



**CITY OF
ASHLAND**

**ACTION PLAN: ONE YEAR USE OF FUNDS
Program Year 2007
(July 1, 2007 - June30, 2008)**

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

By:
The City of Ashland
Department of Community Development
Planning Division
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Mission Statement

The following mission statement is taken from the City of Ashland's current Strategic Plan.

HOUSING

The City has a responsibility to ensure that proper amounts of land are set aside to accommodate the various housing needs in the City, and that its land development ordinances are broad enough to allow for variation in housing type and density.

ECONOMY

The City seeks to provide opportunities for a variety of economic activities in the City, while continuing to reaffirm the economic goals of Ashland citizens. Economic development in Ashland should serve the purpose of maintaining and improving the local quality of life.

SOCIAL AND HUMAN SERVICES

To ensure that all people in Ashland live in a safe, strong, and caring community, the City seeks to enhance the quality of life and promote self-reliance, growth and development of people. To these ends, the City will strive to provide resources and services to meet basic human needs.

Strategic Plan

The City of Ashland anticipates an annual allocation of \$212,738 in Community Development Block Grant funds for Program Year 2007 (July 1, 2007-June 30-2008) by the Department of Housing and Urban Development (HUD). Additionally in the coming program year the City will utilize 13,800 in 2006 carry over funds that were not applied to a sidewalk project as originally expected. Following the recommendation of the Housing Commission, the City Council awarded The Rogue Valley Community Development Corporation (RVCDC) \$31,190 of the competitive 2007 CDBG award in support of an economic development activity. The remainder of funds is to be applied to administration of the program (20% of annual award) and an activity that will provide low-moderate income housing in keeping with the priority goals set forth in the 2005-2009 Consolidated Plan.

This document, the CDBG Action Plan for Program Year 2007, describes the project(s) that the City will undertake and the manner in which the project(s) are consistent with the priorities of the Five-Year Consolidated Plan.

Within this document is a table summarizing the projects to be funded by CDBG dollars in Program Year 2007 (page 4).

The Five-Year Consolidated Plan is a planning document required by the U.S. Department of Housing and Development (HUD) for the receipt of the City's Community Development Block Grant (CDBG) funding. The purpose of the Consolidated Plan is to outline a strategy the City will follow in using CDBG funding to achieve the goal 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."* In 2004-2005 the City of Ashland completed an update of the 5-year Consolidated Plan and the 2005-2009 Consolidated Plan was approved in May of 2005. The award of 15% the 2007 CDBG allocation to RVCDC, and the intention to apply the remainder of the annual allocation and past carryover to support the development of affordable housing meets the priority needs identified within the current Consolidated Plan.

The Community Development Block Grant program allows for numerous activities as eligible uses of the Federal funding. Ashland's local Consolidated Plan focuses the available funds to activities that address the highest priority need identified, affordable housing. However, CDBG can be used to fund a variety of activities that benefit low-moderate income families and individuals. One of these eligible uses, Job training by a Community Based Development Organization is programs that provide Job skills training to low and extremely low income use. It is this application that was identified in the RVCDC proposal and award.

Other common applications include:

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities
- Development of neighborhood centers
- Public Services
- Activities related to energy conservation
- Job Creation activities

Additionally, Federal regulations permit up to 15% of the yearly CDBG allocation to be directed to public services. Such eligible public services include health care services, substance abuse services, fair-housing counseling, architectural services, homeless prevention, and many others. The City of Ashland identified such public services in the 2005-2009 Consolidated plan and re-instituted the 15% allocation potential to support such activities. In 2006 the City of Ashland intends to direct 15% (\$31,190) of the 2007 CDBG allocation (\$212,738) to an activity that provides job training through the YouthBuild Program which targets low income youth (16-24 years) and provides both education toward obtaining GED or college coursework, and they undertake on site training in the construction field. Many of the youth participants in the program have experienced homelessness, alcohol or drug dependency.

The table provided below shows the projects awarded CDBG funds in Program Year 2007:

CDBG Funded Projects for Program Year 2006

| Project ID | Recipient Organization | Activity Name | Location | CDBG Funds | # Households or Persons Assisted Annually |
|---|--|------------------------------------|--|-------------------|--|
| 1 (Goal 14) | City of Ashland | CDBG Administration | city wide | \$42,548 | city wide |
| 2 (Goal 12) | Rogue Valley Community Development Corporation | Youthbuild Program | Economic Development Activity – multiple sites (Ashland and Medford) but primarily on-site construction at 795 Park Steet. | \$31,190 | 10 individuals |
| 3 (Goal 1) | City of Ashland | Land Acquisition | To be Determined | \$152,800 | 3 households |
| Unfinished CDBG Funded Projects from prior Program Years to be cancelled with funds reprogrammed per the awards above. | | | | | |
| 2002-2 | Rogue Valley Community Development Corporation | RVCDC Public Facility Improvements | Ashland city limits (2001 Siskiyou Blvd) | \$13,800 | The applicant submitted a letter declining the award due to added costs associated with acceptance of the CDBG grant (administrative and Davis Bacon). ACTIVITY CANCELLED |

Housing Goals

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 of Ashland received no applications for CDBG funds in 2007 to address the goal of increasing the supply of affordable housing. However as a priority goal the Ashland Housing Commission and City Council directed that the unawarded CDBG funds in this program year (\$152,800) would be applied to land acquisition by the City to develop affordable housing. The city will work with community groups and organizations to identify a project whereby this goal and objective can be achieved. *Once a project is identified the City will amend the annual Action Plan to receive public comments and explicitly identify the proposed use and associated funding sources.*

It is estimated based on past subsidy amounts that \$152,800 can assist the City and selected housing provider in developing three affordable housing units. It is anticipated that the CDBG funds would be provided as a grant and used as leverage/match against other funding sources. Specifically the City of Ashland has advertised the sale of surplus City property and the City Council has identified that the proceeds from this sale will be applied to the development of affordable housing. The location would be determined by agreement of the affordable housing provided and by the Ashland City Council. Non-profit or for-profit housing developers, or the city, would be eligible recipients of these funds for a qualified project.

Program Year 2007 Projected Number of Households to be Assisted: 3

Funding sources for this project include:

\$152,800 CDBG

City of Ashland General Funds amount to be determined

Funding Level: \$152,800

Target Date for Completion: Land Acquisition to be completed by July 1, 2008.

Accessory Residential Units

Action to meet priority and time-line: The City of Ashland allows small second units in the single-family residential zones) to increase the supply of affordable rental units. The Conditional Use Permit Procedure was changed in 1990 to allow an accessory apartment or cottage (Accessory residential Unit – ARU within single family residential zones. This provided valuable affordable housing units without unreasonable impacts on the neighborhood. A total of 111 units have been made legal or been newly constructed since 1990. Three new Accessory Residential units were added between July 1, 2006 and the date this Action Plan was drafted. The number of ARUs approved has each year has begun to decrease in the last two years. Where in prior years the number of new ARUs created annually was between 8 and 10 units. Recent averages for new ARU's are at 4 units per year.

Projected number of ARU to be approved in FY2007: 4

Funding sources for this project include: City of Ashland general funds utilized for staff support.

Probable Funding Level: N/A

Target Date for Completion: Ongoing

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.

Action to meet priority and time-line:

The development of affordable housing ownership opportunities for low and extremely low income households is a high priority for the City of Ashland. As mentioned under Goal 1 the City is in the process of selling City surplus property which is expected to generate approximately 1.2 million dollars to be applied to the goal of addressing Ashland's Housing needs. A portion of these proceeds will be applied toward the purchase of a small area (.32 acres) of a 2 acre property recently acquired by the Ashland Parks Department on upper Clay Street to be used as a neighborhood park. The City estimates that through transfer of residential density from the designated park land, to the area to be acquired for housing, the .32 acres can be developed as five individual units of ownership (attached townhomes). The City conceptually envisions that the five unit development could be a mixed income project in which a minimum of three units would be ownership units targeted to households earning less than 80% the area median income and the remaining two units could be targeted as workforce

housing units to households earning less than 120% the area median income. The precise income mix of the project will be coordinated with the affordable housing partner selected to undertake the project.

Funding sources for this project include:

No CDBG funds will be applied to this project.

The City of Ashland's general fund will absorb the entire cost of the land acquisition of \$125,000

A project Performa has not been developed to delineate all project costs and anticipated funding sources.

Projected Number Households to be Assisted:

3 households at less than 80%AMI

2 households at less than 120%AMI

Probable Funding Level:

\$125,000 City of Ashland

Other costs and sources to be determined

Target Date for Completion: Acquisition to be completed with City of Ashland General Funds by Sept 30, 2007

Density Bonus and Deferred SDCs for Affordable Housing

Action to meet priority and time-line:

The City currently provides a density bonus to developers who construct affordable rental and ownership units to provide an incentive based strategy to encourage the additional units. The City also waives the system development charges, the Engineering Services fees, and the Community Development for affordable rental and single family homes targeted at households earning less than 80%AMI. The waived system development charges become a "sleeping second" mortgage and deed restrict the property to be affordable for a minimum of 30 years. At the conclusion of the period of affordability the obligation is considered satisfied without payment. The maximum rent limit for covered units is set by reference to the State of Oregon HOME program for households earning 60% of the Area Median Income. In the provision of for-purchase housing participants can earn up to 80% of area median income (AMI), although in some cases developers will target households at the 60% AMI level per land use regulatory incentives (zone change or annexation). In 2006 the Housing Commission and City Council completed significant revisions to the SDC deferral program restructuring the affordability targets, maximum rents, and maximum purchase prices as outlined above. Over the course of 2007 the City anticipates these changes will ensure the City funds dedicated to this program are more appropriately allocated to projects serving low-moderate income households.

The program of System Development, Engineering, and Community Development Fee waivers is ongoing.

The 25% Density Bonus provision of affordable housing is ongoing.

Funding sources for this project include: The City of Ashland's general fund absorbs the entire cost of systems development charges (SDCs) for affordable housing, and forgoes the collection of Engineering Services and Community Development Fees for select projects. No CDBG funds are allocated toward this program.

Projected Number Households to be Assisted in FY 2007: 16 new households.

The 16 units expected to benefit from the SDC or Engineering Service Fee waiver includes six units required to be affordable per an annexation request that was approved in 2003. Also included in the 16 anticipated units is the RVCDC project to develop 6 new affordable units (SelfHelp Phasell) during the coming program year. Additionally the Ashland Community Land Trust is expected to begin two projects for a total of four units that would take advantage of the SDC and Fee waiver program ..

Probable Funding Level: Approximately \$120,000 in waived System Development Charges, Engineering Services fees, and Community Development Fees – City General Fund (\$7500 per unit). No CDBG funds will be applied to this project.

Target Date for Completion: Ongoing

Housing Commission

Action to meet priority and time-line: The Housing Commission was established in 1995 to monitor the accomplishments of the City's housing program, to make recommendations to the City Council on housing policy, and to serve as an advocate for affordable housing in the City's political process. The Housing Commission will also oversee specific affordable housing projects undertaken by the City in partnership with private groups. Additionally, the City of Ashland's 2005-2009 Consolidated Plan establishes the Housing Commission as a public review body to hold public hearings and provide recommendations to the City Council, for awarding CDBG funds. Further the 2005-2009 Consolidated Plan charges the Housing Commission with review and approval of the annual Action Plan for use of CDBG funds.

Funding sources for this project include: Federal CDBG and City of Ashland general funds utilized for staff support. (see Goal 14 for a description of CDBG funds used for Staff support).

Target Date for Completion: Ongoing

Technical Assistance

Action to meet priority and time-line: The City will provide technical assistance to nonprofit organizations whose mission includes providing affordable housing. This technical assistance will include educating agencies on Community Development Block Grant requirements, anti-discrimination and fair housing, relocation and displacement policies, and provide referral services to appropriate local, state, or federal agencies as needed. Further staff will provide agencies, or individuals, with information on the City's affordable housing program including deferred systems development charges and density bonuses. The City of Ashland will provide technical assistance through the Planning Division as requested and will support applications consistent with the Consolidated Plan.

Funding sources for this project include: Federal CDBG and City of Ashland general funds utilized for staff support. (see Goal 14 for a description of CDBG funds used for Staff support).

Target Date for Completion: Ongoing

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.

The City does not plan to use CDBG funds made available for this activity during Program year 2007 .

Homeless Goals

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

Action to meet priority and time-line

The City Council on April 3rd 2007 approved a resolution setting forth policies and conditions under which Ashland 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 shelter will be staffed by volunteers from nonprofit organizations or other organizations in the business of providing for the needs of persons.

Ashland experiences "extreme weather" conditions primarily during the winter months where temperatures can drop below 20degrees, and exposure to the elements can be hazardous to persons without adequate shelter. Most recently on April 18th, 2007 due to an unseasonable snow storm Pioneer Hall was opened as emergency shelter and 6 homeless individuals were able to remain indoors overnight.

The provision of such emergency housing in City buildings is a new activity for the City and is effective immediately and will be an ongoing policy.

Funding sources for this project include: The City of Ashland's general fund absorbs the cost of maintaining the facilities and making them available to individuals in need of emergency housing during extreme weather conditions. Support in the form of volunteers from non-profit organizations also contributes to this endeavor.

The City does not plan to use CDBG funds made available for this activity during Program year 2007 .

Target Date for Completion: Ongoing

Target Date for Completion

City Social Service Grant covers a two year period beginning July 1 , 2007.

Technical Assistance

Action to meet priority and time-line: The City will provide technical assistance to nonprofit organizations whose mission includes providing emergency housing, and support services for homeless prevention. Further the City remains an active and supportive member of the Jackson County Continuum of Care Consortium's Homeless Task Force.

Jackson County is coordinating the development of a 10 year plan to eliminate homelessness and the City of Ashland will work with the County, and the Continuum of Care Consortium's Homeless Task Force to implement that plan.

The City of Ashland will provide technical assistance through the Planning Division and the Housing Program Specialist position as requested and will support applications consistent with the Consolidated Plan

Funding sources for this project include: Federal CDBG and City of Ashland general funds utilized for general staff support. No specific CDBG award for technical assistance funds was made during program year 2007.

Target Date for Completion: Ongoing

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.

Action to meet priority and time-line

The Interfaith Care Community of Ashland (ICCA) was tentatively awarded \$13,600 through the City's Social Service Grant process to provide client services to homeless individuals including those with mental illness and drug dependencies.

Funding sources for this project include:

The City of Ashland's general fund

The City does not plan to use CDBG funds made available for this activity during Program year 2007 .

Special Populations Goals

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.*

The City will continue to support the development of housing and supportive services for individual with special needs. The City allocates over \$100,000 every other year in “Social Service Grants” out of the City’s General Fund. A total of \$119,000 has been tentatively awarded for the FY2008-2010 two year period. These awards as recommended by the City Social Service Grant budget subcommittee are to be reviewed and approved by the full Budget Committee in June of 2007 as part of the City’s annual budget approval process. It is important to note that the cumulative award recommendation amounts total the precise amount of City General funds available for these grants (\$119,000) whereas \$193,398 was requested by applicants. A number of these grant allocations (full table below) specifically address supportive services for people with special needs.

The Community Health Center has been tentatively awarded \$32,000 to provide health care services to extremely low and low income residents with unmet medical needs.

The Interfaith Care Community of Ashland (ICCA) was tentatively awarded \$13,600 to provide client services to homeless individuals including those with mental illness and drug dependencies (see goal 5).

Community Works was tentatively awarded a total \$32,206 to provide services including rape crisis counseling as well as temporary shelter for victims of domestic violence.

A grant of \$3000 has been recommended to OnTrack Inc. to assist in the operating expenses for their drug abuse treatment programs and \$1030 has been recommended to assist Southern Oregon Drug Awareness in their efforts to reduce drug dependency.

Social Service Grant Applicants FY 2008-2010

| Organization | Tentatively approved allocation |
|---|---------------------------------------|
| Community Health Center | 32,000 |
| Southern Oregon Drug Awareness | 1,030 |
| Children's Dental Clinic | 3,104 |
| Planned Parenthood | 2,060 |
| Ontrack | 3,000 |
| Community Works-Dunn House | 15,000 |
| Community Works-Sexual Assault Victims Services | 2,575 |
| Community Works-Parent Education | 1,442 |
| Community Works-Helpline | 7,210 |
| Community Works-Street Outreach | 5,979 |
| Help Now! | 1,100 |
| WinterSpring Center for Living with Loss & Grief | 1,000 |
| Southern Oregon Child Study and Treatment Center | 2,900 |
| Center for Non Profit Legal Services | 6000 |
| Children's Advocacy Center | 2,700 |
| RV Manor- Foster Grandparent | 1,200 |
| RV Manor- Retired Senior Volunteer Program | 1500 |
| Mediation Works | 2,200 |
| Access Inc | 5,500 |
| Jackson County Sexual Assault Response Team | 2350 |
| Interfaith Care Community | 13,600 |
| Jackson County Court Appointed Special Advocates | 2,500 |
| Trinity Respite Care | 1,700 |
| Southern Oregon Adolescent Study and Treatment Center | 1,350 |

Funding sources for this project include:

\$119,000 City of Ashland's general fund

The City does not plan to use CDBG funds made available for this activity during Program year 2007 .

Community Development Goals

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

The City has made a commitment to sidewalk improvements in moderate- and low-income neighborhoods and in past years had allocated ten percent of the total CDBG funding for sidewalk improvement and new construction. In an effort to utilize the limited CDBG funds more effectively to address Ashland's highest priority needs (provision of affordable housing), the use of CDBG to fund sidewalk improvements has been eliminated except in cases where the sidewalk is part of an affordable housing development. The City has no such proposals for the 2007 CDBG Program Year

Funding sources for this project include: The City does not plan to use CDBG funds made available for this activity during Program year 2007.

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 the City, or new standards for accessibility are established, Ashland will ensure that the accessibility needs of Ashland's residents are addressed.

Funding sources for this project include: No CDBG funds are currently allocated to this use, the City General Fund is the source for accessibility improvements to City facilities.

Other Goals

Fair Housing

Goal 9: *To affirmatively further fair housing.*

Action to meet priority and time-line: Fair Housing Council of Oregon

The Fair Housing Council of Oregon has been an invaluable partner to the City of Ashland in affirmatively furthering fair housing. During the coming fiscal year (2007) the City of Ashland aims to support FHCO in its outreach and education activities by assisting in the production of additional (quarterly) forums on Fair Housing within our region. FHCO, the City of Ashland, and City of Medford will sponsor of a series of trainings specifically targeted to groups impacted by the Fair Housing Act. The first of these training targeted to tenants and housing advocates is scheduled to be a live public television show that is simultaneously webcast across the State of Oregon from the Ashland City Council Chambers on May 23rd, 2007. During the 2007 program year in October 2007 another set of shows is tentatively scheduled to address the real estate and building industries. In combination trainings are intended to educate, realtors, property managers/landlords, lenders, architects, builders, planning officials, tenants and tenants advocates groups about the protections afforded under the law and practices to eliminate discrimination in housing.

The City will again work with the Fair Housing Council of Oregon as outlined above to conduct trainings in Ashland during the 2007 Program Year.

Funding sources for these projects include: City of Ashland general funds and CDBG funds (Planning and Administration allocation) will be utilized for staff support. However no specific CDBG allocation will be used for the proposed activities.

Action to meet priority and time-line: Legal Services

The City of Ashland provided the Center for NonProfit Legal Services a general fund grant in the amount of \$6000 explicitly to provide legal assistance for low income Ashland households facing housing discrimination or harassment. Low-income Ashland households facing housing discrimination will be able to obtain legal services through the Center for NonProfit Legal Services that may not otherwise be in a position to pursue legal action.

The award to support the Center for NonProfit Legal Services extended across the two year cycle from July 1, 2007- June 30, 2009

Funding sources for these projects include: City of Ashland general funds support this activity. No CDBG funds will be used for this proposed activity.

Action to meet priority and time-line: Fair Housing Analysis of Impediments

An Analysis of Impediments (AI) is a review of impediments or barriers that affect the rights of fair housing choice. It covers public and private policies, practices, and procedures affecting housing choice.

Impediments to fair housing choice are defined as: *any actions, omissions, or decisions that restrict, or have the effect of restricting, the availability of housing choices, based on race, color, religion, sex, disability, familial status, or national origin.*

The AI serves as the basis for fair housing planning and provide essential information city of Ashland as well as local housing providers, lenders, and housing advocates. The existing City of Ashland Analysis of Impediments (AI) has not been updated since 1996. The City will undertake an update to the AI through the use of Consultant services during the 2007 CDBG program Year

Complete update of the Analysis of Impediments (AI) to Fair Housing in the 2007 CDBG Program Year.

Funding sources for these projects include: CDBG funds (Planning and Administration allocation) will be utilized to contract with a consultant to complete an AI. Estimated cost \$10,000 in CDBG Planning and Administration costs.

Lead-Based Paint

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.

Outside of Staff time, the City does not plan to use CDBG funds made available for this activity during FY 2007. The City will ensure that lead testing and clearance is completed on any federally funded project involving a structure built prior to 1979.

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

Outside of Staff time, and the activities listed under Goals 1, 2, 5, 6 and 12, the City does not plan to use CDBG funds made available for a specific activity for Goal 11 during FY 2007.

Within the section on Anti Poverty Strategies is a synopsis of the strategies and activities undertaken by the City of Ashland to address poverty.

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.

Action to meet priority and time-line: RVCDC YouthBuild Program

An award of \$31,190 in CDBG funds was provided to the Rogue Valley Community Development Corporation (RVCDC) in support of the YouthBuild program. The YouthBuild Program provides education and counseling to low-income and at-risk youth while simultaneously having their job skills training contribute to the development of affordable housing. Specifically RVCDC expects to utilize the YouthBuild crew to assist in the development of 6 affordable homes through the Self-Help Program at 795 Park Street. The development of these units was previously supported by a contribution of \$271,000 in CDBG funding from the City of Ashland, and the development has received all applicable Planning approvals to proceed.

In further support of this activity the City of Ashland has awarded \$2500 to RVCDC from the City's General Fund in support of Economic Development opportunities.

As a qualified Community Based Development Organization(CBDO) RVCDC proposes to as proposed could qualify as a public service activity qualifying under 24 CFR 570.204(b)(2)(i) which as "any service provided by a CBDO that is specifically designed to increase economic opportunities through job-training and placement and other employment support services".

Funding sources for this project include:

\$31,190 CDBG funds
\$2,500 City of Ashland Economic Development Grant
\$16,292 secured grants from local banks
\$4,348 RVCDC contribution
\$24,000 in Foundation Grants (unsecured to date)

Target Date for Completion: CDBG Program Year 2007

Action to meet priority and time-line: City of Ashland Living Wage

During FY2001-2002 the City of Ashland enacted Living Wage Ordinance which requires that recipients of City of Ashland grants, or service contracts provide their employees, working on the City funded project, with a Living Wage (2006 minimum is \$11.76 per hour- to be increased by the Consumer Price Index annually). The Living wage ordinance has been in effect and will continue to provide the benefits of a higher wage scale for all people working to provide the City with services, or working on City funded projects.

Funding sources for this project include:

None
No CDBG Funds are used in support of this activity

Target Date for Completion: ongoing

Barriers to Affordable Housing

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.

2007 Activities:

To increase awareness regarding affordable housing the City of Ashland

Tenant Rights

Condo-conversion Land Use ordinance development

Education and Outreach

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 the development of a Housing Trust Fund, and identification of funding methods to support the Trust Fund is a primary goal of the City for the 2007 fiscal year..

The City of Ashland Housing Commission and Planning Commission have also initiated examination of the annexation ordinance to determine what modifications could be used to further promote the development and retention of affordable housing. Proposed revisions to the land use ordinance to meet this goal will be drafted in the coming program year and forwarded to the City Council for consideration and adoption.

Funding sources for this project include Administrative CDBG funds will be used in support of specific activities that address the development of affordable housing units funded in whole or in part with CDBG awards.

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

Goal 14: To provide institutional structure and intergovernmental cooperation.

Action to meet priority and time-line: City of Ashland Staff will continue to provide staff support to the City of Ashland Housing Commission (see Goal 2). The City of Ashland employs a Housing Program Specialist, which will help provide institutional structure as well as examine and implement opportunities for intergovernmental cooperation.

The City will also continue to be an active participant Southern Oregon Workforce Housing Group comprised of the Rogue Valley Council of Governments, Cities of Grants Pass, Medford, Talent and Ashland, and various housing providers and representatives of local banks and realtor associations. Additionally the Housing Program Specialist sits on the Board of the Southern Oregon Housing Resource Center to assist in regional coordination of their efforts. Ashland will continue to work with the Jackson County Housing Coalition, and the Jackson County Continuum of Care Homeless Task force to address affordable housing and homeless issues on a regional level.

Funding sources for this project include: \$42,548 in Federal CDBG funds (20% of the anticipated yearly allocation) have been directed toward Administration of the CDBG Program. 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. Further, upon selection of a consultant for conducting an Analysis of Impediments as outlined under goal 9, approximately \$10,000 of the Planninf and administration funds will be used for this activity.

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.

Target Date for Completion: Ongoing

Summary of Specific Annual Objectives

| Specific Obj. # | Outcome/Objective Specific Annual Objectives | Projects (CDBG Funded) | Performance Indicators | Year to be completed | Expected Number | Actual Number | Percent |
|---|---|--|--|----------------------|-----------------|---------------|---------|
| DH-2 Affordability of Decent Housing | | | | | | | |
| DH-2.1 | Address the need for affordable housing by development of new ownership housing | Project scope to be determined in an amended Action Plan once property for acquisition is identified. | <ul style="list-style-type: none"> • Number of new housing units affordable to, and occupied by, lower income households. | 2007 | 3 | | |
| EO-1 Economic Opportunity | | | | | | | |
| EO-1.1 | Support organizations that provide job training and access to employment for extremely low- and low-income persons, homeless persons and persons with special needs | Job Skills Training through the RVCDC and the YouthBuild Program to improve the availability. And accessibility of jobs for low-income residents | Number of individuals earning less than 60% median family income that complete the Job training Program | 2006 | 10 | | |

Outcome measures - In addition to the table above, included in this submission is Table '3C' (OMB 2506-0117) for each of the activities receiving CDBG funds for the 2007 program year and for those remaining open as indicated in the summary of specific annual objectives above. Within the 3C tables the City has indicated the Objective and Outcome categories and incorporated the identification of the CPD outcome statement as an Objective number.

Allocation priorities – The City of Ashland is a small entitlement community with limited resources to apply to CDBG funded activities. As the City of Ashland primarily uses CDBG funds to assist projects that seek to create or retain affordable housing. These priorities are noted as the Housing Goals 1-3 in the City's 2005-2009 Consolidated Plan. In the 2007 program year the City of Ashland only received one application for CDBG funding, and this application was for a Economic Development Activity. Although the use of CDBG funds for such an activity was not a high priority, the 2005-2009 Consolidated plan indicates it is a level 'B' priority meaning we may use CDBG funds to support such activities:

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.

12.1 Support organizations that provide job training and access to employment for extremely low- and low-income persons, homeless persons and persons with special needs (B).

12.2 Support programs that assist individuals living at or below the poverty level in building financial assets. (B)

12.3 Support affordable and flexible childcare services for extremely low-, low- and moderate-income Ashland residents.(C)

The City of Ashland still intends to pursue the acquisition of property with the use of CDBG funds in 2007-2008 as indicated under Goal 1. Within Ashland the affordable housing projects funded are opportunistic based on market availability of property. The City aims to utilize CDBG funds to benefit the greatest number of households as opposed to a direct application of funds to a particular neighborhood as part of a revitalization strategy. With a limited number of applications received for CDBG funds the City has not had to further delineate a spending priority based on location as a selection criteria in evaluation of proposals. However, as land values are slightly lower in designated low-moderate income census block groups the City is often in the position of making awards to acquire property or rehabilitate housing in such neighborhoods. In 2007 the City will utilize \$152,800 in CDBG funds to assist a community development partner in purchasing a yet to be identified property to support a minimum of 3 low income housing units.

In 2005 the City of Ashland adopted the 2005-2009 Consolidated Plan and in doing so re-established a 15% allocation for social services per the CDBG eligible activities. Further the 2005-2009 Consolidated Plan established the goal (4) of providing support services for homeless prevention and transition. The goal further states that services that are part of a comprehensive approach to improve the living conditions of clients are a priority. The City received no such proposals in 2007 to address this goal.

Affordable housing – During the 2007 CDBG Program Year the City of Ashland expects a number of affordable housing projects to be completed. Through the activities of the Ashland Community Land Trust to construct four new units, two on Garfield Street which are underway and two on Bridge Street. RVCDC completed 9 units of a two phase 15 unit development in 2006, and will complete the remaining 6 units in the 2007 program year. These 15 units were possible through assistance from the USDA Self Help Program

Non CDBG funded affordable housing projects in Ashland to be completed and occupied by low income households are being created by the private sector in response to City incentives and regulations. To this end the City added eight new low income units in the Barclay Square Subdivision in 2006, two new affordable units in the Fordyce CO-Housing Community, and three affordable units will be required through the conversion of apartments to condominiums on Glendale Street.

In 2007 Ashland's land use requirement for a set aside of affordability in condo conversions, annexations, and zone changes will add additional affordable housing units to Ashland's Inventory. In the final months of the 2006 program year 17 such units (targeted to 60%AMI) were approved as part of an annexation proposal, and 15 additional affordable units have been approved through the condominium conversion process (targeted to 80%AMI). Four new affordable units will be provided in a mixed use development on Ashland Street, and two new affordable units will be provided through a townhome conversion on North Main Street.

Cumulatively a total of 38 affordable housing units will be provided by the private sector in projects already approved by the City which are expected to be completed in 2007. Therefore combining the CDBG funded projects and the privately funded projects the City anticipates a 41 unit increase in our affordable housing stock in 2007. Lastly the City is in the process of selling surplus property for the acquisition of property in support of affordable housing. One area as a portion of a property acquired as a neighborhood park has already been identified which will accommodate 5 new units (expected 3 low-

income, 2 workforce at 120%AMI). The proceeds of the sale of the surplus property is expected to be 1.2million which assist in the development of a minimum of 24 affordable units given past subsidy amounts.

As the private development market, and land availability is not within the City's control our established goal for the explicit use of the CDBG program funds remains the production of 3 new units.

Public housing – The City of Ashland does not own or operate any public housing within the City. Additionally, the Housing Authority of Jackson County which serves the Ashland area in this regard and has no proposed projects within our City limits for the 2007 CDBG program Year.

Chronic homelessness -- In the 2006 Program year the City awarded ICC \$32,000 to provide staffing to assist homeless individuals obtain improved access to transitional housing. ICC estimates this position will serve up to 600 people per year to assist the individuals in obtaining self sufficiency through referrals to job skills training, drug treatment, monetary education, and any other activities necessary to increase the individuals life skills to leave chronic homelessness and succeed in transitional housing.

In July of 2006 the City also sent a representative to the Oregon Leadership Summit on Ending Chronic Homelessness which is working with the United States Interagency Council on Homelessness in order to comprehensively address homelessness. Jackson County currently does not have a 10year Plan to address homelessness in this way as do other regional jurisdictions. Ashland will aim to encourage other jurisdictions in the southern region to engage in the planning process as is being done elsewhere in the State of Oregon. Ashland will continue to work with the Jackson County Continuum of Care Consortium to address the needs of the homeless on a regional scale.

Low/Mod Benefit – The City of Ashland uses 100% of our competitive CDBG grants to benefit extremely low, low- and moderate income households. In the 2007 program year all CDBG funded activities 100% of the intended beneficiaries are to be qualified as extremely-low or low-income.

Anti-Poverty

The activities listed below are completed or ongoing activities, whereas new activities to be undertaken during Fiscal Year 2007 are outlined as activities within the goals above.

The Housing and Community Development Act of 1992 requires communities to include in their Consolidated Plan a description of an anti-poverty strategy. This strategy takes into consideration factors over which the City has control. 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.

The goals related to housing and support services are addressed in the Homeless Goals section.

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 \$15,345 must pay a minimum of \$11.76 per hour (adjusted annually) to employees engaged in work related to the City project or service contract (see Goal 12).

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 has limited influence on many of the factors that affect opportunities for workers to earn a living wage. For instance, the city does not directly affect wages provided by employers not engaged in business with the City, nor does the City have influence over income assistance such as Social Security or Aid to Families with Dependent Children.

In the 2007 Program Year the City will apply \$31,190 in CDBG funds and \$2500 in City of Ashland General Funds in support of the RVCDC Youthbuild program as noted under Goal 12. This program helps extremely low income youth (between 16 and 24) gain the skills necessary to receive job placement in the construction industry upon completion of

the program. In 2006 RVDCs program successfully placed 100% of the individuals who completed the program in construction jobs.

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 other 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 through 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 (See Goals 4,5,&6). .

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.

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 following programs/projects have been developed in an effort to create and retain affordable housing units in Ashland.

- **Ashland Community Land Trust** – The City of Ashland worked to assist in the establishment of the Ashland Community Land Trust (ACLT). 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 to the low-income residents. ACLT is a non-profit organization, and is directed by a board including representatives from social service agencies, the Ashland Housing Commission, participants in the trust, City Staff, local developers and local realtors.
- **Accessory Apartments** - The Conditional Use Permit Procedure was changed in 1990 to allow an accessory apartment or cottage within

single family residential zones. This provided valuable affordable housing units without unreasonable impacts on the neighborhood. A total of 108 units have been made legal or been newly constructed since 1990, with five approved in FY2005. In addition to the small scale of these units making them more affordable than larger apartments or homes, the City required one of the newly legalized units to be affordable to households earning less than 80% AMI for a period of 20 years through a deed restriction imposed as a condition of the planning approval.

- **Incentives for Affordable Housing** - Higher densities of residential development are allowed when affordable housing is guaranteed. All density bonuses (for energy efficiency, landscaping, etc.) were limited to 60%. For every percent of units that are affordable, an equivalent percentage of density bonus shall be allowed. A maximum bonus of 35% is granted for providing affordable housing. In 1980, Ashland increased development densities in order to encourage the building of more affordable homes. What occurred, however, was that expensive homes were built on smaller lots. Modification of densities in single-family zones were reduced from that level back to the 8,000 to 10,000 square foot lot size and in multi-family zones to 13.5 or 20 dwelling units per acre.
- **Deferred System Development Charges for Homes Constructed under the Affordable Housing Program** - This provision of the affordable housing program works in conjunction with the affordable housing density bonus. To increase the affordability of newly constructed homes or rentals the City waives the system development charges which can be between \$8,000 and \$11,000 for a three bedroom two-bath unit. Additionally other Community Development Fees, and Engineering Services fees are exempted for affordable housing. Through these programs the City is expected to provide \$120,000 in uncollected revenue in support of affordable housing in 2007-2008. Units within this program must be sold to households earning 80%AMI or rented to households earning 60%AMI. These units are required to remain affordable for 30 years.
- **Manufactured Housing** - Manufactured housing can involve significantly lower costs than conventional housing. Ashland adopted standards and overlay zone that complied with state law and permitted manufactured homes on individual lots in areas outside the historic district.

Monitoring

The City of Ashland will compare its performance in meeting its goals and objectives set forth in the 5 year Consolidated Plan annually to ensure the yearly Action Plans are developed to meet the intended goals.

Specifically the development of housing that is affordable to low-moderate and extremely low income households will be quantified each year.

Throughout the year each new unit that is developed, through grant assistance or to meet regulatory requirements, will be deed restricted to ensure a period of affordability (typically 20 years or greater). The development of both rental and owner occupied affordable housing will be compared to the targets established in the Consolidated Plan and subsequent years CDBG awards will be targeted to those types of housing that are not keeping pace with projections.

The City staff will complete an Annual Performance Evaluation Report which will quantify both housing and homeless accomplishments after the conclusion of each fiscal year. Housing accomplishments will be broken into the income and occupancy type categories identified in the 5-year Consolidated Plan.

The success of the Ashland Rental Assistance Program, SDC deferral program, and Accessory Residential Unit development, and Land Use requirements and incentives for affordable housing, will be examined and presented to the Ashland Housing Commission for evaluation. This information will inform potential modifications to existing or future programs to meet the goals outlined in the Consolidated Plan. The information contained in the Annual Performance Evaluation Report will assist in informing the CDBG award selection process undertaken in February-March of the following year.

Subrecipient Monitoring

The City of Ashland, as the grantee for CDBG grants, will monitor the subrecipients on a quarterly basis. Staff will maintain a close working relationship with the CDBG subrecipients. One benefit of being a small entitlement community with a limited grant amount is that the City typically provides only one award per program year. This enables the City Staff to closely follow the progress of CDBG projects and maintain open communication with Subrecipients.

The City is committed to ensuring that CDBG funds are used as specified in State and Federal regulations through: public and City Council monitoring through public hearings; staff evaluation; annual evaluation of the priorities set forth in the Consolidated Plan; periodic site visits and

program evaluations; financial monitoring, record keeping, and reporting requirements.

The City requires recipients of CDBG funds to provide a project timeline with benchmarks for completion which is incorporated into the Subrecipient Agreement for use of CDBG funds. The City remains in regular contact with each subrecipient throughout the projects development to monitor their accomplishments, ensure they are meeting the projected benchmarks, and provide information on CDBG regulations.

For currently funded projects in development, at a minimum the City CDBG administration staff will meet with each subrecipient's designated representative to review their project's accomplishments and investigate any failures to meet anticipated benchmarks at quarterly intervals. If deemed necessary, the City of Ashland CDBG administrative staff will conduct a formal monitoring visit to evaluate the following items as they relate to CDBG funded projects. If at any point the City CDBG administration staff determines a project is failing to move forward the subrecipient will be required to complete a Corrective Action Plan as described below.

Financial management

The extent to which program participants account for and manage financial resources in accordance with approved financial management standards. Additionally this criteria relates to the amount of potential monetary exposure to the City, and the Department of Housing and Urban Development.

Analysis to include assessment of:

- Amount of current/total funding obligated and/or expended
- Audits and/or Investigations
- Staff experience with CDBG
- History of performance

Physical asset maintenance and operation

The extent to which HUD-funded physical assets are maintained and operated.

Analysis to include assessment of:

- History of Performance
- Condition of HUD funded physical assets
- Use of facilities or physical assets in conformance with CDBG regulations

Management

The extent which the program participant has the administrative capacity to carry out CDBG requirements.

Analysis to include assessment of:

- Experience level of Key staff particularly as it relates to CDBG funded activities
- Program History including performance indicators
- Reporting consistency

Satisfaction

Extent to which clients express satisfaction or dissatisfaction with the delivery of the program services.

Analysis to include assessment of:

- Types of program activities
- Complaints or compliments received

Services

Extent to which HUD program participants effectively and efficiently deliver services to the intended beneficiaries/clientele

Analysis to include assessment of:

- Types of program activities
- Accomplishments
- Timeliness
- Project development including timing benchmarks

Corrective Action Plan

If the activities funded with CDBG dollars are not being accomplished in a timely manner, as set forth in the subrecipient agreements the City of Ashland may issue a written notice requiring the submission of a corrective action plan that is subject to the approval of the City.

The City shall provide the subrecipient 14 days, or such time as City deems appropriate, to develop a corrective action plan that is acceptable to City for correcting the problem. At a minimum, the corrective action plan must include (1) a written performance measure to be implemented by the Subrecipient that corrects the specific area(s) of noncompliance and how performance measure will be established and executed by the Subrecipient's organization, including subcontractors; and (2) designates the person with authority within the Subrecipient's organization charged with the responsibility of accomplishing and monitoring compliance.

Acceptance of the Corrective Action Plan by the City will establish the curative period necessary to bring the project into compliance. If the Subrecipient has not submitted a corrective action plan that is acceptable to the City within the specified time frame or does not implement or complete the corrective action plan within the specified time frame, the City shall proceed with other enforcement remedies as outlined in the Subrecipient Agreement.

Public Participation

A Public hearings were held on March 21st, 2007 to solicit comments on the potential uses of the 2007 CDBG allocation. Additionally at that meeting the Ashland Housing Commission reviewed the application submitted for CDBG grant awards. After review of the proposal the Housing Commission forwarded an award recommendation to the City Council. The City Council held a public hearing on April 3th 2006, at which time a recipients were selected. The Housing Commission further held a public hearing on April 26th to elicit comments of the draft Action Plan. The public comment period on the 2007 one year began on April 17th and ran through May 15th.

All meetings were noticed in the Community Calendar and Legal Notices in *The Ashland Daily Tidings*, and posted on the City of Ashland website.

Testimony specific to the CDBG allocations was received and Minutes from the meeting are attached.

The availability of the draft plan was also posted on the City of Ashland web page on April 17th, 2007 and an Adobe Portable document (pdf) of the Action Plan was available for download throughout the public comment period.

An advertisement was published on _____, 2007 in *The Ashland Daily Tidings*.

