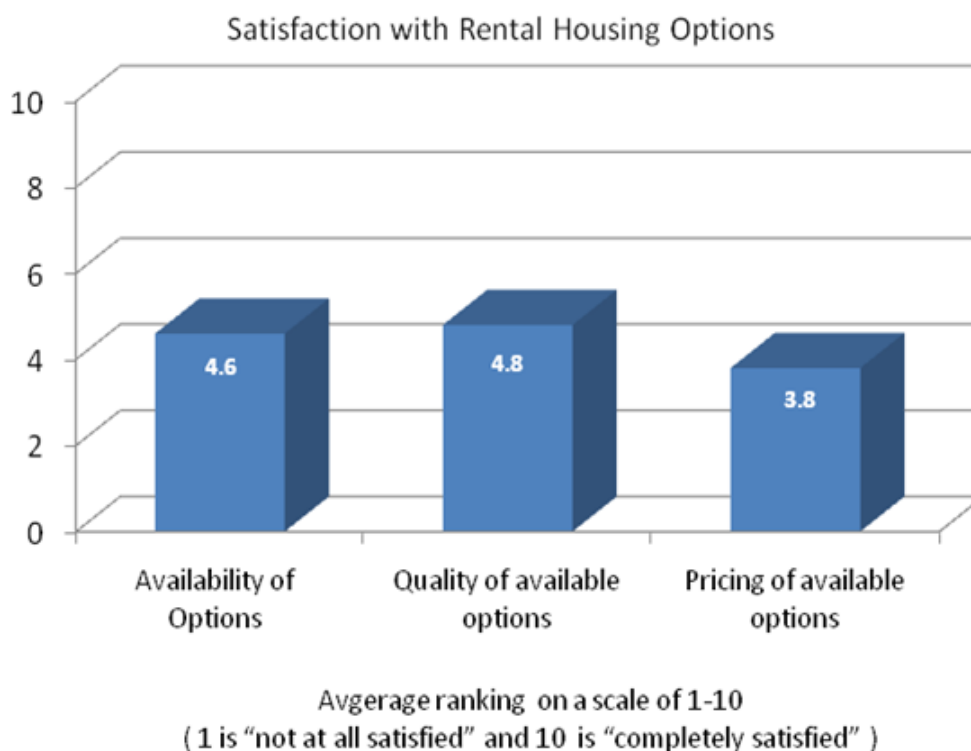
¹³ 2006-2010 American Community Survey 5-Year Estimates and 2000 Census.

¹⁴ Ibid.

planning students in 2007. The information gathered from the community questionnaire and the direct mailing are cited throughout this document.

One question posed asked respondents to rate rental housing options in three areas on a scale of one to ten. Of the 110 respondents that answered the question, the majority believed that the availability of rental options, the quality of rentals, and rental pricing were all less than satisfactory. While the majority of the respondents felt that rent availability and quality were somewhat satisfactory, the overwhelming majority of respondents felt that rental pricing was unsatisfactory.

Chart 3.1



Extremely-Low Income (Less than 30% of Area Median Income): As shown in Chart 3.2 below, the findings of the Housing Needs Model for the City of Ashland using 2010 Census Data, the City of Ashland has a shortage of rental units affordable to those residents with the lowest incomes; those making less than \$10,000 a year. According to the Housing Needs Analysis, only 3.05% of the City’s rental housing stock meets the needs of this population at approximately 152 units. The City’s current need for rental housing in a price range affordable to those with the lowest income is estimated to be 955 units; this leaves a gap of approximately 803 units to meet the needs of these very low income households. Housing Units affordable to these populations, which include predominantly households under the age of 35 and to a lesser extent over the age of 55, could be offset by Housing Choice (formerly section 8) Vouchers. The

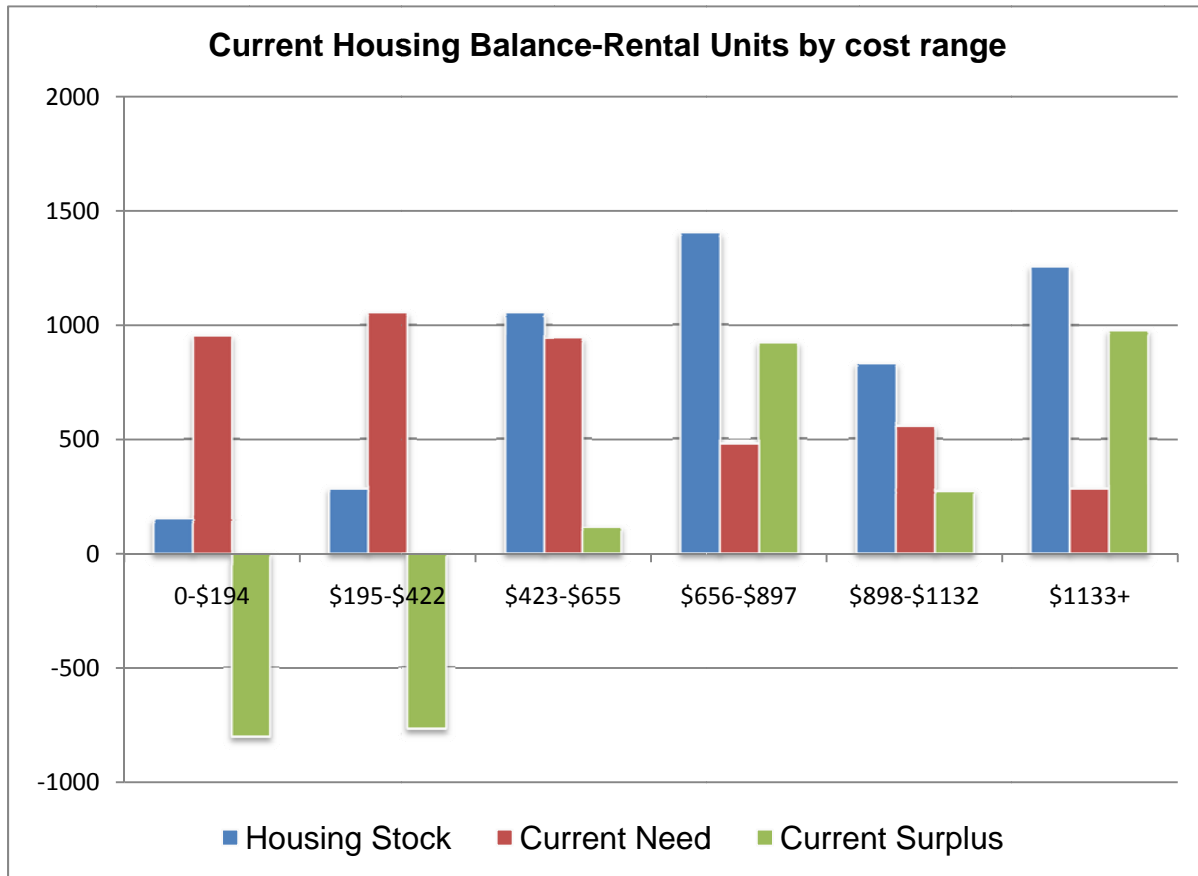
729 households under the age of 35 that report having an income of under \$10,000 a year may be due in part to the presence of Southern Oregon University, which includes a high percentage of non-traditional students. Currently there are approximately 100 households who receive a rental subsidy voucher from the Department of Housing and Urban Development to offset housing costs. There are 142 project based subsidized rental units located within the City of Ashland. Of these units 73 are set to expire within the next 5 years and the waiting list for portable vouchers through the Housing Authority of Jackson County is approximately three to four years out. Households making 30% of the AMI or less make up approximately 12.2% of all Ashland households.

Low-Income (Between 30% and 50% of Area Median Income): The current supply of housing units affordable to low-income populations represents approximately 5.68% of the City's rental housing stock or 283 units. The current estimated need for housing affordable to this income group is 1,052 units; leaving a gap of approximately 769 units. The proportion of households represented by this income group is fairly evenly dispersed though all age groups and represents 11.3% of all households.

Moderate Income (Between 50% and 80% of Area Median Income): The current supply of housing units affordable to moderate income populations represents approximately 49.3% of the City's rental housing stock or 2,453 units. This is by far the majority of the City's rental housing stock, however at the low end of the income scale (50%) nearly half of the units that fall in this rental category would not be affordable. The need for rental units at this price point is in far less demand as the current need is estimated to be 1,420 units, leaving a surplus of 1,034 rental units affordable to people making between 50 and 80 percent of the AMI.

Median Income and above (100% and above): The current supply of housing units affordable to the population making above 80% AMI represents approximately 42% of all rental housing units. At 2,088 units, rental housing units in this price range (approximately \$898-over \$1,133 a month) are in the least demand, with current need estimated to be approximately 840 households able to afford units in this price range, creating a surplus of 1,248 units. The surplus in units may be due to the fact that households that are able to afford a higher rent may be opting for a unit below that which that household may be able to afford, thereby exacerbating the deficit of rentals at the lower end of the income scale.

Chart 3.2



Ownership Units

Extremely-Low Income (Less than 30% of Area Median Income): An individual making 30% of AMI or \$12,300 a year according to the 2012 HUD income guidelines would be able to afford to purchase a housing unit for a maximum of \$51,115. There is very little availability of housing at this income level, Rogue Valley Habitat for Humanity provides housing targeting extremely low-income households, but with the extremely low purchase price the private market is unable to provide ownership units at this level. Some Mobile and Manufactured home units in a park might be within this price range.

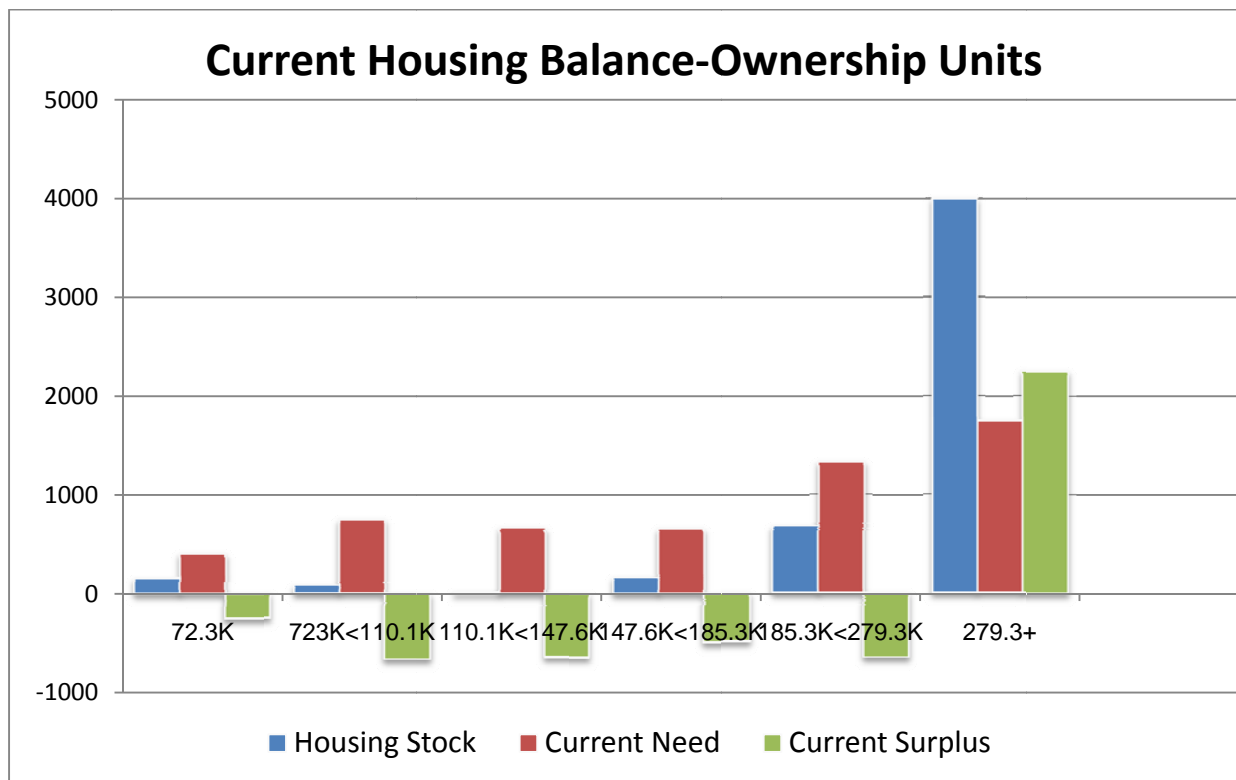
Low-Income (Between 30% and 50% of Area Median Income): The Housing Needs Analysis estimates that there are 150 existing units available for \$72.3 thousand and below, and an estimated need of 401 units at this level. This leaves a gap of 251 ownership units affordable to households earning 30%-50% of the AMI.

Moderate Income (Between 50% and 80% of Area Median Income): The number of ownership units available that are affordable to people making 50% to 80% of AMI is estimated to be approximately 260. The estimated need for ownership units costing between \$72K-\$185.3K is 2,070. The units at the high end of the price scale would be unaffordable to those earning below 50% of AMI.

Median Income: There is a limited supply of ownership units affordable to those earning median income. According to the National Association of Home Builders Affordable Housing Price Calculator¹⁵, a household making the median income for the Medford/Ashland area could afford to purchase a house for \$163,126. The calculator assumes a 20% down payment, current interest rates on a 30 year fixed loan assuming a 90% loan to value ratio. The Housing Needs Model estimates that there are approximately 410 units available between \$185,300 and below. While many households earning median income could qualify for a loan to purchase a house at the lower end of the scale, those same households would be cost burdened if they had to pay a mortgage on a housing unit of over \$163,000.

Over 78% of the City's ownership housing stock consists of units which cost \$279,300 and above, while the demand for housing units in that price range is only about 1,750 households. From Chart 3.3 below it is clear that the private market has provided a surplus of high cost housing, over 2,255 units, while the remaining 22% of the housing stock available for sale costing less than \$279,300 is in such demand that there is a housing gap of 3,147 units. The highest demand is for those units affordable to households making the 100% AMI to 120% AMI at approximately 1,332 households.

Chart 3.3



¹⁵ National Association of Homebuilders affordability calculator:
<http://www.nahb.org/generic.aspx?genericContentID=78355>

While it is clear that it is not profitable for the private market to build housing targeting those households at the 50% of AMI and below, housing units targeting 50% to 100% AMI while slightly more feasible still requires some incentive and subsidy to make the development feasible. Further, these units will have to compete with units of a similar price in the nearby markets of Talent, Phoenix, and Medford, which while requiring a longer commute time, can often offer more house for the same or even a lower price. At the same time the only entities that can provide ownership housing targeting moderate and low-income households are affordable housing providers, which utilize federal, state and local tax credit and subsidy programs in order to develop such units. These entities are few in a small region like Southern Oregon and must compete with the rest of the state for funding. Capacity building for these affordable housing entities can be difficult as affordable housing financing can be a complex and highly competitive process, and more so in a time of shrinking federal and state funding for such programs.

Buildable land supply

Land supply affects land price and by extension, housing price. Statewide Planning Goal 10, and ORS 197.296, requires communities to maintain a 20-year supply of buildable residential land within their Urban Growth Boundaries. The City of Ashland's supply of buildable lands was recently quantified in the [2011 Buildable Lands inventory](#) adopted in November 2011.

The land availability component of a Buildable Lands Inventory needs to be compared to the expected demand for various housing types to ensure minimum 20 year availability. This Housing Needs Analysis provides a detailed assessment of precisely what mix of housing types will be needed through 2040 (see Table 7.1). Using this projected housing type need, and correlating it to the land availability in each Comprehensive Plan designation we can ascertain whether sufficient land will be available over the next 20 years or longer.

Table 3.4

Housing demand /capacity comparison by unit type			
Existing Dwelling Unit Capacity (2010 BLI)	SFR	Multi-family	Totals
	1469	1384	2853
Needed Units per Housing Gap Analysis through 2040	1557	1759	3316
Deficit by 2040	-88	-375	-463
Annual units needed through 2040	55.6	62.8	118.4
Total Year Supply	26.4	22.0	24.1

The City estimates vacant buildable lands in all designations that allow residential uses have a total capacity of 2853 dwelling units within the urban growth boundary. This estimate includes a 50% reduction for residential on Commercial and Employment Lands as such units are not required and it is unlikely that all future commercial development will incorporate a residential component. As demonstrated in Table 3.4 this capacity would accommodate approximately 22 years of multi-family housing growth, and 26.4 years of single family development.

Distribution of these potential housing units on available buildable lands based on comprehensive plan designation is more fully detailed below.

Table 3.5

Future Needed Unit Distributed by Comprehensive Plan Designation				
Comprehensive Plan	Net Buildable Acres	Existing Dwelling Unit Capacity (2011 BLI)	Dwelling Units by Type distributed into existing capacity	
			SFR	Multi-family
Airport	Per Airport Master Plan	0	0	0
Commercial	15.8	252	0	252
Croman Mill	62.8	340	0	340
Downtown	2	53	0	53
Employment	105.1	221	0	221
HC	1.4	15	0	15
HDR	8.9	162	0	162
Industrial	12.1	0	0	0
LDR	38.1	70	70	0
MFR	30.8	323	0	323
NM	17.7	118	100	18
SFR	214	875	875	0
SFRR	48	103	103	0
SOU	19.5	SOU Master Plan	0	0
Suburban R	42.3	311	311	0
Woodland	4.3	10	10	0
Totals	622.8	2853	1469	1384

Note: *Expected Dwelling Units* on Commercial and Employment Lands have been reduced by 50% from what would be permitted as such units are not required.

Section IV - Ashland's Housing Inventory

Single Family and Manufactured housing, detached

2010 ACS estimates that there are 10,203 total housing units within the City of Ashland. Of that total 6,710 are 1 unit detached, and 46 are Mobile home units on individual lots. Between 1990 and 2010 there has been a marked increase in the supply of attached and detached single family units. Between 1990 and 2000, the number of single family detached units increased by 52%, between 2000 and 2010 that increase was 21%. While the number of mobile home units in the City decreased by 1.5%. (See Table 3.2 on page 24).

Manufactured housing units in parks

As mentioned above the number of mobile home units located in the City has decreased in recent years after remained fairly consistent. Between 1990 and 2000 the number of mobile home units in the City increased by 18%, then between 2000 and 2010 the number of mobile home units decreased by 9% for an overall 20 year decrease of 1.9%. There are currently two mobile home parks within the City. A park formerly located across the street from “Upper Pines”, known as “Lower Pines” was sold and the purchasers redeveloped the land in to a mixed use commercial development, the loss of this park may account for the decrease in units between 2000 and 2010.

Multiple or single-family units, attached;

2010 ACS estimates that there are 810 1- unit attached, 424 duplexes (2-units), and 2,194 units of three or more, down from 2,451 just ten years earlier. All together multi-family and single family attached housing types make up 38.2% of the total housing stock. Another trend which is highlighted in the Table 3.2 on page 24 has been the decrease of medium and large scale multi-family developments. The number of multi-family units consisting of more than 4 housing units has decreased significantly between 1990 and 2005. Complexes consisting of between 5 and 19 saw a decrease of 2% between 1990 and 2000, similarly complexes consisting of more than 20 units saw a 9.1% decrease between 2000 and 2010. This is due in part to the conversion of multi-family rental properties to saleable condominium units, caused by the high land values of the past decade within the City of Ashland. In 2006, the City passed a condominium conversion ordinance in an effort to mitigate the loss of existing affordable and market rate rental properties which were not being replaced by the market.

In 2007, a comprehensive inventory of multi-family housing units was completed by Southern Oregon University. This inventory also took into account additional uses of properties located in these multi-family zoned areas. This inventory allowed the City to see patterns of development within these areas. One pattern that stood out from the data collected was that single family units on single parcels were the most common housing type found in these multi-family zones. Single

family homes comprised one third of all housing units in these zones. This highlights another predominant problem with the development of multi-family properties, the majority of the property zoned for multi-family, higher density development does not build out as such contributing to a lack of more affordable housing types.

Government assisted housing (below market-rate housing)

Most people think of government assisted housing as Public housing or subsidized housing through the Housing Choice Voucher (formerly known as the Section-8 program) program. However, there are several different avenues in which the government assists developers to provide affordable housing. Many large scale developments utilize a combination of funding sources in order to complete a project. Detailed below are a few of the most prevalent types of government assisted housing programs:

Low-income Housing Tax Credit Program (LIHTC): The Federal Low-Income Housing Tax Credit Program assists both for-profit and non-profit housing developers in financing affordable housing projects for low-income families and individuals. Some local developers of affordable housing are eligible to apply to Oregon Housing and Community Services which allocates funds based on a statewide Consolidated Plan. The City of Ashland has two projects totaling 66 units developed using LIHTCs and expects to see another six unit tax credit project developed in the near future.

Public Housing Assistance-Section 8 Housing Choice Voucher Program: The Housing Authority of Jackson County is the local provider of HUD funded housing programs such as the Housing Choice Voucher program and the Public Housing program. Currently the Housing Authority receives approximately 1390 Housing Choice Vouchers for all of Jackson County. Just over 100 of those vouchers are provided to City of Ashland residents. There are no public housing units in Jackson County.

Home Program: The City of Ashland is not currently a participating jurisdiction for HUD's HOME funds. Some local developers of affordable housing are eligible to apply to Oregon Housing and Community Services which allocates funds based on a statewide Consolidated Plan.

USDA Rural Development Mutual Self Help Home Loans/SHOP: The Department of Agriculture's Rural Development offers several loan options to assist low to moderate income households attain homeownership. In recent years the City of Ashland has awarded Rogue Valley Community Development Corporation CDBG funds to help leverage funds and initiate two Self help homeownership projects comprising 30 units that utilized funds from Rural Development programs. Rogue Valley Community Development Corporation has utilized Self Help Ownership Program (SHOP) grant funds awarded to Community Frameworks from HUD on these projects. Similarly USDA Rural Development also offers low-interest loans and grants to assist low to moderate income homeowner's complete health and safety repairs on their homes. The City also contains three large scale multi-family projects financed with Rural

Development loan funds. All together these units account for 153 units of below market rate and subsidized housing within the City.

Community Development Block Grant Funds (CDBG): The City of Ashland is a Participating Jurisdiction for the Community Development Block grant program and as such receives an annual allocation of funding from the Department of Housing and Urban Development to undertake a variety of activities including the provision of affordable housing. The City has often prioritized the use of CDBG funding in support of affordable housing projects.

Table 4.1

Government Assisted Rental Units						
Property Name	Property Type	Assistance Type	Number of Units	Number of Assisted Units	Income Limit	Contract Expiration Date
Ashley Garden	Family	RD	40	20	60%	RD
Ashley Senior	Senior	RD	62	41	60%	RD
Stratford	Family	Section 8	51	17	100%	RD
Chief Tyee	Family	Section 8	32	29	30%	7/31/09 ¹⁶
Donald E. Lewis	Senior	Section 8	40	40	30%	5/11/10
Star Thistle	Disabled	Section 8	12	12	50%	9/30/09
Sun Village	Family	Section 8	12	12	30%	1/20/13
Takilma Village	Family	Section 8	14	14	60%	8/31/09 ¹⁷
Johnston Manor	Senior	Section 8	34	34	60%	12/26/08 ¹⁸
TOTAL			297	219		

Seasonal Units

The City of Ashland has a thriving tourism industry. Consequently many housing units in the City are utilized on a seasonal rather than year round basis. It is difficult to discern the actual number of seasonal and vacation rental units there are in the City, due to the proliferation of unregistered units, however the City does keep a database of businesses registered as travelers accommodations located within the City. In May of 2012 a total of seventy five businesses have registered with the city as having a traveler's accommodation or vacation rental units; these units come in many forms, from hostel, motels, and hotels, to individual cottage units and bed and breakfasts. Many of these housing units represent units not meant for year round occupancy, so although counted by census in the housing total, they are counted as vacant units. Between 2000 and 2010 the number of these units has doubled, and they now represent 3.8% of the City's housing stock. These units will not contribute to the overall housing inventory available to meet the types of housing need quantified in this analysis.

¹⁶ The owners of the Chief Tyee complex opted out of their HUD contract in 2009. This complex is no longer mandated to be affordable although it was initially developed using HUD funding.

¹⁷ The owners of the Takilma Village complex opted out of their HUD contract in 2010.

¹⁸ The owners of the Johnston Manor complex opted out of their HUD contract in 2009. This complex is no longer mandated to be affordable although it was initially developed using HUD funding.

Owner Occupied units

Owner occupied units represent 51.6% of all occupied dwelling units. There are 4,856 owner-occupied dwelling units in Ashland occupied by approximately 10,210 individuals. The average household size for owner-occupied dwelling units is 2.10 people per unit.

Rental Units

Renter occupied units represent 48.4% of all occupied dwelling units. There are 4553 renter-occupied dwelling units in Ashland occupied by approximately 8,907 individuals. The average household size for renter-occupied dwelling units is 1.96 people per units, slightly less than the household size of the average owner occupied unit.

Housing Age and Condition

The majority of housing in Ashland, 59.6%, was built prior to 1979; with 16.6% or 1,695 units being built prior to 1939. Despite the relative age of much of the housing stock, there are very few units which lack basic amenities. Only 1.9% of all occupied housing units lacked complete plumbing or kitchen facilities. 47.6% of all housing units were built between 1970 and 2000, with the most new building activity taking place between 1990 and 2000.¹⁹ Though there are many other factors that contribute to housing considered to be substandard those factors are not accounted for in the Census information. There is little other comprehensive data to gain an accurate picture of substandard housing conditions within the City.

Lead Based Paint Hazards: The age of the housing unit is a leading indicator of the presence of lead –hazard, along with building maintenance. Lead was banned from residential paint in 1978. Of the 10,319 total housing units in the City of Ashland 68% (7,000) were built prior to 1980. The 1999 national survey found that 67% of housing built before 1940 had significant LBP hazards. This declined to 51% of houses built between 1940 and 1959, 10% of houses built between 1960 and 1977 and just 1% after that.²⁰ Based on those estimates, over 3,300 homes pose potential lead-based paint hazards in Ashland.

Vacancy Rates

Between 2000 and 2010 vacancy rates for rental and ownership units have remained relatively unchanged. At 4.2% and 1.0% respectively, rental and ownership vacancy rates in 2010 are relatively low. Survey results, census data, and American Community Survey (ACS) estimates show that the vacancy rates in Ashland typically range between 3% and 4%. A recent survey/questionnaire conducted in 2012 by the City showed the current rental vacancy rate to be 1%. This rate is below that of the overall rate for Jackson County at 3% and for the state of

¹⁹ United States. Bureau of the Census. 2006-2008 American Community Survey 3-Year Estimates.

²⁰ Clickner, R. et al. (2001) National Survey of lead and Allergens in Housing, Final Report, Volume 1: Analysis of Lead Hazards. Report Office of Lead Hazard Control, US Department of Housing And Urban Development.

Oregon as a whole at 5.6%. The overall impact of a low vacancy rate is that there are fewer options in the rental market when people are looking for a unit to rent.

Housing Value

Housing value is a key indicator of housing affordability. The housing market has been extremely volatile in the past decade since the last Housing Needs Analysis was completed. However, despite a housing boom and the ensuing bust that played out in the intervening decade, the findings of this recent effort are much the same as they were in 2002.

In the decade since the last HNA was completed housing costs within the City of Ashland have grown at a rate much faster than that of Jackson County, and the State of Oregon as a whole. The 2002 HNA reported an average home price of \$277,742, which was an increase of 50% from 1998 (MLS reported and average sale price of \$187,258 at that time). At the height of the housing boom in 2007 the median price for an existing home in Ashland was \$438,750; by April of 2012 the median price for an existing home was \$282,500; a reduction of 36% in a five year period.²¹ So while home prices rose precipitously, they fell equally so, ending with the City's housing price at a 14 year gain of 50.9%.

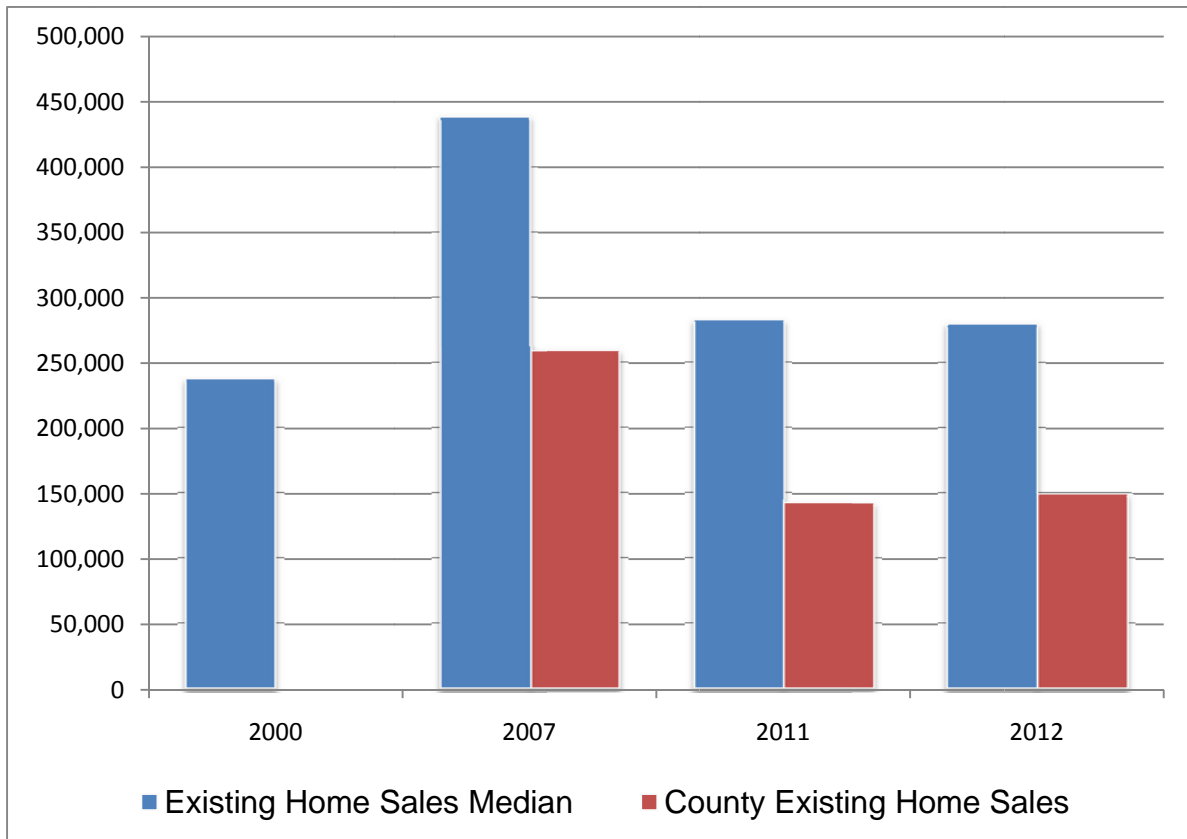
Owner Occupied unit values: According to the 2006-2010 ACS 5-year estimates, the Median Home price for Ashland is \$408,400 while the individual median income for workers is \$19,042. In order to afford a home in Ashland at the median price a household would have to earn \$75,000 a year, which is well above Median Household, Median Family and Median worker's income at \$40,140, \$52,940, and \$19,042 respectively. In 2011 the average sales price according to the Roy Wright appraisal service, was \$285,000, while this number is substantially lower than the median compiled by the census in 2010, it is still out of reach for households earning the median income in Ashland. The 2012 median household income for a family of four in the Medford/Ashland Metropolitan Statistical Area is \$58,500. In order to afford a home in Ashland at the 2011 median price a household would have to earn \$75,000 a year. Only 23.8% of the population reports having an income over \$75,000 a year, while 50% of the ownership housing stock is targeted to this group. Conversely for a home to be affordable to a median household with an income of \$58,500 a house could cost no more than \$220,000. At this price there are 31 units out of 212 currently listed as available for sale within Ashland.

Residential Home Sales: Recent data from the Southern Oregon Multiple Listing Service (SOMLS) show that the median residential sale price of a home in Ashland has dropped considerably since the peak of the housing boom in 2007 by 36.2%; from a high of \$438,750 to a low in 2012 of \$282,500. The 2010 Census estimates the median home price at \$408,400, which may reflect the market at a higher point when census data was collected, than the more recent SOMLS data.

²¹ SOMLS Home sale statistics.

Chart 4.1

Existing Home Sales-Ashland/Jackson County



Section V - Housing Needs

Projecting Ashland's Housing need

Section III looked at housing and economic trends that effect housing demand in Ashland. Section IV evaluated the existing housing stock targeted to various demographic groups within the population. This section will assess the City's housing stock based on the current needs and those likely to persist or arise into the future. Section I, makes the distinction between housing need and housing demand. Housing demand is housing that the market built or is likely to build in the future. Housing need is based on the broad mandate of Goal 10 that requires communities plan for housing that meets the needs of households at all income levels. This section focuses on two specific need components: housing needs by housing type and density as implied by households' ability to afford housing, and the needs of special populations.

Methodology

The following analysis uses a methodology suggested by *Planning for Residential Growth: A Workbook for Oregon's Urban Areas* produced by the Transportation and Growth Management Program (TGM). The steps outlined in that document have been followed where feasible. City staff also contracted with former State of Oregon Economist, Richard Bjelland, to update the Housing Needs Model he created for Oregon Housing and Community Services (OHCS) and which has been used as a basis for projecting housing needs throughout the state in numerous Housing Needs Analysis. The Housing Needs Model utilized a methodology based on housing tenure, price, and housing type choices to determine housing needs, rather than a market or demand driven approach which was commonly used to define housing needs for an area. Rather than looking at historic housing production trends then projecting them forward, the Housing Needs Model looks at the age/income demographic of a study area and projects those demographic trends into the future as the market driven method will show development trends, those historic trends may not have been meeting the housing needs of the population to begin with. Where needed data obtained from the Housing Needs Model was supplemented with data obtained from a City conducted survey of property owners and an online questionnaire, and census data comparisons.

Populations Projections

The components of population change are births, deaths, and migration. In compiling data on population rates for the city of Ashland four main sources of data were used. The Certified population counts provided by Portland State University's Population Research Center, the 2005-2010 American Community Survey 5-year estimates, 2010 Census, and the coordinated population estimates through Jackson County's Comprehensive Plan.

The primary indicator of future housing need is the projected population growth and the demographics of that population. The City's Comprehensive Plan projects an approximate population growth rate of 0.75% per year. This equates to approximately 187 new residents per year. Tables 5.1 and 5.2 below look at population change over the past two decades and compares the differences in the population projections between the PSU population Research Center and the U.S. Census data with the Comprehensive Plan Projections. The Census data from the twenty year period is in line with the City's comprehensive plan projections for population growth, while the PSU population counts based on the 2000 Census estimates a slightly (though not significantly larger) growth rate across the board. It is also clear from the tables below that the City of Ashland grows at a much slower rate than that of Medford or the County as a whole. If the trend continues into the next three decades then Ashland's population should grow by approximately 6,000 and be slightly below the 28,670 projected by the County's coordinated population estimate.

Table 5.1

City	1990	2000	% Change 1990-2000	2010	% Change 2000-2010	Average Annual growth rate
Ashland	16,234	19,532	20%	20,078	2.8%	.79%
Medford	46,951	63,154	34.5%	74,907	18.6%	1.98%
Jackson County	146,389	181,269	23.8%	203,206	12.1%	1.29%

U.S. Census. Historic AAGR (average annual growth rate)

Table 5.2

City	Estimate July 1, 2010	Census April 1, 2000	Change 2000-2010	% Change 2000-2010	Average Annual growth rate
Ashland	21,460	19,522	1,938	9.9%	0.9%
Medford	77,485	63,687	13,798	21.7%	2.2%
Jackson County	207,745	181,269	26,476	14.6%	1.5%

PSU Population Research Center data estimate based on 2000 Census Data

Table 5.3

Age Groups	1990		2000			2010			Average Annual growth rate
	Popula tion	% of total pop.	Popula tion	% of total pop.	Percent Change from 1990	Popul ation	% of total pop.	Percent Change from 2000	
Under 19	6,184	38%	4,775	24.5%	14.6%	4,931	24.5%	3.3%	0.33%
20-24			2,314	11.9%		1,885	9.4%	-18.5%	-1.85%
25-34	5,126	31.5 %	2,174	11.1%	-11.2%	2,248	11.2%	3.4%	0.34%
35-44			2,378	12.2%		1,918	9.5%	-19.3%	-3.13%
45-54	1,545	9.5%	3,249	16.6%	110%	2,694	13.4%	-17.1%	3.72%
55-64	1,146	6.9%	1,736	8.9%	51.5%	3,212	16%	85%	9.01%
65-74	1,279	7.8%	1,272	6.5%	-0.5%	1,562	7.8%	22.8%	1.11%
75+	955	5.8%	1,624	8.4%	70.4%	1,653	8.3%	1.8%	3.65%
Total population	16,234	100%	19,522	100%	20.3%	20,103	100%	3%	1.19%

U.S. Census Bureau

Age of Householder and age of projections

There is a direct correlation between age of householder, income of householder and housing type. For example, an individual 35 years old to about 65 years old earning area median and above is more likely to move from rental housing to ownership housing because that individual has the means to purchase housing and the ability to maintain that housing and live independently. Similarly, households that are considered moderate income and below (80% AMI) have higher rental rates due to an inability to purchase housing despite other factors including ability to maintain that housing and to maintain an independent lifestyle. Those populations considered elderly move from homeownership to renter as they lose the ability to maintain their housing units and an independent lifestyle.

As shown in table 5.3 above, the group represented by ages 25-44 in 1990 was the largest age group at 31.5%. A decade later that population counted toward the 45-55 age group, which grew in that ten year period by 110% accounting for the aging of the existing population, but also an in-migration of a substantial number of peoples in that age group. In that same period the City saw a distinct shift, from a population more evenly distributed between all age groups to a population more heavily populated by peoples in age groups of 45 years old and older. The last decade saw these age groups grow by double digits while younger age groups experienced little or even negative growth (-11.2 in the 35-44 age group). By 2010 nearly all age groups under 45 years old saw negative growth rates, with the exception of age groups under 19 years and 25 through 24. However, these age groups grew at a rate of less than one third of the overall annual average population growth, while age groups represented by 55-64 year olds grew at a rate nearly 10 times that of the general population. These projections show that the trend pointed out in the 2002 HNA still bears out; though the Ashland population is growing at a steady (albeit slow) rate, this growth is not divided evenly across all age groups.

If this trend of aging households in Ashland continues into the future, housing targeting those populations 75 years old and older will need to be developed. That is housing that accommodates aging in place and ADA accommodations. The housing needs of elderly populations could also require units with less square footage and fewer bedrooms and with little to no landscape maintenance. Lastly, as householder's age, homeownership becomes less economically advantageous and often homeowners opt to rent. Consequently the market for large single family houses on large lots could decline as the largest segments of the population ages.

Theoretically, as older householders move out of existing single family units, the ownership housing freed up will serve as more affordable options for the next generations moving out of rentals and into homeownership. But if these population trends continue that may not be the case. For as those existing households age out of their current residences the population replacing them, those households 44 years and under, are showing growth rates below that of the general population and in some instances negative growth rates, which will lead to less demand for and a surplus of existing ownership units.

The population is projected to grow by 8,567 individuals over the next 30 years. The Housing Needs Model estimates that the City will need to add 2,657 new housing units to accommodate the increased populations. If the trends of the past few decades bear out, the majority of these new housing units will be targeted to older households.

Housing ownership by age of householder

The 2012 to 2022 Ashland School District Enrollment Forecast shows a long term trend of declining birth rates within the Ashland School district. Similarly the forecast shows a general declining population of younger households with children over the last decade and partially attributes this to an inability of young families with children to afford housing in Ashland.²² The school district demographic report also cites low birth rates and in-migration of householders 45 years old and older as other factors which contribute to the general aging of the Ashland population and consequently the reduction in school district enrollment.²³ These trends point to an increasing percentage of ownership housing being occupied by older householders. It is clear in table 5.4 below that the two biggest factors in determining homeownership are income and age of householder. As household income increases among all age groups so too does the rate of homeownership. This is also true of age, showing older householders with the highest percentages of homeownership despite income.

Table 5.4

Percentage of Homeownership by Age and Income, 2010 HNM							
Household Income	Age of Head of Household						
	15-25	25-35	35-45	45-55	55-65	65-75	75+
<10K	2.9%	7.9%	16.0%	25.0%	43.0%	46.1%	40.0%
10<20K	3.6%	12.7%	25.0%	37.0%	47.0%	61.0%	56.2%
20<30K	6.0%	16.6%	36.0%	45.0%	54.0%	73.2%	67.1%
30<40K	7.9%	23.9%	48.0%	53.7%	60.0%	74.4%	70.1%
40<50K	10.8%	32.9%	58.1%	62.4%	80.0%	91.0%	84.0%
50<75K	22.5%	49.9%	72.0%	82.9%	88.6%	92.1%	91.2%
75K+	32.0%	75.0%	83.0%	92.0%	96.0%	97.0%	93.0%

Household Income

The Oregon Housing Needs Model Methodology states that “household income is the key variable in determining the affordability component of housing need and is strongly correlated with housing tenure”. The Housing Needs Model estimates that there is currently a significant gap of housing units at price ranges affordable those with the lowest incomes and surplus of housing units affordable to those making above the area median income. Households who experience cost burden are more vulnerable and at a higher risk of homelessness. As seen in

²² Ashland School District. Ashland School district Enrollment Forecasts 2009-10 to 2018-19. Portland State University Populations Research Center. December 2008, page 1.

²³ Ashland School District. Ashland School District Population and Enrollment Forecasts 2012-13 to 2021-22. page 12.

tables 5.4 and 5.5 age and income are the two biggest factors in housing choice. Table 5.4 above shows the relationship between age and income on homeownership rates; homeownership rates rise with increasing income and as householder's age. Whereas the relationship of age and income to rental units is the converse; as incomes and ages rise rental rates decrease.

Table 5.5

Percentage of Renters by Age and Income, 2010 HNM							
Household Income	Age of Head of Household						
	15-25	25-35	35-45	45-55	55-65	65-75	75+
<10K	97.1%	92.1%	84.0%	75.0%	57.0%	53.9%	60.0%
10<20K	96.4%	87.3%	75.0%	63.0%	53.0%	39.0%	43.8%
20<30K	94.0%	83.4%	64.0%	55.0%	46.0%	26.8%	32.9%
30<40K	92.1%	76.1%	52.0%	46.3%	40.0%	25.6%	29.9%
40<50K	89.2%	67.1%	41.9%	37.6%	20.0%	9.0%	16.0%
50<75K	77.5%	50.1%	28.0%	17.1%	11.4%	7.9%	8.8%
75K+	68.0%	25.0%	17.0%	8.0%	4.0%	3.0%	7.0%

Income Projections

Household income is difficult to predict. Based on past trends, incomes are expected to increase (Median Household Income increased by 22.9% over the past decade).

Poverty Status

In 2000 12.5% of Ashland families, and 19.6% of all individuals lived below the federal poverty level. By 2010 those numbers have declined slightly to 11.5% and 18.8% respectively.

Household Size and composition

Household size within the City of Ashland has been decreasing slowly over the past two decades. Currently the average household size is estimated to be 2.08 persons per unit for owner-occupied households and 2.06 for renter households. The 2000 census estimated the average household size of owner-occupied units to be 2.30 and for renter occupied units to be 1.98. The average estimated household size for all housing types was 2.14. The Housing needs model uses a current household size of 2.119 and for forecasting purposes uses the same estimate.

The 2007 RNA conducted property interviews with five property managers and from that information and the information gathered from a needs analysis conducted concurrently, Ferrarini and Associates determined that the greatest need in Ashland at that time was for the development of more studio apartments followed by a need for a relatively modest number of one bedroom and three bedroom units. The analysis also showed that there was an oversupply of two-bedroom rental units. The following table is from that report and illustrates their findings.²⁴

²⁴ City of Ashland Rental Needs Analysis. Ferrarini & Associates, Inc 2007.

Table 5.6

City of Ashland Rental Housing Need by Unit Type RNA 2007			
Type	Demand	Supply	Net Need
Studio	1,039	392	647
1 Bedroom	1,290	1,188	102
2 Bedroom	872	1,676	(804)
3+ Bedroom	900	846	54
Total	4,102	4,102	0

Source: US Census and Ferrarini & Associates²⁵

An updated analysis of household size and type found much the same thing. There is a definite lack of studio units for the growing percentage of 1-person households among both renter and owner-occupied households, both of which grew at two and three times the rate respectively of the total populations of all renter and owner households. This could be attributed to three factors; the disproportionate growth of older households, a nearly 50% reduction in the number of 1-room dwelling units between 2000 and 2010, and the disparate increase in one and two person households. One factor that is estimated to have a substantial impact on the housing market is the steep decline of all owner occupied households larger than two individuals. These findings were further substantiated in the property owner and manager questionnaires sent out by the City in early 2012 which showed that studios were most in demand, while two bedrooms were in least demand.

Table 5.7

Housing Units by Room Size

Rooms	2000	% 2000	2010	%2010	% Change
1 Room	493	5.4%	247	2.4%	-49.9%
2 Room	692	7.6%	515	5.0%	-25.6%
3 Room	870	9.6%	1,252	12.2%	43.9%
4 Room	1,856	20.5%	2,043	20.0%	10.1%
5 Room	1,822	20.1%	2,168	21.2%	19%
6 Room	1,498	16.5%	1,601	15.7%	6.9%
7 Room	827	9.1%	1,387	13.6%	67.7%
8 Room	624	6.9%	521	5.1%	-16.5%
9 or More	389	4.3%	469	4.8%	20.6%

U.S. Census Bureau

²⁵ Ibid.

Table 5.8

Owner Occupied Units by Household Size					
HH Size	2000	2000%	2010	2010%	% Change
Total	4,456	100	4,856	100%	9%
1-person	1,117	25.1%	1,460	30.1%	30.7%
2-person	1,946	43.7%	2,212	45.6%	13.7%
3-person	647	14.5%	623	12.8%	-3.7%
4-person	532	11.9%	412	8.5%	-22.6%
5-person	157	3.5%	103	2.1%	-34.4%
6-person	45	1.0%	34	.7%	-24.4%
7 or more	12	0.3%	12	.2%	0%

U.S. Census Bureau

Table 5.9

Renter Occupied housing by household size					
HH Size	2000	2000%	2010	2010%	% Change
Total	4,081	100%	4,553	100%	11.6%
1-person	1,722	42.2	2,086	45.8%	21.1%
2-person	1,361	33.3%	1,336	29.3%	-1.8%
3-person	594	14.6%	646	14.2%	8.8%
4-person	262	6.4%	305	6.7%	16.4%
5-person	90	2.2%	118	2.6%	31.1%
6-person	33	.8%	41	.9%	24.2%
7 or more	19	0.5%	21	0.5	10.5%

U.S. Census Bureau

Table 5.10

Estimate of Rental Units Needed by Household Size and Type ²⁶					
Needs Analysis	No. of HH	Studio	1 Bedroom	2 Bedroom	3+ Bedroom
1-person	2,086	1,252	834		
2-person	1,336		601	601	134
3-person	646			291	355
4-person	305			31	274
5-person	118				118
6-person	41				41
7-person	21				21
Demand	4,553	1,252	1,435	923	943
Supply		255	1,506	3,647	4,822
Surplus/Deficit		(997)	71	2,724	3,879

U.S. Census Bureau

²⁶ Estimated household preferences based on percentages from the 2007 RNA-derived from Riley Research community survey. (60%-studio, 40% & 45%-1bdm, 45%,40% & 10%-2bdm, 10%,60%,90%&100%-3+bdm)

Section VI - Baseline forecast of Housing Demand

This section concludes with a baseline forecast of housing demand. The baseline forecast represents our best estimate of how the market will perform over the next twenty years. The forecast assumes no changes in current City policy. In summary it is intended to provide a rough estimate of what the housing market will build in Ashland over the next twenty years.

The forecast relies on the County's coordinated population forecast as its foundation but also utilizes assumptions about average household size, persons in group quarters, and housing trends from a variety of sources including prior years census information and the Housing Needs Model.

Table 6.1

Table 6.1-Baseline forecast of Housing Demand 2010-2040			
Variable			Value
	Current	Future	Change
Population	20,078	28,670	8,492
Persons in Group Quarters	961	1,450	489
Occupied DU	9,409	12,962	3,553
Single Family Dwelling Units			
Percent Single Family DU	71.9%	73.9% ²⁷	
Number of Single Family DU	7,356	9,591	2,235
Persons in single family HH ²⁸	14,933	20,141	5,208
Aggregate Vacancy Rate	2.5%		
Total New Single Family needed			2,235
Multiple Family Dwelling Units			
Percent Multi-Family DU	26.6%	25.5%	
Number of Multiple-family DU ²⁹	2,720	3,311	591
Persons in Multiple-Family HH	5,522	6,985	1,463
Aggregate Vacancy Rate	2.5%		
New Multiple-Family DU			591
Totals			
Total occupied dwelling units	-		
Aggregate HH size	2.03	2.1	
Vacant dwelling units	-	583	
Total new Dwelling units needed	-	2,657	
Dwelling units needed annually			88.6

²⁷ Future projections based on 2009ACS units by tenure and HNA Template 2-projected future housing status as of 2040.

²⁸ Persons in household is calculated using aggregate household size per 2006-2010 ACS, the occupancy of the unit is not determined to be either rental or ownership households.

²⁹ Same as above.

Table 6.1 is a baseline forecast of housing demand. That is to say that the table extrapolates the housing mix that would occur in the future based on past trends and market demand. The forecast utilizes data from two sources; the 2010 Housing Needs Model (which uses the county coordinated population projection) estimates for housing occupancy, household size, and vacancy rate, and the 2007-2009 American Community Survey estimates of total population in occupied housing units by tenure by units in structure (see appendix). This projection is solely based on housing demand and past trends, and predicts what the housing market demand would provide in the next 20 year period. However, housing market demand does not correlate to the housing needs of the community, as can be seen from the table. The housing market would continue to provide a surplus of single family housing units further intensifying the need for multi-family housing and housing that is affordable to the majority of Ashland's residents. To base the housing needs of future populations upon historic trends would be to continue the inequities of the past into the future, and that is not the goal of this needs analysis. Instead, the needs analysis will use this baseline forecast to show how development trends within the city should be modified in order to meet the needs of the population rather than the demands of the private market.

Housing needs by type and density

We begin our analysis of housing need by reviewing the housing needs identified in the City's 2002 HNA. The results show some profound differences between identified need by type and permits issued by type. The number of single-family permits issued in the decade between the last HNA and this current effort shows that the number of Single Family units continues to be developed at a rate nearly double that of multi-family.

The 2002 study identified needed housing for the 20-year period between 2000 and 2020. At this point, the City is one-fifth of the way through that planning period. While some differences between identified need and what housing has been built can be explained by the cyclical nature of the housing market, particularly in multiple family housing, the development of the most needed housing types, low-cost ownership and government assisted and affordable rentals, lack the funding and support to develop at the levels that the community needs. These trends will continue, as long as the private market is driven by profit and the federal budget for affordable housing continues to be reduced. In Summary, the City is continuing to fall short of providing needed housing types as identified in earlier studies.

The baseline forecast however, is a forecast of housing demand. Other data presented in Section III, suggest that the market is not meeting the housing needs of many Ashland residents and workers. The continued disparity in the increase in housing costs compared to the increase in wages has aggravated the problem. Moreover, even if housing prices increase at a slower rate, the types of jobs forecast to grow in Ashland will not allow workers to afford housing. In

summary, the financial need is substantial and a large deficit of lower cost units exists several points should be kept in mind when interpreting this data:

- Because all of the affordability guidelines are based on median family income, the percentage of households meeting the income criteria are comparable in all jurisdictions. For example, 36% of households earn 80% of the area median income. Thus, the income guidelines provide a rough estimate of financial need and may mask other barriers to affordable housing such as move-in costs, competition for housing from higher income households, and availability of suitable units.
- The ratios applied in the HUD income guidelines are defined such that somewhere around 40% of households will always be considered low income. Ashland will add more than 8,492 households between 2010 and 2040. Assuming 36% of these new households are considered low-income by HUD, about 3,057 of these new households will be low-income.

Table 6.2

Rental Units needed by Type			
Type	Demand	Supply	Net Need/Surplus
Studio	1,252	255	-997
1-Bedroom	1,435	1506	71
2-Bedroom	923	3647	2,724
3+ Bedroom	943	4,822	3,879

Housing Affordability

The standard measure of affordability as defined by the U.S. Department of Housing and Urban Development (HUD) is when the cost of rent and utilities (gross rent) is less than 30% of income. When gross rent levels exceed 30% of income, particularly by a large percentage, it places a significant burden on household finances. Householders who pay more than 30% of their income toward housing costs are called “Cost burdened”. Householders who pay more than 50% of their income toward housing costs are called “severely cost burdened”. When households are housing “cost burdened” their ability to pay for the other necessities of life are compromised.

Historically a large percentage of renters in Ashland expend more than 30% of their income on housing costs. The 2009-2010 American Community Survey data showed that 63% of renters in Ashland were cost burdened, of the 4,313 renter households in Ashland 2,714 pay more than 30% of their income toward housing costs. This is a 10% increase in the number of renters who

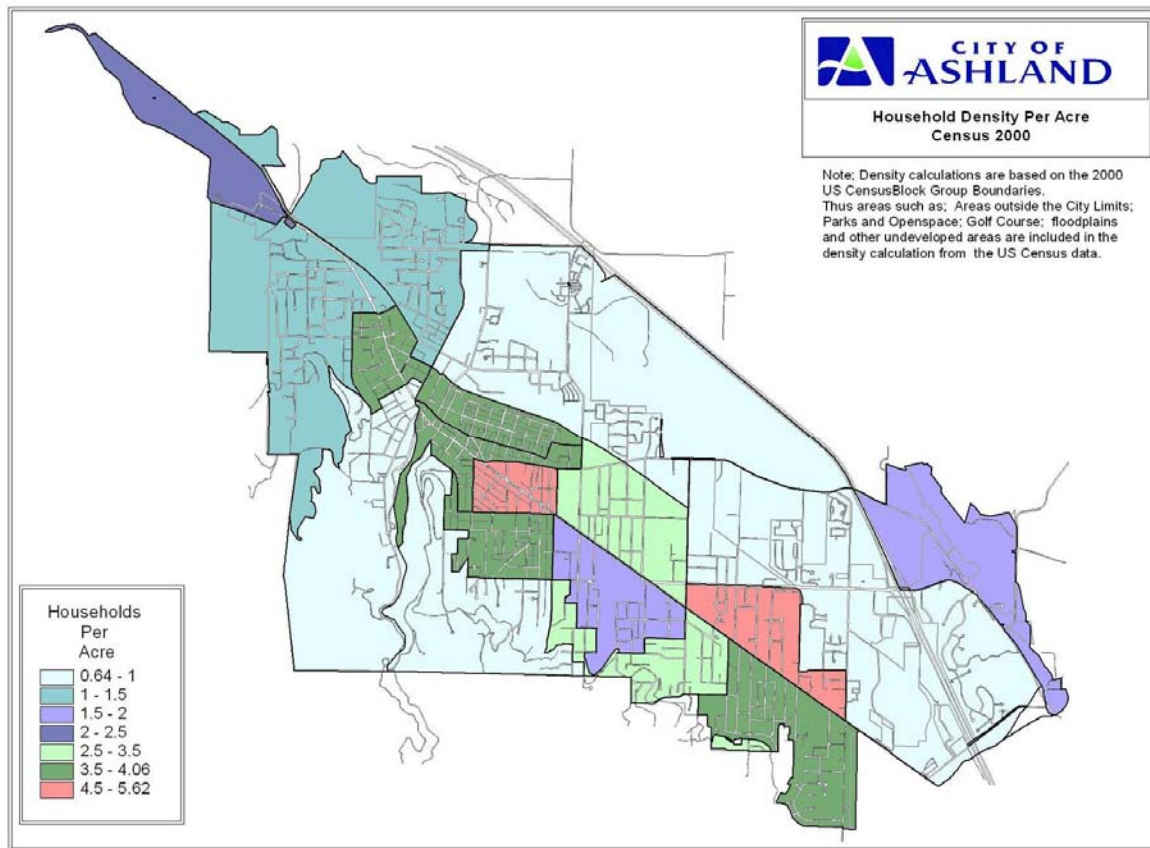
were identified as housing cost burdened by the 2000 Census at 56%. The Housing Needs Model estimates that the City needs 1,163 units targeting those with those lowest incomes, with rents below \$195 a month, 1,166 units with rents between \$195-422, and 243 units with rents between \$423-655. It is expected that the City will have a surplus of all units with rents at \$656 and above. The Housing Needs Model shows that the majority of the rental units will need to be targeted to those households earning 50% AMI and below. (See appendix)

Homeowners experience less cost burden than renters, but there continues to be a deficit of housing for moderate to above median income households and a surplus of units targeting those earning \$75,000 a year and above, which is less than 25% of the population. The Housing Needs Model estimates that the City will need; 402 housing units available under \$72.3k, 950 units with sale prices between \$72.3k-110.1k, 916 units with sale prices between \$110.1k-147.6k, 745 units with sale prices between \$147.6k-185.3k, and 1,594 units with sale prices between \$185.3k-279.3k. The majority of the ownership units will be targeted to those making the area median income to 120% of the AMI. The model assumes a surplus of units priced at \$279.3k and above. (See appendix)

Housing Density

Figure 6.1 on page 50, show housing density in terms of units per acre mapped by census block. The City is comprised primarily of land zoned for single family dwelling units. Due to the high cost of land in the City of Ashland, most developments maximize the allowable density. One exception is land zoned for multi-family development. Though there is more land zoned for single family development, land zoned for multi-family developments is often developed as single family attached due to market forces, high end multi-family developments such as condominiums and townhouses are more economically attractive to private market developers looking to maximize density and profits. This has made it difficult for non-profit and for-profit developers to construct affordable and market rate multi-family rental complexes which were shown to be the housing type most in demand by the 2007 RNA. Similarly many of the existing affordable and market rate units are HUD expiring use properties, once the HUD contract has expired the rental units can convert to market rate rentals or be condo minimized.

Figure 6.1



The findings of the Housing Needs Model and an analysis of income and housing cost indicate that:

- A median family household cannot afford to purchase a home in Ashland.
- The largest dwelling unit gap exists for households earning less than \$10,000 annually.
- The city needs approximately 803 additional units costing less than \$200 per month. These units fall in the category of government assisted housing.
- Only 232 owner-occupied units in Ashland are valued, under \$110,000 or about 4.5% of all owner occupied units. The small number of owner-occupied units valued under \$110,000 limits ownership options in Ashland for households earning less than \$40,000 annually.

In summary, our evaluation of housing mix, density, and affordability suggests that the City continues to struggle with issues of affordability and needs to plan for a larger share of multiple family housing, and for a greater number of single family housing types on smaller lots. Housing tenure remained fairly constant at 52% and 48% respectively for owners and renters, though the ownership rate for Ashland is lower than that of the surrounding areas it is similar to other communities which contain universities.

Figure 6.2
Owner Occupied units by affordability

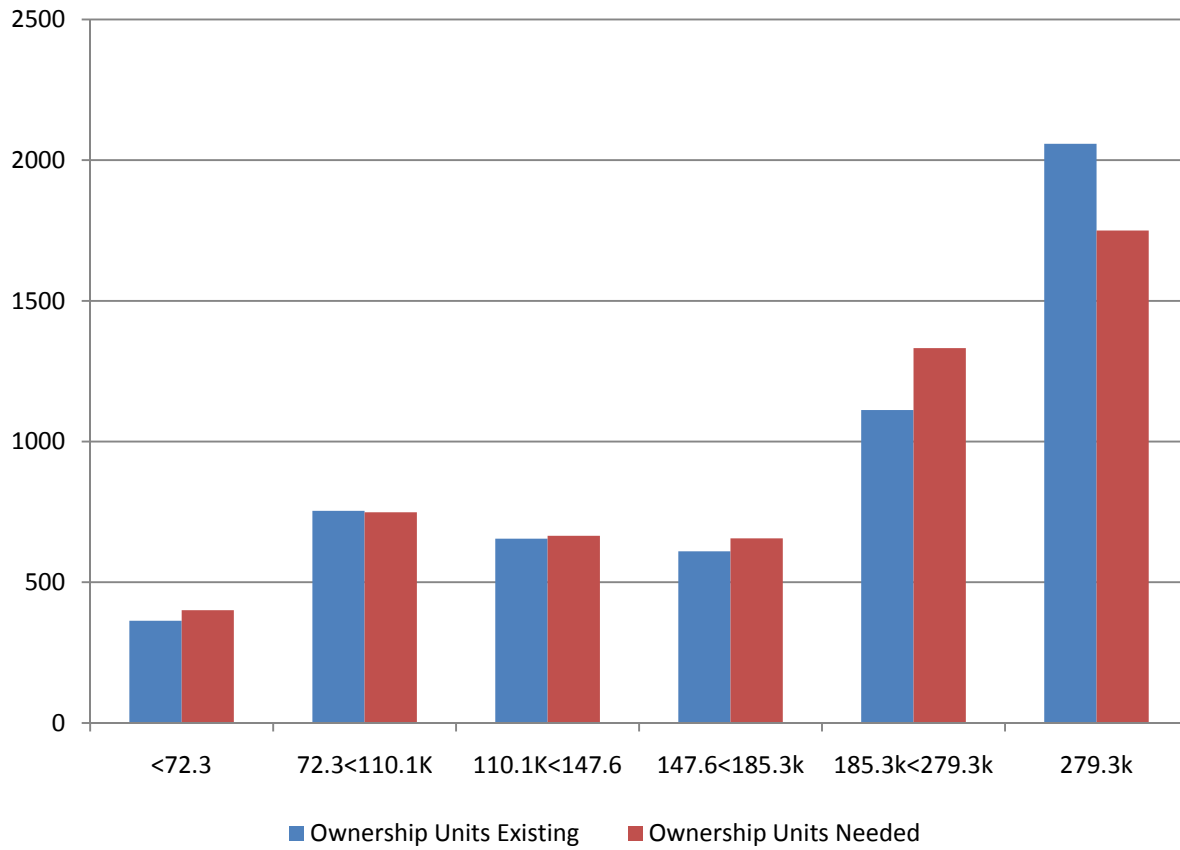
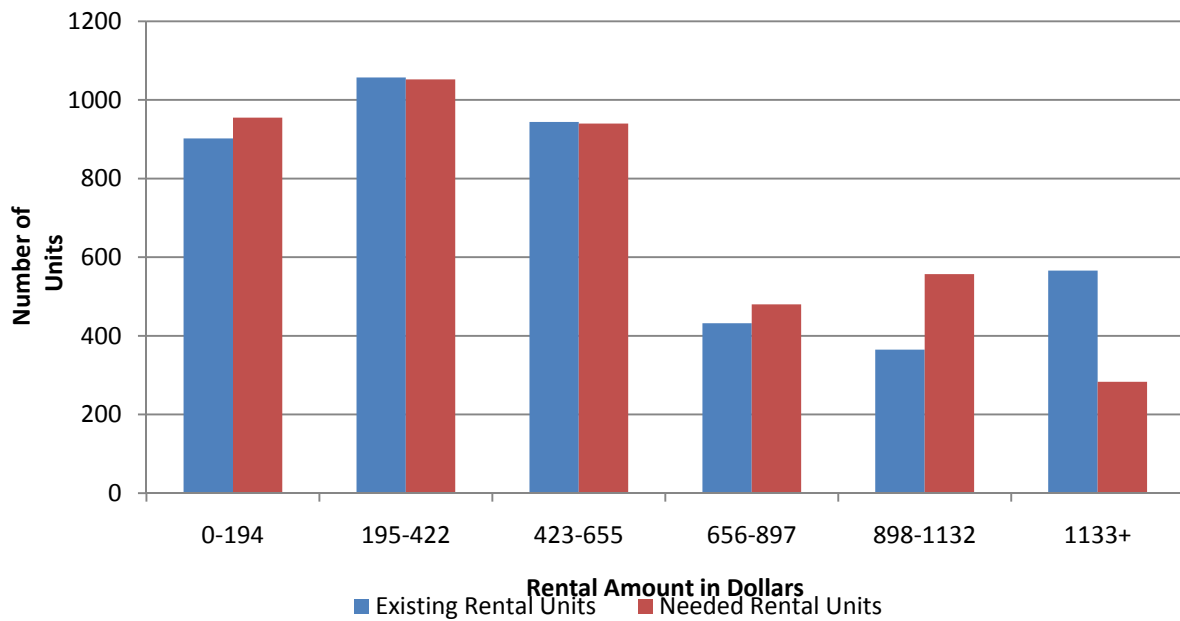


Figure 6.3
Rental Units needed by affordability



Housing needs of special populations

Oregon Housing and Community Services (OHCS) identify several “special populations” that have housing needs distinctly different than the general population. These include the frail and elderly, farm workers, peoples with disabilities, persons recently released from state institutions, and persons infected with the HIV virus, among others. The housing needs of these special populations are highly dependent on individual circumstances. It is not uncommon for the same individual to be classified into two or more of the categories. As such, it is very difficult to develop an estimate of the number and type of housing units needed to accommodate these special populations. In this section we estimate the number of persons with such disabilities and provide projections based on data provided by the 2010 Needs Analysis Priorities for Special Needs Populations compiled by OHCS.

Senior housing

The 2010 Needs Analysis Priorities for Special Needs Populations completed by OHCS to prioritize funding for new affordable housing units throughout the state looks at the number of housing units available to and the population of various special needs households by County. The OHCS Needs Analysis Priorities for senior housing is detailed in Table 6.3 below.

Table 6.3

Senior Housing vs. Population (Jackson County)				
Special Needs population	Existing Units Available	Population	% of Housing Available	Housing Gap
Elderly	1,119	8,047	13.9%	6,928
Frail Elderly	8	919	0.9%	911

Section IV-Ashland's Housing Inventory, details the number of existing retirement and assisted living units within the City. The 2010 Housing Needs Model estimates that a total of 257 new units will need to be added to the City's existing stock to house populations' ages 65 years old and older. Of those units 83 rentals and 174 ownership units will be needed to accommodate the housing needs of seniors.

Special needs housing

The 2010 Needs Analysis Priorities for Special Needs Populations completed by Oregon Housing and Community Services to prioritize funding for new affordable housing units throughout the state looks at the number of housing units available to various special needs households by County. The OHCS Needs Analysis Priorities for Special Needs Populations estimates that that there are very few housing units currently in existence throughout the county for the majority of the people who could be categorized as having special needs. See table 6.4 below for details.

Table 6.4

Special Needs Housing vs. Population (Jackson County)				
Special Needs Population	Existing Units Available	Population	% of Housing Available	Housing Gap
Alcohol & Drug Rehab	54	4,440	1.2%	4,386
Chronically Mentally Ill	47	2,842	1.7%	2,795
Developmental Disability	44	794	5.5%	750
Domestic Violence	33	170	19.3%	137
Farm workers	77	3,735	2.1%	3,658
HIV/AIDS	4	136	2.9%	132
Physically Disabled	44	497	8.9%	453
Released Offenders	0	194	0.0%	194

As seen in the table above there is currently a significant housing gap to serve special needs populations. If a proportionate percentage of the population were to be extrapolated forward to the 2040 population projection for the County, peoples with special needs would be an estimated 6.3% of the County's population or 11,031 people. As the population increases it is evident that the number of housing units available to serve populations with special needs will continue to fall far short of the need for such housing unless a concerted effort to develop housing is encouraged.

Housing Stock available to persons with Disabilities

Census data reports that 2,379 people five years old and older with disabilities resided in Ashland in 2000. Peoples with Disabilities made up 12.8% of the population at that time. The 2010 Census and the 5-year American Community Survey estimates do not provide updated information about peoples with disabilities. However, as the City of Ashland has a greater percentage of the population which is 50 years old or older it can be expected that as the

population ages housing that meets the changing needs of the population will need to be provided. Currently the extent of housing stock available to peoples with disabilities is not known. However four complexes representing 148 units designated for seniors and peoples with disabilities are listed on the preservation property list which are in danger of expiring as dedicated affordable housing for seniors and peoples with disabilities.

Housing Stock available to persons with HIV/AIDS

Information on the housing stock available for persons with HIV/AIDS is currently unavailable for the Medford/Ashland MSA. State of Oregon department of health services records show that there are 149 people with HIV/AIDS living in Jackson County.³⁰ The number of people with HIV/AIDS living within the City of Ashland is not known. Consequently, the City does not prioritize or track the development of housing stock available to persons with HIV/AIDS.

Homeless Needs

It is estimated that in 2008, 1 in every two hundred people in the state of Oregon was homeless. Data from the Point in Time homeless Count conducted across the State of Oregon and throughout the U.S. in January 2008 showed that Oregon has the highest concentration of homeless people of any state at .54 percent or 20,653. The 2011 Point in Time homeless count for Jackson County totaled 1,049 people. Totals are not broken out per jurisdiction but are for the entire Continuum of Care region. Of the 1,049 respondents 39% identified themselves as chronically homeless (continuously homeless for a year or more or had at least four episodes of homelessness in the past three years), 48%, or 502 respondents were families with children. The majority of the respondents 26% cited “couldn’t afford rent” at the reason for leaving their last living arrangement.

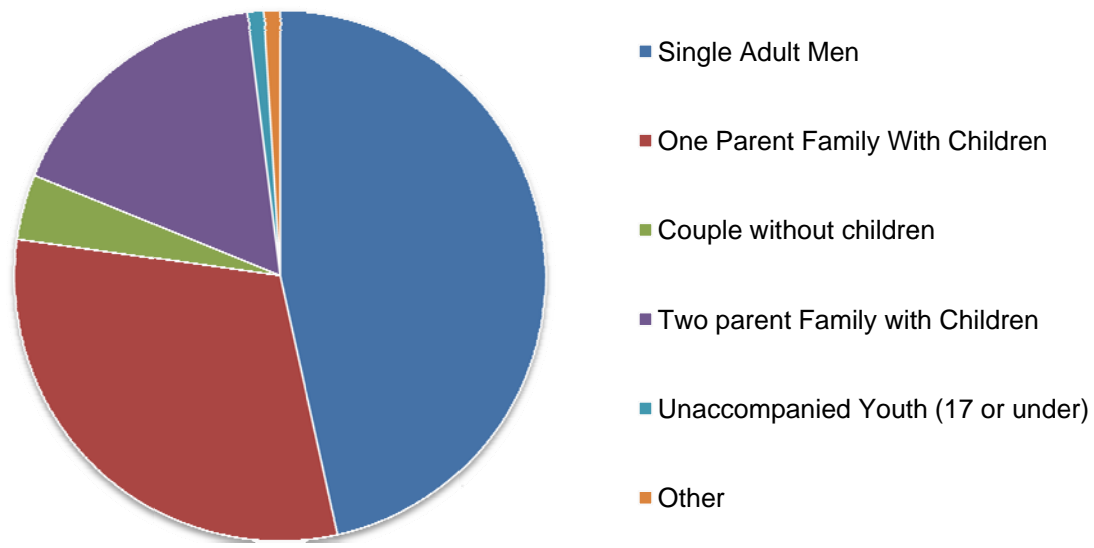
Ashland School District

An article published in the *Ashland Daily Tidings* reported on a rise in poverty in rural areas. Specifically, the article cited dramatically increased poverty rates among children in areas deeply affected by the recession including Medford and Ashland.³¹ The Ashland School District reported that for the 2010-2011 school year 84 children currently attending school within the district report being homeless. This number is up from 62 the previous year. Figure 5

³⁰ State of Oregon, Department of Health Services Website:
<http://www.oregon.gov/DHS/ph/hiv/data/docs/Livingcounty.xls>

³¹ Hammond, Betsy. “Rural Students most likely to live in poverty Some Southern Oregon districts see high rates.”
Ashland Daily Tidings 01 Dec. 2009.

2011 One-Night Homeless Count for Jackson County



Oregon Housing and Community Services receive federal and state resources to be used to support services for homeless populations. They include: Emergency Housing Account, Emergency Shelter grants, State Homeless Assistance Program, Shelter Plus Care, and Supplemental Assistance for Facilities to Assist Homeless. Additionally, under the Federal Continuum of Care program administered by HUD, local governments and agencies can apply for federal funding for programs and services to prevent and combat homelessness. The Jackson County Continuum of Care has been the recipient of McKinney Vento funds since 2000. The City of Ashland does not directly receive any funds to assist homeless persons or persons at risk of becoming homeless, and there is no longer a local organization that provides services to homeless populations; however City of Ashland residents can access available services, programs and funds through ACCESS, Inc. the regional Community Action Agency that serves Jackson and Josephine Counties. Similarly, many non-profit agencies that provide housing or support services for homeless populations are eligible to apply for funds through OHCS or through the Jackson County Continuum of Care.

In 2007, Interfaith Care Community of Ashland (ICCA), the sole provider of homeless services located within the City of Ashland, closed its Ashland location and consolidated its operations to that agency's Medford office. Since the loss of ICCA the City passed an ordinance to set up an emergency shelter in times of inclement weather. Several local faith based organizations and Peace House, a local non-profit, offer weekly hot meals, showers, and occasionally a place to sleep. Though there are limited local housing resources for the City's homeless populations, there are several organizations that provide emergency shelter, transitional housing, and other resources and supportive services for homeless individuals in Medford, but many of the City's homeless lack the resources for or have transportation to get to those providers in Medford which is 19 miles away.

Rental units at price ranges affordable to those with the lowest incomes (>\$10,000 a year) would serve to reduce homelessness. The 2010 Housing Needs Model shows this population has the greatest need for housing. It is known that households who experience cost burden, those who pay a disproportionate percentage of wages toward housing costs, are the most vulnerable, and have an increased risk for falling into homelessness. Similarly, individuals and families transitioning from homelessness often have little or no ability to pay housing costs. These individuals and families need housing that is either subsidized or extremely affordable in able to work toward stabilization and self-sufficiency.

Section VII - Meeting Housing Needs

Housing Distribution Strategy

In order to meet housing needs of the community over the planning period (Through the year 2040), some modification in the current distribution of housing that is being developed by the demand driven market will be required. The proposed modification is shown in Table 7.1 below.

Table 7.1

Housing Type Distribution						
Housing Type	Total Housing Units Needed in 2040	Estimate of Existing Units ³²	Future Needed/ Gap	Final Target Distribution of Housing by Type in 2040	Current Approx. Distribution by Type ³³	Needed Distribution to meet future unit need
Single Family	8,913	7,356	1,557	65.80%	80.26%	45.50%
Manufactured DU in Park	325	154	171	2.40%	-	5.0%
Duplex Units	420	526	-106	3.10%	2.63%	N/A
Tri-Quad Units	569	530	39	4.20%	3.12%	1.1%
5+ Multi-Family	3,319	1,655	1,655	24.50%	13.99%	48.4%
Total	13,545	10,230	3,315	100%	100%	100%

This distribution modification is further exemplified by the 2010 Housing Needs Model outputs for unit type based on income and affordability. Based on Census data for income, the City needs many more low cost rental units, which are often multi-family units and government assisted housing units whether through tax-credits, loans, or subsidies in the form of project based or portable housing vouchers. The City has a deficit of ownership units below \$279k. The Housing Needs Model shows a total deficit of 2,719 ownership units affordable to people making below \$75,000 annually.

In order to achieve the desired distribution by 2040, the City will need to modify the development mix in favor of multi-family units over that of predominantly single family units which has historically prevailed. The City will need to substantially increase its stock of multi-family units in order to meet the desired distribution by 2040, skewing the development of such units beyond parity with the development of single family units to close the gap.

³² From 2006-2010 American Community Survey.

³³ Number derived from Census Building Permit Data 2000-2011. See Appendix for details.

Table 7.2

Estimate of Income and Affordability - Housing Needs Model 2010			
Rentals/monthly rent	Number of Existing Units	Current Needed Units	Current Surplus/Gap
0-\$194	152	955	-805
\$195-422	283	1,052	-769
\$423-655	1,052	940	112
\$656-897	1,401	480	922
\$898-1132	830	557	273
\$1133+	1,258	283	975
Total	4,976	4,266	710
Ownership Unit Values			
<\$72.3k	150	401	-251
\$72.3k<110.1k	82	749	-667
\$110.1k<147.6k	18	665	-648
\$147.6<185.3k	160	656	-497
\$185.3k<279.3k	676	1332	-656
\$279.3k+	4004	1750	2255
Total Units	5089	5552	-463

Challenges and Recommendations

Challenges

To the degree the 2010 Housing Needs Model projections are accurate representations of Ashland's future housing needs, then City may be faced with the following challenges over the next 20 years:

- How and where to zone and “protect” land for affordable rental and ownership housing as well as multiple-family housing at all levels.
- How to encourage developers to build what Ashland needs (by price/affordability), rather than the products they are comfortable building or which yield the greatest profit.
- How to continue to create and sustain Ashland's great neighborhoods.
- House to create a variety of housing types and incomes in neighborhoods.
- How to encourage effective partnerships to increase funding for low-income housing and provide responsive, coordinated and effective housing choices and service.

Goals

To provide for the needs of the expected population growth in Ashland over the next 20 years and maintain a diversity of income, cultural, and age groups in Ashland's population, consistent with other plan goals.

Objectives

Strive to maintain a diversity of population groups in Ashland, especially if increased growth pressure leads to more expensive housing. Concentrate on population groups that are important to Ashland's character, such as students, artists and actors, employees of the city, school district, and college, service personnel who work in the tourism industry, hourly wage earners in local industries, and local residents who have not retired and live on fixed income. (Ashland Comprehensive Plan)

Increase owner-occupied households to comparable levels with county and state ownership averages.

Recommendations

The City needs to look ways to encourage;

- Rental housing at rates affordable to low to moderate income households,
- Ownership housing opportunities that are targeted to the 76% of the population that earns less than \$75,000 a year,
- More housing types targeted to seniors and peoples with disabilities,
- More studios and one bedroom units,
- More multi-family housing types,
- Manufactured housing in parks and on single family lots.

Challenges

To ensure a variety of dwelling types and provide housing opportunities for the total cross-section of Ashland's population, consistent with preserving the character and appearance of the city. (Ashland Comprehensive Plan)

Objectives

Conserve land and reduce the impact of land prices on housing to the maximum extent possible.

Recommendations

- Encourage the development of vacant available lots within the urban area,
- Consider mixed uses wherever they will not disrupt an existing residential area,
- Support efforts for rehabilitation and preservation of existing housing and neighborhoods,
- Consider allowing and encouraging accessory apartments in new and existing, neighborhoods as an outright permitted activity in single family zones,
- Consider restricting the development of detached single family residential units in multi-family zones.

Challenges

The local economy does not provide wages that are commensurate with housing costs.

49% of homeowners with mortgages, 14% of homeowners without mortgages, and 63% of renter households spent more than 30% of household income on housing costs.

Objectives

In order to provide for the long-term self-sufficiency of Ashland's low- and moderate-income households, the issue of affordable housing must be addressed in a comprehensive manner. In addition to the land use related actions already identified, the following actions may help meet the objectives of decreasing the percentage of households who experience cost burden.

Recommendations

- Provide more economic opportunities for Ashland residents by improving the local economy and attracting more “family wage” jobs,
- Support efforts of affordable housing providers, including; the Housing Authority of Jackson County, Rogue Valley Habitat for Humanity, Access, Inc. Ashland Community Land Trust, and Umpqua Community Development Corporation. To provide affordable housing, financial assistance, and services to Ashland low and moderate income, elderly, and special needs households,
- Dedicate Community Development Block Grant funds as projects and needs arise,
- Work with employers to better understand the demographics and housing preferences of their workforce.

Conclusion

The identification of a set of land use policies that will lead to the development of more affordable housing while achieving other community goals is difficult at best. Ashland however, is not the only community in Oregon, or the United States that is facing housing affordability problems. A considerable body of literature exists on land use policy and affordable housing that summarizes approaches that communities have used to address the housing affordability issue.

In general, communities should review policies to ensure that (1) they do not create barriers or exclude to any housing types, and (2) they reduce the cost of housing.

Below is a brief summary of some of the policy approaches that communities can consider to address housing affordability.

- *Remove Barriers: Barriers to construction of needed housing or efficient use of land are those that public policy has imposed. A jurisdiction would select measures in this category if it has evidence that the market wants to build needed housing types or densities but is kept from doing so by public policies.* The City should review policies to weed out ineffective

policies, obsolete design standards unnecessarily burdensome permitting processes and inadequate or inappropriate zoning.

- *Provide Incentives: Incentives are measures that increase the likelihood that developers will provide needed housing or use land efficiently as a result of reduced costs. A community would select measures in this category, if it has evidence that the market might be willing to build a certain type or density of housing, but there is uncertainty about the success in the market place and/or current economic conditions for such development are less than optimal.*
- *Explore cost reducing measures including costs of public services and facilities, development fees, and other processing costs. An example of a less commonly considered incentive includes working with neighborhood groups to address concerns. If successful, this can reduce costs of lengthy appeals to the developer.*
- *Require Performance: These measures are mandatory plan policies and code requirements affecting development. A jurisdiction would select measures in this category if it has evidence that the market is not likely to respond, at the level of incentive that a community can provide.*
- *The public sector is not directly producing the housing. Therefore, estimates of the likely effect of these measures should be qualified by some uncertainty about exactly how the private sector will respond. For example, if higher density requirements or mandatory design standards are perceived by the development community (designers, builders, lenders as unprofitable or unmarketable, the desired housing may not get built in the community. In the case of up-zoning for higher densities, this may result in no housing development instead of housing at lower densities. For this reason, jurisdictions should seek a balance in adopting regulations and try to redirect, not stifle market forces that produce most of a community's housing. In many cases, requirements should be applied uniformly on all developments so that no particular development gains a competitive advantage. This will encourage developers to find ways to produce the product within market constraints.*
- *Review development standards? Lot size typically impacts the price of lots, the size of housing units allowed and the overall price of housing units.*
- *Evaluate minimum lot sizes and setbacks, maximum heights and lot coverage of all zones.*
- *Evaluate compatibility standards, particularly for multiple-family developments and infill sites.*
- *Evaluate incentives for the development of smaller units.*

Appendix

Table A-1**Housing demand /capacity comparison by unit type**

Existing Dwelling Unit Capacity (2010 BLI)	SFR	Multi-family	Totals
	1469	1384	2853
Needed Units per Housing Gap Analysis through 2040	1557	1759	3316
Deficit by 2040	-88	-375	-463
Annual units needed through 2040	55.6	62.8	118.4
Total Year Supply	26.4	22.0	24.1

Table A-2

Future Needed Unit Distributed by Comprehensive Plan Designation

Comprehensive Plan	Net Buildable Acres	Existing Dwelling Unit Capacity (2011 BLI)	Dwelling Units by Type distributed into existing capacity	
			SFR	Multi-family
Airport	Per Airport Master Plan	0	0	0
Commercial	15.8	252	0	252
Croman Mill	62.8	340	0	340
Downtown	2	53	0	53
Employment	105.1	221	0	221
HC	1.4	15	0	15
HDR	8.9	162	0	162
Industrial	12.1	0	0	0
LDR	38.1	70	70	0
MFR	30.8	323	0	323
NM	17.7	118	100	18
SFR	214	875	875	0
SFRR	48	103	103	0
SOU	19.5	SOU Master Plan	0	0
Suburban R	42.3	311	311	0
Woodland	4.3	10	10	0
Totals	622.8	2853	1469	1384

Note: *Expected Dwelling Units* on Commercial and Employment Lands have been reduced by 50% from what would be permitted as such units are not required.

Table A- 3a

Housing Units by Type 2002-2011 Data Derived from City Database (EDEN)					
Year Permit Issued	Mixed Use – above commercial	Multi- Family	Accessory Residential Units	New Condominium Units (not including mixed use)	Group Homes
2002	3	-	-	-	30 (SOU)
2003	2	-	-	-	
2004	2	-	-	-	
2005	4	26	6	8	
2006	22	5	4	48	
2007	13	2	2	7	
2008	9	2	8	0	
2009	0	1	1	0	
2010	0	60	4	0	
2011	3				209 (SOU)
Total	58	96	27	63	239

Table A-3b

Units per Year by Type 2002-2011 Data on single family and multi-family development derived from Census data						
Year Permit Issued	Single Family	Multi- Family	Accessory Residential Units	Condominium Conversions	Group Homes	Manufactured Homes
2002	99	9	-	-	30 (SOU)	1
2003	125	64	-	14	0	
2004	103	55	-	4	0	
2005	128	43	6	22	0	
2006	47	57	4	34	0	
2007	52	11	2	8	0	1
2008	20	12	8	10	0	0
2009	25	1	1	0	0	0
2010	34	10	4	0	0	
2011	24	6	2	0	209 (SOU)	
Total	657	268	27	92	209	2

Table A-4

Comprehensive Plan	# of Parcels	Net Buildable Acres
Airport	9	Per Airport Master Plan
Commercial	52	15.8
Croman Mill	31	62.8
Downtown	17	2
Employment	114	105.1
HC	10	1.4
HDR	48	8.9
Industrial	6	12.1
LDR	83	38.1
MFR	115	30.8
NM	77	17.7
SFR	552	214
SFRR	27	48
SOU	19	19.5
Suburban R	50	42.3
Woodland	30	4.3
Totals	1240	622.8

Source: Table 3.3 from the BLI: Buildable acres: UGB & City Limits

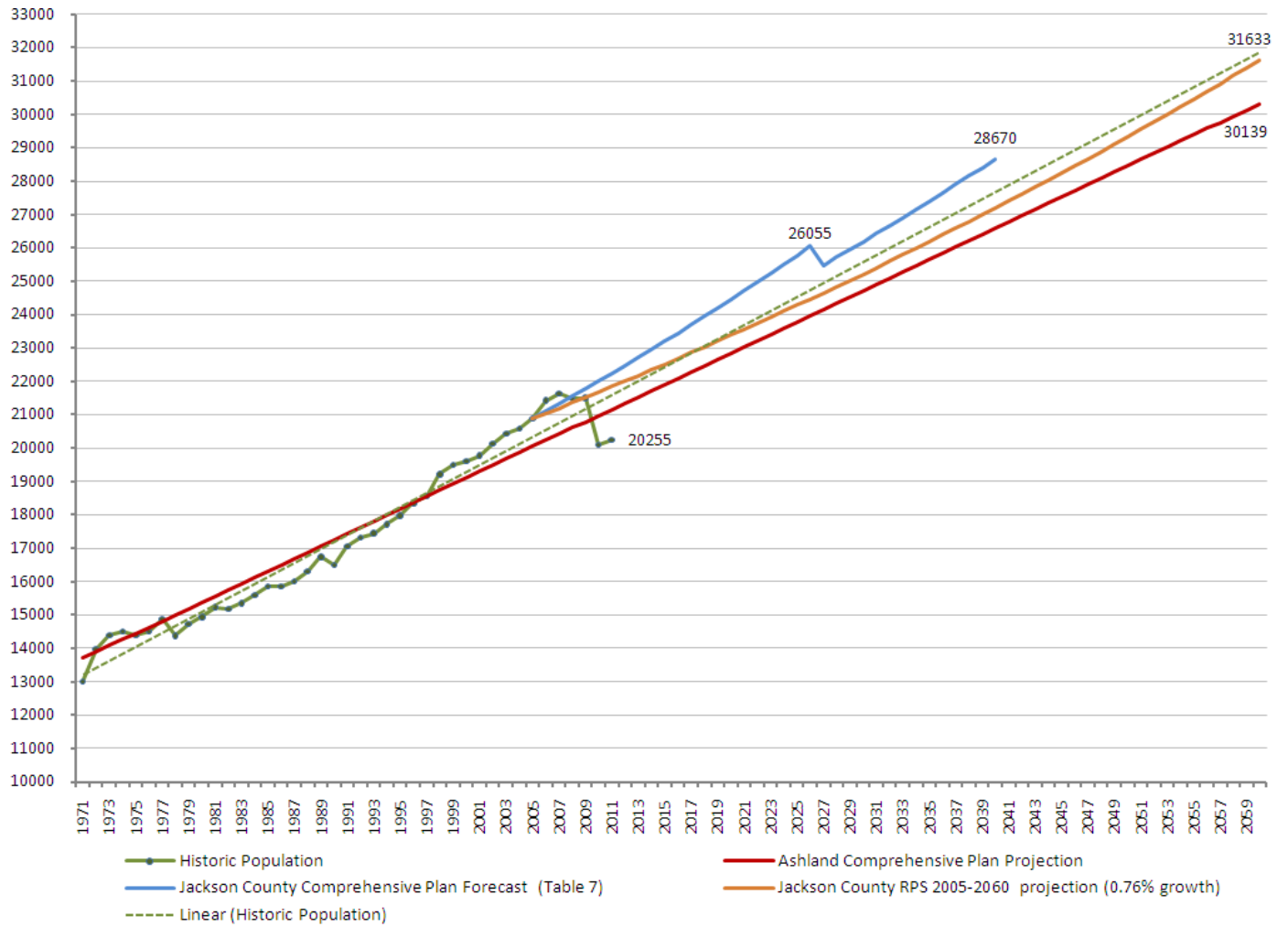
Table A5

Ashland's largest employers		
Business	# of Employees	% of Population
Southern Oregon University	Approx. 750	3.6%
Ashland Community Hospital	410	1.9%
Oregon Shakespeare Festival	398	1.9%
Ashland Public Schools	350	1.6%
City of Ashland	229	1.1%
Butler Ford	Approx. 160	0.7%
Pathway Enterprises, Inc.	130-150	0.6%
Ashland Food Co-Op	130	0.6%
Pro Tool	Approx. 100	0.4%
Linda Vista	Approx. 75	0.3%
Albertsons	72	0.3%
Plexis	Approx 70	0.3%
Safeway	65	0.3%
Town and Country Chevrolet	50	0.2%
Cropper Medical	50	0.2%
Bi-Mart	45	0.2%

Source: City of Ashland, Chamber of Commerce website: www.ashlandchamber.com.

Table A6

Population Projections



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reidl@ashland.or.u

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Request for board and commission input

From : Dave Kanner <dave.kanner@ashland.or.us>

Wed, Sep 19, 2012 02:33 PM

Subject : Request for board and commission input

To : david@davidwolske.com, fluerys@ashland.or.us, pastapiatti@gmail.com, tuneberl@ashland.or.us, rparker@mind.net, truea@ashland.or.us, danmaymar@aol.com, chamberc@ashland.or.us, shobro@jeffnet.org, guntera@ashland.or.us, reginariley@jeffnet.org, reidl@ashland.or.us, pam marsh <pam.marsh@gmail.com>, molnarb@ashland.or.us, carol@davisandcline.com, ann@ashland.or.us, dyoung@jeffnet.org, faughtm@ashland.or.us, upperlimbit@wildblue.net, pinam@ashland.or.us

Hello all –

You are receiving this either because you are the chair of a city board or commission, or you are a staff liaison. If you are neither, I would appreciate you forwarding this to the correct person.

The City received a request from the Transportation Commission to reduce its membership from nine to seven and we are bringing an ordinance to do that to the Council next month. The mayor has asked me to check with other boards and commissions to see if there are any others that believe their appointee number should be reduced.

In addition, the mayor has questions about how the recent change in the definition of quorum is working for all of you (a majority of all positions on the board or commission, not just a majority of currently filled positions).

We are also seeking feedback on how to define “excused absence” or a policy on multiple absences, as well as a potential change in City Code that would allow City Councilors or board and commission members who cannot be physically present to participate in meetings by phone.

Please have your board/commission discuss the above at your next meeting and provide your feedback to me. I plan to take this to the Council at their November 5 study session and I would ideally like to have all feedback by October 30 at the latest.

Thanks,
Dave

Dave Kanner, City Administrator
City of Ashland
20 East Main Street, Ashland OR 97520
(541) 552-2103 or (541) 488-6002, TTY 800-735-2900
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This email is official business of the City of Ashland, and it is subject to Oregon public records law for disclosure and retention. If you have received this message in error, please let me know. Thank you.
