The Housing Notebook

City of Ashland

October, 2007

The Housing Notebook

Acknowledgements

The Housing Notebook is a collection of information and articles relating to the provision of affordable workforce housing.

This notebook has been compiled by the **City of Ashland Housing Commission** in an effort to provide educational resources to help address the housing needs of our community in the hope that all Ashland residents will have a safe and decent place to call "home".

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Southern Oregon Workforce Housing Summit Planning Group

Published October 2007

CITY OF ASHLAND

24 unit Condominium Project in Ashland which included two affordable housing units as required through Ashland's large scale development standards

The Housing Notebook

Pictured: a unit covered under Ashland's Affordable Housing Program purchased by a moderate income household.

> "Home is the place where, when you have to go there, they have to take you in."
>
> ~ Robert Frost

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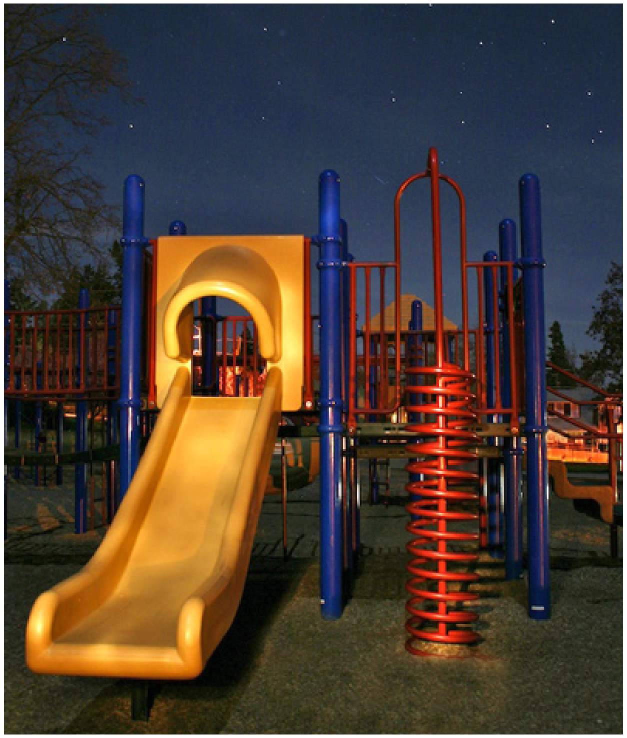
Why Should We Care?

Ashland Oregon is a place where community involvement and participation in community organizations contributes to a vibrant and engaged citizenry.

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



Briscoe Elementary School Playground

When people can't afford to live where they work, the entire community suffers:

- Employees, who live far from their workplaces, are less likely to get involved in community organizations and activities.
- Moderate income families have been priced out of the area to lower priced regions. This has an impact on neighborhood stability and on our school systems.
- Business/economic development may be impeded: Increased difficulty recruiting new employees; Increased difficulty retaining existing employees ; Competitive disadvantage in recruiting new businesses to the region.
- Safety personnel, such as police and fire, living out of the area experience an increased response time to emergencies or to provide back-up in a disaster. For example, in Ashland, the City indicated that many first responders are no longer able to make a 15 to 20 minute response time and so the City had to ease up on its requirements.
- Residents have less disposable income to spend locally. Utilities, gas, and healthcare costs have all increased and wage rates have remained static. As housing costs escalate, trade-offs are made and health insurance and nutrition are usually saccrificed. This ultimately puts an additional strain on taxpayers.
- There is more traffic congestion as people commute farther from employment centers to find more affordable housing. This creates air pollution and taxes the infrastructure of a community.
- Lack of young families with children living in the community adversely impacts schools. As communities lose families with children, schools lose their funding base. Ashland has already experienced this directly with having to close two elementary schools.
- Children born in Ashland, or the Rogue Valley region, today aren't likely to remain in the region and buy a home here as adults. Those of us who are homeowners here may not have our children and grandchildren living nearby as prices make it prohibitive for young families to raise theirchildren here.

In Ashland, and throughout the Rogue Valley, as housing costs continue to soar, employers have noted an increased difficulty in recruiting relatively high wage employees such as doctors, university professors, engineers and management positions.

“Whether we like it or not, we are entering an era of labor shortage, a phenomenon very new and unusual for Southern Oregon,” said Charlie Mitchell, Economic Development Coordinator for the City of Grants Pass. “While we’ve collectively done a great job creating an environment that fosters strong economic growth, this growth may be hindered as we move ahead if employers cannot find the workers they need to expand their businesses. Affordable housing is a major piece of this issue; if workers cannot afford to live in or relocate to this area, it will exacerbate an already shrinking labor pool. We all have an obligation to ensure that the availability of quality labor doesn’t negatively impact our economic growth.”

According to information developed by Rutgers University, “Increasingly, economists and business leaders are blaming the lack of affordable housing, and resulting high housing costs, for the slowdown in major regional economies across the United States. In New England, the Mid Atlantic States, the South¬east, California and portions of the Pacific Northwest; high housing costs have been shown to be causing or contributing to regional labor shortages by acting as a brake on the in-migration of new employees while spurring out-migration of both workers and employers.

Housing costs in these regions also tend to correlate with (increased) employee absenteeism and lower employee productivity as employees’ long commutes—to avoid high housing costs near developed worksites— create havoc in the lives of both employers and employees, while adding to traffic congestion, air pollution and infrastructure replacement costs.

Schnieder Art Museum. Southern Oregon University

“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 impeding crisis.”

Guy Tauer, Regional Economist with the Oregon Employment Department“

Defining the Terms

Workforce Housing

The term "workforce housing" has come to mean housing intended to bridge the gap facing those gainfully employed residents that may earn too much to qualify for housing subsidies, but not enough to afford a home for purchase, or rent, withing their means.

"Workforce" housing can be targeted to low, medium or even relatively high income households depending on the community needs.

Low-Income Housing

This term refers to housing reserved for "low-income" households. The Department of Housing and Urban Development considers a household low income if it earns 80% or less of the areas median income.

In the Medford-Ashland area a family of four earning less than $41,700 annually qualifies as low income. A single individual that earns less than $29,200 is defined as low-income.

Affordable Housing

The term "affordable housing" refers to a households ability to find housing within their financial means. Households that spend more than 30% of their income on housing are considered to experience cost burden. This term applies to all income levels.

Subsidized Housing

This type of housing is made affordable by the contribution of Federal, State, Local or Private funding.

The "subsidy" buys down the cost of the home for the occupant, whether it is designated for ownership or rental. Subsidized housing is typically targeted to low- to extremely-low income households and requires a term of continued affordability (typically 30 years or more).

State Housing Goal

"To provide for the housing needs of citizens of the state... encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon household and allow for flexibility of housing location, type and density."

Terminology

Housing Types

Accessable Housing: Housing with features needed by persons with physical disabilities.

Accessory Dwelling Units (ADUs): Accessory Dwelling Units, or also known as Accessory Residential Units (ARUs), are secondary units built on single family property that provide the property owner with a small rental unit. These units provide rental housing within existing neighborhoods and are part of an infill strategy to retain a compact urban form.

Adaptable Housing: Housing with features needed by persons with physical disabilities already installed or that has the capacity to have such features installed.

Apartment: An apartment is one or more rooms used as a place to live, located in a building containing other units used for the same purpose (apartment complex). Apartments have at least cooking facilities, a bathroom and a place to sleep. Those who live in these units pay rent for their use usually on a monthly basis.

Co-Housing: Co-housing communities combine the advantages of private homes with the benefits of shared common facilities and ongoing connections with neighbors. These intentional neighborhoods are typically created and managed by residents and range from 10 to 60 housing units. Residents typically share community meals together and are jointly responsible for common facilities such as open space, courtyards, a playground and a common house. (see section on Co-Housing)

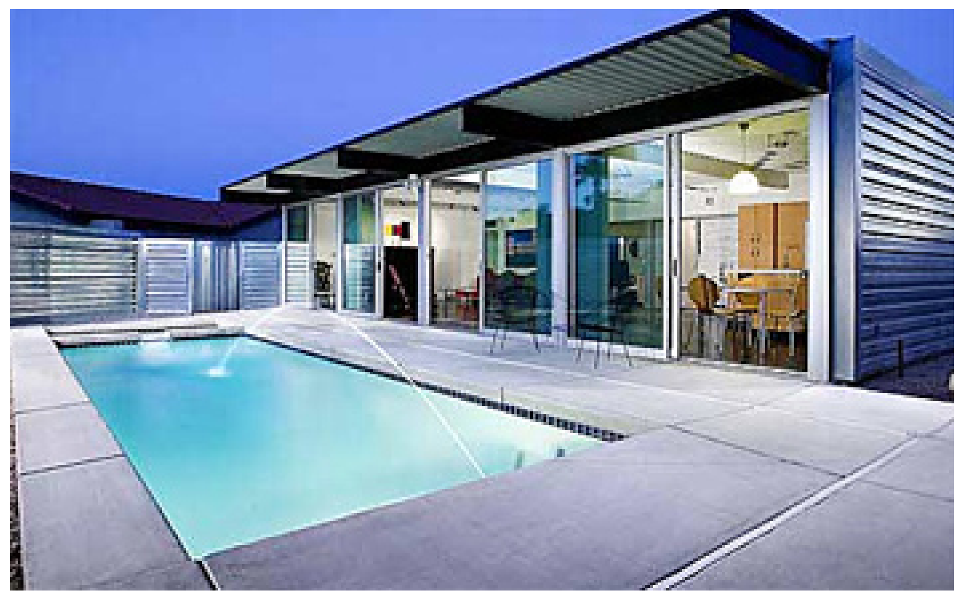
Condominium: A Condominium is a Unit of "airspace" owned by an individual, and typically includes a proportionate ownership interest in the common elements. This ownership model creates a housing development in which the interior space of each unit is individually owned; the balance of the property including the roof, exterior walls, landscaping, parking, and land is owned in common by the owners of the individual units referred to as a Home Owners Association. To maintain these common areas Condominium owners are assessed Home Owner Association Dues on a monthly basis. This form of ownership is also found in industrial parks, where individual commercial areas within a single building are separately owned, but the more prevalent use of the term is to refer to the type of housing meeting the definition above.

Cooperative housing (Co-Op): The residents of Cooperative Housing are shareholders in a corporation that owns the property. Each household owns a share of the total complex and are provided an entitlement to occupy a unit. Members/residents pay the Co-op for their share of the actual operating cost, building mortgage, and real estate taxes, based on the non-profit operation of entire community. One of the most common methods of developing cooperative housing today is converting an existing rental building or buildings into cooperative housing owned by the tenants. Although uncommon cooperatives can also be built from the ground up as brand new housing

Duplex: Any building containing exactly two dwelling units. Most commonly refers to the units which are side by side, with a common wall and roof.

Manufactured Home: These are homes built entirely in the factory under a federal building code administered by the U.S. Department of Housing and Urban Development (HUD). Manufactured homes may be single- or multi-section and are transported to the site and installed. On-site additions, such as garages, decks and porches, often add to the attractiveness of manufactured homes and must be built to local, state or regional building codes.

Modular Homes: These factory-built homes are built to the state, local or regional code where the home will be located. Modules are transported to the site and installed. One distinguishing factor between modular homes and manufactured homes is that in some cases modular homes are designed to allow additional living space as additional components at a later date.



Permanent supportive housing: Permanent supportive housing, in any housing configuration (scattered, clustered, single site, mixed tenancy, mixed use, etc.) with supportive services attached that are designed to help people maintain the housing, and that is designed and intended for, and or the most part actually occupied by, people who have been or are at risk of homelessness and who have special needs including disabilities or other substantial barriers to maintaining housing stability. Permanent housing means housing with no limit or length of stay and no requirement that tenants move out if their service needs change.

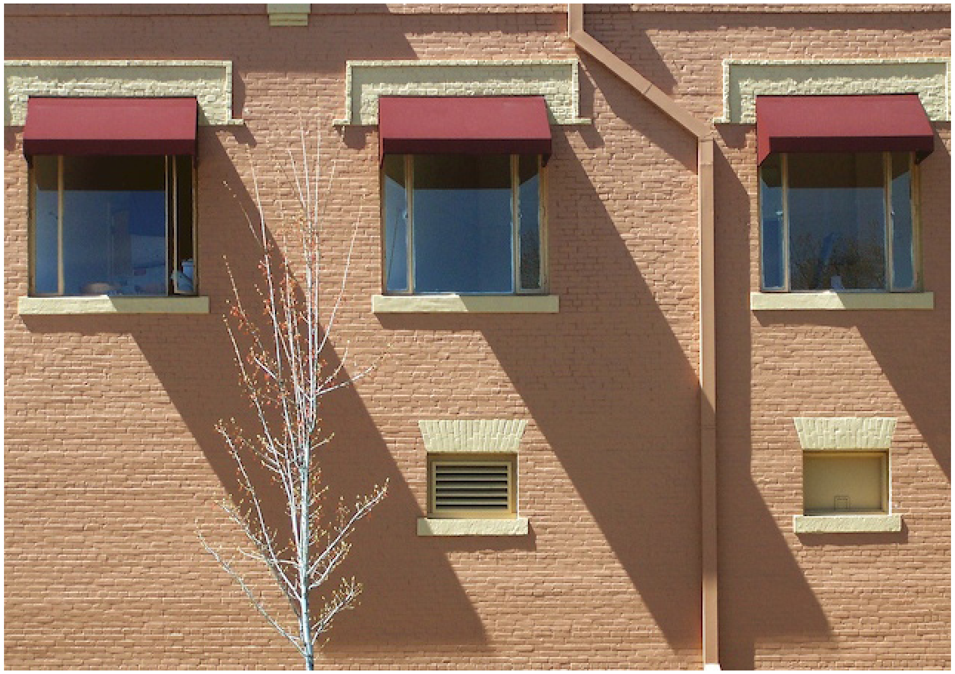
Principal Residence: The primary location that a person inhabits. It doesn't matter whether it is a house, apartment, trailer or boat, as long as it is where one lives most of the time.

Public housing: Housing operated by public housing authorities which is typically financed with State or Federal funds. The purpose of public housing is to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities.

Mobile home: A portable building or vehicle which was constructed permit occupancy for dwelling purposes. This term includes self-propelled mobile homes, pickup campers, mobile homes, travel trailers, trailers, and other similar equipment which may be utilized for dwelling purposes.

Multifamily Residential: Units designed to house multiple households within one or more structures on a single property. This term includes apartments and condominiums.

Manufactured Home: Residential structures with a Department of Housing and Urban Development (HUD) label certifying that the structure is constructed in accordance with the national Manufactured Housing Construction and Safety Standards Act of 1974, as amended on August 22, 1981.



Second Homes A residence that is not one's principal residence A taxpayer may deduct interest on two personal residences provided certain occupancy requirements are met. Second home purchases accounted for more than a third of all home purchases in 2006 (36%). Owned second homes account for more than one third of the nation's entire housing stock. The majority of these homes are purchased for investment purposes although nearly 40% were purchased primarily as vacation homes.
http://www.realtor.org/press_room/news_releases/2007/phsi_apr07_vacation_home_sales_rise.html

Senior Housing: Age restricted affordable housing for people either 55 or 62 years of age or older.

Shelter Housing: A "shelter" is a facility that provides temporary housing for special needs populations such as homeless, victums of domestic violence or people displaced from their homes by a natural disaster.

Single Family Residential:Units designed to house one family per unit. Includes detached single family homes as well as townhouses

Special Needs Housing: Housing developed for and occupied by people with a variety of disabilities who are at risk of homelessness but may not have been literally or chronically homeless

Substandartd Housing: Housing that does not meet local, state or federal housing code guidelines and that poses a threat to the health and safety of those living in the unit/building.

Townhomes: Townhomes, or townhouses, are distinguished in that they share vertical walls with the neighbor on either side. Town homes typically have a garage on ground level and either a patio or balcony and may own the ground immediately beloow the footprinto of the home. The style of development is sometimes referred to a single family attached housing where the buildings are clearly identifiable as separate units albeit attached to one another in series.

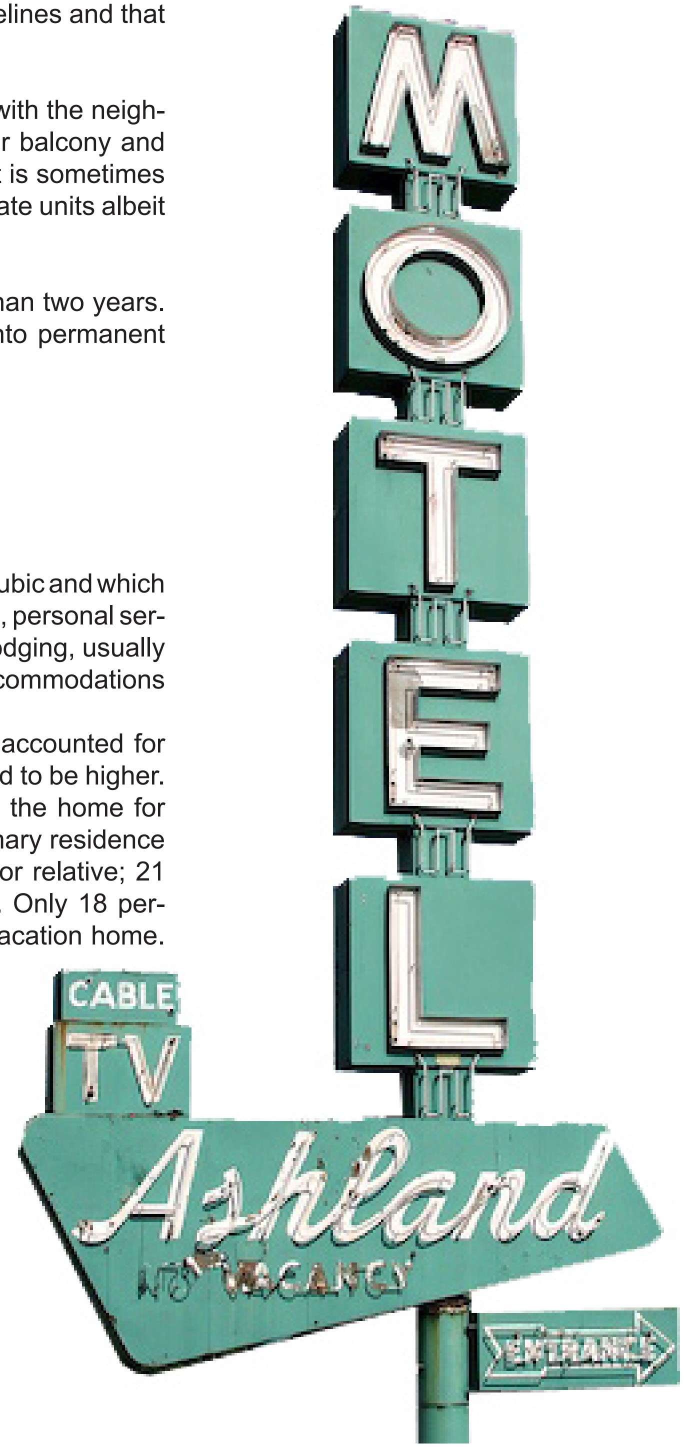
Transitional Housing: Housing that has a time limitation on occupancy, usually of no more than two years. The goal of transitional housing is to provide the support needed for participants to move into permanent housing.

Vacation Housing Types

Travelers Accommodation: A facility offering transient lodging accommodations to the general pubic and which may include additional facilities and services, such as restaurants, meeting rooms, entertainment, personal services, and recreational facilities A travelers accommodation is an establishment that provides lodging, usually on a short-term basis (nightly rate). Hotels and Motels within commercial areas are travelers accommodations

Vacation Home : A second home where one lives only while on vacation. Vacation Homes accounted for 14% of all home sales in 2006 as a national average. In resort areas the percentage is expected to be higher. In listing the reasons for purchasing a vacation homes, 79 percent of buyers wanted to use the home for vacation or as a family retreat; 34 percent to diversify investments; 28 percent to use as a primary residence in the future; 25 percent for the tax benefits; 22 percent for use by a family member, friend or relative; 21 percent stated they purchased the Vacation home because they had extra money to spend. Only 18 percent purchased the home with the intention to rent to others when not personally used as a vacation home.
http://www.realtor.org/press_room/news_releases/2007/phsi_apr07_vacation_home_sales_rise.html

Vacation Rental : Vacation rental is a term in a travel industry meaning renting out furnished apartment or house on a temporary basis (typically less than 30 day intervals but may rent by the week or month) to tourists as an alternative to a hotel. Vacation rentals are sometimes individual homes within residential neighborhoods.



AFFORDABLE HOUSING

Affordable housing is generally defined as housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities.

Building and Housing Codes: State and local ordinances that prescribe certain minimum standards for construction, rehabilitation, or occupancy of affordable housing. It also relates to the acceptance or rejection of new building designs, materials, or technology intended to reduce the cost of affordable housing.

Community Development Block Grants (CDBG): CDBG funds are federal dollars provided to the State or local entitlement communities through the Department of Housing and Urban Development with the explicit purpose of providing direct benefits to low income residents within the jurisdiction. Ashland receives approximately $200,000 annually to distribute to eligible projects such as the development of housing that is affordable to households earning less than 80% the Area Median Income.

Credit Unions: A credit union is a cooperative financial institution, owned and controlled by the people who use its services. These people are members. Credit unions serve groups that share something in common, such as where they work, live, or go to church. Credit unions are not-for-profit, and exist to provide a safe, convenient place for members to save money and to get loans at reasonable rates.

Deed Restrictions: To ensure long term affordability governments and/or non-profits will often establish income , purchase price, or rent limitations on a property for a set period of time. These restrictions are recorded onto the property's deed which then binds current and future property owners to those requirements. Such deed restrictions or "resale restrictions" effectively ensure that the housing remains affordable for future households in spite of appreciation in a housing market.

Density bonuses: Developers who commit to allotting a certain percentage of units at below market rates may be allowed to reduce lot sizes or increase the number of houses on a lot, thereby reducing land cost per unit. This can include bonuses for the rehabilitation of existing substandard housing provided the bonus units are available as affordable housing.

Developer Incentives . Local governments, which usually have jurisdiction over zoning and land use regulations, can use that jurisdiction to create developer incentives, such as a "density bonus" or "fee reduction" for inclusion of affordable units in a development. Some areas make programs like this mandatory (e.g. inclusionary zoning), with the "incentive" as compensation. Others make voluntary programs, with the incentive actually serving as encouragement.
Down Payment Assistance: Typically financial assistance provided in the form of reduced interest loan, or a grant, to a homebuyer which is applied toward the purchase of a home.

Employer Assisted Housing: Increasingly employers are recognizing the correlation between housing costas and wage pressures, recruitment and retentiaon issues and stability of the workforce. To address this many employers offer assistance in the form of grants for down payment assistance, low interest loans, matched dollar savings plans, credit counseling, homebuyer education, rental deposit assistance, or even function to house employees directly.

Fair Housing: This category refers to state and local laws that prohibit discrimination based on race, color, religion, sex, handicap, familial status, and national origin. It also refers to actions taken by state and local governments to enforce or evade these laws.

Fees and Dedications: This category contains state and local requirements for the payment of fees, dedication of property, or installation of infrastructure to meet the increased demand on public services that result from a particular development.

Green Building: The use of materials and building technologies that increases the energy efficiency and reduces the environmental impact of the building developed. Energy Star, Earth Advantage, and LEED Certification are all programs created to promote green building.(see section on green building)

HOME Funds: The "HOME" program is a federal grant program funded through the Department of Housing and Urban Development that distributes funds to the State or local governements to finance the development of low-income rental units. Ashland does not meet the population threshold to receive HOME funds directly, however many projects in Ashland have been successful in applying for State HOME funds to develope rental units in Ashland for households earning less than 60% the area Median income.

Housing Authority: Housing authorities are public corporations with boards appointed by the local government. Their mission is to provide affordable housing to low- and moderate-income people. In addition to public housing, housing authorities also provide other types of subsidized housing. Reference: www.phada.org/ha_list.php

Housing Density: The number of housing units per acre of land. Typically single family zoned property has a low density of less than five units per acre, whereas multifamily zoned property typically exceeds 10 housing units per acre.

Housing Trust Funds
Housing trust funds are distinct funds established by city, county or state governments to receive ongoing dedicated sources of public funding to support the preservation and production of affordable housing and increase opportunities to access decent affordable homes. There are now 38 state housing trust funds and more than 350 city and county housing trust funds in operation. (see section on Housing Trust Funds)

Impact Fees or System Development Charges (SDCs): Impact fees (SDCs) are imposed to charge the owners of newly developed properties for the “impact” the new development will have on the community. Fees can be used for such things as transportation improvements, new parks, water distribution and sewer improvements. Impact fees are not used to maintain existing facilities, but instead are used to create new facilities in proportion to the number of new developments in the area.

Inclusionary Zoning: Usually practiced in urban areas, is planning communities and developments that will provide housing to all income brackets. Inclusionary zoning ordinances often require any new housing construction to include a set percentage of affordable housing units. Inclusionary zoning includes the production of affordable housing at little cost to local government, the creation of income-integrated communities, and the lessening of sprawl.
The State of Oregon currently precludes the use of inclusionary zoning by jurisdictions within the State (ORS 197.309).

LAND TRUSTS

A trust created to effectuate a real estate ownership arrangement in which the trustee holds legal and equitable title to the property subject to the provisions of a trust agreement setting out the rights of the beneficiaries whose interests in the trust are declared to be personal property.

Within Ashland the Ashland Community Land Trust (ACLT) is a local affordable housing ordinization that utilzes the land trust model to secure housing as permanently affordable.

Low income Housing Tax Credit: Many for-profit and nonprofit-developed rental properties use these federal income tax credits. The Oregon State Housing Council allocates these credits to developers to build or fix up low-income housing. Large corporations, institutions, pension funds, and insurance companies invest in the housing as a method to gain the tax credits and reduce their income tax obligations. These apartments serve residents earning below 60% of median income. More info: http://www.nahro.org/home/resource/credit.html

Market Rate Rent: The prevailing monthly cost for rental housing. It is set by the landlords within a regional area without restrictions.

Median Income: This is a statistical number set at the level where half of all households have income above it and half below it. The U.S. Department of Housing and Urban Development Regional Economist calculates and publishes this median income data annually in the Federal Register.
Subsidized housing is typically targeted to benefit specific income levels such as 30, 50, 60, or 80% of the area Median Income.
The Area Median Income is refered to by housing providers and regulating agencies as the “AMI”.
The table below shows the Area Median incomes of households, by household size, in the Medford-Ashland Area. Median income is equal to 100%AMI

2007 Median Incomes for the Medford-Ashland Area
(annually adjusted)

	1 person	2 person	3 person	4 person	5 person	6 person
30%AMI	11100	12700	14250	15850	17100	18400
50%AMI	18500	21150	22380	26450	28550	30700
60%AMI	22200	25390	28540	31740	34280	39340
80%AMI	29600	33850	38050	42300	45700	49050
100%AMI	37000	42310	47560	52900	57130	61310

Mixed Income Housing: Many housing practitioners use the term “Mixed-Income Housing” to refer to housing developments that benefit a range of households of varying income levels. In general such a development contains units targeted to low-income households, moderate-income households and even provide market rate housing. Philosophically this type of development is viewed as functioning to mitigate concentrations of poverty, while providing positive role models within the immediate neighborhood of poor children. Lastly mixed-income projects can realize cost savings in that that the rent or purchase price paid by higher income residents will more than cover the full cost of their units. Thus not only will these households rent or buy without a subsidy, the proceeds from such higher income units can be utilized to pay some of the costs of the development and maintenance of units occupied by lower income residents.

Mixed Use Development: "Mixed use" refers to the combining of retail/commercial and/or service uses with residential or office use in the same building or on the same site. In general terms mixed use developments can contain neighborhood serving commercial, employment opportunities, and low and high density housing within the same immediate area. This development pattern is in contrast to zoning laws that historically segregated land uses but in keeping with development patters form a pre-regulation era where commercial activities were intimately linked to residences. The more current planning approach to mixed use is mixed use is oriented more toward integrating commercial and housing activity on a smaller scale that is pedestrian-friendly and linked to transit.

Nonprofit Housing: Nonprofit housing is developed by nonprofit corporations with a community board of directors and mission. Most housing developed by nonprofit housing developers is affordable with rents or prices below market-rate. Income generated from the housing is put back into the mission of the organization, rather than being distributed to stockholders or individual investors as would be the case in for-profit housing. Reference: www.phada.org/ha_list.php

Nonprofit Housing Developer: A nonprofit organization with a mission that involves the creation, preservation, renovation, operation or maintenance of affordable housing. Non-profit developers in the Ashland Area include ACCESS Inc., Ashland Community Land Trust, Habitat for Humanity., the Housing Authority of Jackson COunty, and the Rogue Valley COmmunity Development Corporation.

Operating Subsidy: This is a type of subsidy going to property owners to reduce the management, maintenance and utility costs of housing. It is needed for projects housing extremely low-income residents who can't afford rents covering the actual costs of housing.Reference: www.phada.org/ha_list.php

Planning & Growth Restrictions: This refers to barriers and solutions included relate to the process of developing a comprehensive land use plan and the restrictions placed on future development based on a map of the community. The topic also covers activities such as smart growth programs, sewer and building permit moratoriums, or requirements for fiscal impact studies.Reference: www.huduser.org/rbc/categories.html

Rent Controls: Defined as state and local government actions that restrict rent increases or service fee charges to tenants.
Rent controls are only permissible in Oregon as a committment voluntarily entered into by a landloard in excange for a direct benefit such as increased housing density, or fee waivers.

Redevelopment: This refers to the rules under which abandoned or underused property is redeveloped. This topic includes inner city redevelopment, single lot infill, and brownfields redevelopment, as well as the process for obtaining the state and local government authorization to proceed with such work.Reference: www.huduser.org/rbc/categories.html

Section 8 Vouchers: This federal program is administered by the local housing authority. Eligible tenants receive vouchers they can use to help them pay for apartments in the private market. Reference: www.huduser.org/rbc/categories.html

Shared Equity: Home loan in which both the property owner and a third party are granted a share of the equity, thereby allowing each to participate in the proceeds from resale. Shared equity loans are also refered to as Shared Appreciation Morgages as the lender retains a percentage of ownership and thus capitalizes on appreciation. In the case of non-profit or government shared equity programs the homebuyer is often provided with downpayment assistance which remains a secured interest in the property and is repaid along with the proportionate increase in equity, when the home resells.

State and Local Tax Policies: Barriers and solutions which impact housing affordability, and include laws related to property taxes, tax assessments, transfer taxes, and sales taxes on building materials. It also refers to tax abatements or concessions and homestead exemptions. Reference: www.huduser.org/rbc/categories.html

Subsidized Housing: All federal, state or local government programs that reduce the cost of housing for low- and moderate-income residents. Housing can be subsidized in numerous ways—giving tenants a rent voucher, helping homebuyers with downpayment assistance, reducing the interest on a mortgage, providing deferred loans to help developers acquire and develop property, giving tax credits to encourage investment in low- and moderate-income housing, authorizing tax-exempt bond authority to finance the housing, providing ongoing assistance to reduce the operating costs of housing and others. Public housing, project-based Section 8, Section 8 vouchers, tax credits, the State Housing Trust Fund, Community Development Block Grants, System Development Charge waivers, reduced fees to the local government., andlocal grants are all examples of subsidized housing. Subsidized housing can range from ownership to apartments. In exchange for subsidies housing units directly assisted are typically guaranteed as affordable for a designated period, usually for 30 years or more. Reference: www.phada.org/ha_list.php

Tax Credits: See "Low Income Housing Tax Credits"

Sweat Equity
The value of the work that a borrower contributes to improve his/her property. In affordable housing venacular this term refers to programs that effectively reduce the initial purchase price by the owners direct contribution of labor. Habitat for Humantity and the USDA Self-Help program are both based in large part on a Sweat Equity model.

Pictured above is a 9 unit "Sweat Equity" development completed by Home-owner builders through the USDA Self-Help Program with assistance from the Rogue Valley COmmunity Development. These low income residents of Ashland now enjoy home ownership at a cost within their means.

Vouchers (see Section 8 Vouchers)
Zoning, Land Development, Construction and Subdivision Regulations: Rules and regulations that affect the use of land. It also contains rules and regulations that permit an owner to divide his land into smaller tracts. These activities include barriers, such as exclusionary zoning, as well as solutions, such as density bonus incentives. It also includes private restrictions on the use of property, such as deed restrictions.Reference: www.huduser.org/rbc/categories.html

LOCAL AFFORDABLE HOUSING RESOURCES

ACCESS, Inc.
3630 Aviation Way, Medford, OR 97504
www.access-inc.org (541) 779-6691
ACCESS, Inc. is a Private Non-Profit Corporation and is the Community Action Agency for Jackson County that has developed and is currently managing, over 160 units of affordable rental housing in Jackson County.

Ashland Community Land Trust
aclt@charter.net (541) 488-1211
Ashland Community Land Trust is a community membership non-profit 501(c) 3 organization whose mission is to provide those who live and work in Ashland the opportunity to obtain homes that will be affordable in perpetuity. By holding the land in public trust, and selling the improvements, ACLT can make affordable homes available to qualified buyers. ACLT is also committed to the provision of affordable rental homes.

Habitat for Humanity
hfhrv@jeffnet.org (541) 773-3411
Habitat for Humanity/Rogue Valley is a Christian based, non-profit housing ministry making home ownership possible by drawing together people of all faiths and backgrounds to build affordable homes in partnership with those in need. They serve Jackson County residents living in substandard housing whose income falls between 30% and 60% of the federal median income. They sell these homes to Habitat/RV families with a 20-year, no-interest mortgage.

Housing Authority of Jackson County
(541) 779-5785 x1000
The Housing Authority currently provides housing and related services to 1535 households in Jackson County. Programs include the Section 8 Certificate and Voucher Program, Owner Occupied Housing Rehabilitation, Family Self-Sufficiency Program, and the development and management of low-income affordable housing.

Rogue Valley Community Development Corporation
328 S. Central Ave., Suite 203, Medford, OR 97501
rvcdc@grrtech.com (541)734-2355
RVCDC, is a non-profit housing provider primarily involved in the rehabilitation, relocation, and development of for-purchase affordable housing. RVCDC also works in coordination with the USDA Rural Development Self-Help program, RVCDC provides low-income homebuyers with the opportunity to use sweat equity to lower their housing costs.

Southern Oregon Housing Resource Center
3630 Aviation Way, Medford, OR 97504
541-779-6691
www.sohrc.org
Housed at ACCESS Inc., the Southern Oregon Housing Resource Center (SOHRC) is the one-stop shop clearing house for a variety of housing related programs offered in Jackson and Josephine Counties. Also provides outreach sessions to employers and other organizations interested in housing related programs in Jackson & Josephine Counties.
Housing Counseling services include the "ABC's of Homebuying", a state certified pre-purchase education course, one-on-one pre-purchase counseling, foreclosure prevention, predatory lending and fair housing complaints, rental counseling and reverse mortgage counseling. The SOHRC also administers down payment and closing cost assistance programs in Jackson & Josephine Counties.

United States Department of Agriculture (USDA) Rural Development. http://www.rurdev.usda.gov/rhs/
Rural Development (RD) administers programs designed to finance and facilitate the development of essential community facilities and services in rural areas, including Ashland. Although they do not build homes RD often provides low interest loans to home-buyer, rehabilitation loans and grants to low income homeowners, and assistance to non-profit housing developers.

FINDING A PLACE TO RENT OR BUY

Newspaper Classifieds
Medford Mail Tribune / Ashland Daily Tidings
As well as in the daily newspapers, these classifieds are also available online through Homefinder at ShopOurValley.com Homefinder is a database driven search tool. Create a portfolio and have any listings that meet your criteria sent directly to your email address.
http://homefinder.shopourvalley.com

Internet Housing Ads
Regional classified ads including rental and purchase housing

Classic Property Management
http://classicashland.com/

Commercial Property Management
http://www.commercialpm.com

Crane Property Management
http://www.craneplace.com/

Medford Craig's List
http://medford.craigslist.org/apa/

Street Rents Property Management
http://www.streetrents.com/

Southern Oregon Multiple Listing Service and Rogue Valley Association of Realtors
http://www.somls.com
(see the "Our Members" section for an extensive listing of area Real Estate Offices)

Public Financing

Federal Government. The federal government funds housing primarily through the Department of Housing and Urban Development (HUD). Rural housing programs are administered by the US Department of Agriculture (USDA). HUD provides grants to developers of nonprofit housing, rental assistance to low-income tenants, and mortgage insurance. There are a number of HUD programs focused on funding housing for special populations, such as the elderly, homeless, or first-time homebuyers.

Several federal funding sources are actually distributed or implemented by state or local government, including Community Development Block Grants, HOME funds, and Low Income Housing Tax Credits.

State Governments. State governments are usually very active in funding affordable housing, through both state housing finance agencies and community development departments. They distribute federal funds and Low Income Housing Tax Credits, and also raise their own funds through bond sales or by dedicating taxes to a housing fund. State programs differ, but they usually involve below-market loans and grants. Some states have their own housing tax credits as well.

Local Government. Local governments' participation in housing funding will vary greatly by their size. Counties and municipalities serve as conduits for state and federal money. They can also set up their own housing funds, funded by taxes or linkage fees, which can be used for below-market loans and grants. Larger cities can also do bond sales. Local governments also can choose to offer property tax exemption or incentives to developers of affordable housing.

"financing" Continued Next Page

Private Financing

Financial Institutions. Thanks to the Community Reinvestment Act of 1977, commercial banks are required to "meet the credit needs" of all the areas from which they draw deposits. They usually do this through below-market loans to both developers and qualified low-income homebuyers, and grants to community development nonprofits. Many banks have set up a separate community development division, and partner with local organizations that provide services like homeownership counseling to their borrowers. Larger banks often have a separate foundation to handle the grants.

Community Development Financial Institutions (CDFIs) are financial institutions that focus on community development. CDFI is a US Treasury designation. CDFIs can range from local credit unions to national funds, and affordable housing is one of their primary lending areas. They are often nonprofits.

Intermediaries. Some nonprofit organizations, especially the Local Initiatives Support Corporation and The Enterprise Foundation, specialize in passing through grants, loans, and tax credits from larger funders to local nonprofit developers. Tax credits especially have been called "a full-employment program for lawyers." Very few developers use tax credits without going through a "syndicator," and these intermediaries often play that role for nonprofit developers.

Credit Unions: A credit union is a cooperative financial institution, owned and controlled by the people who use its services. These people are members. Credit unions serve groups that share something in common, such as where they work, live, or go to church. Credit unions are not-for-profit, and exist to provide a safe, convenient place for members to save money and to get loans, including home loans and downpayment savings plans.

Foundations. Foundations usually make grants. Affordable housing is not a top priority for many foundations. When it is, they are more likely to support organizational development or program development than a specific building project. Large funders that support community development often do it through intermediaries. Some foundations do make project-specific loans, in the form of program related investments.

Types of Assistance

Subsidized Loans. One way to make housing more affordable is below-market loans for rehab or development. For rental housing, these would be loans to the developer. For homeownership housing, a below-market construction loan to the developer can make the purchase price lower and a below-market mortgage for the buyer can further lower the payments. Lower downpayment requirements can also help low-income homebuyers. States, localities, and commercial banks are the most common sources of subsidized loans to affordable housing developers. Commercial banks and CDFIs are the most common sources for loans to low-income homebuyers however both the State of Oregon and the US Department of Agriculture Rural Development offer subsidized low interest loans to qualified homebuyers in Ashland (see “Home Loans column to the right).

Rental Assistance/Operating Subsidy . Rental assistance is an on-going payment to the owner of a rental property for the difference between the market rent and an agreed upon amount that a low-income tenant can afford to pay. Rental assistance is primarily provided by the federal government, and some by state and local.

Section 8 is perhaps the largest operating subsidy provided by the federalgovernment. It provides direct grants covering the difference between 30 percent of an eligible tenant’s income and the Fair Market Rent calculated by HUD. Project-based Section 8 is associated with a particular unit, while tenant-based Section 8 takes the form of vouchers that tenants can use to rent a range of apartments. Section 8 contracts can last from one to 30 years, and they are administered by local Public Housing Authorities. The federal government also has rental assistance programs for specific populations, such as the elderly and homeless people with disabilities and their families. (*Types of Assistance* continued on the next page)

Home Loans

Oregon Housing and Community Services (OHCS) www.hcs.state.or.us or www.oregonbond.us
OHCS is the State of Oregon’s housing finance agency, providing financial and program support to create and preserve opportunities for quality, affordable housing for Oregonians of lower and moderate income. The Oregon Bond Loan Program assists moderate income first time homebuyers with below market interest rate loan programs. The Department also administers federal and state antipoverty, homeless and energy assistance, and community service programs.

United States Department of Agriculture Rural Development (USDA): www.rurdev.usda.gov 541-776-4391 ext. 112 573 Parsons Drive, Suite 103, Medford, OR 97501
USDA Rural Development has the mission to improve the quality of life in rural areas. Rural Housing Programs helps rural communities and individuals by providing very low interest loans and grants to purchase housing, housing rehabilitation and community facilities. They provide funding for single family homes, apartments for low-income persons or the elderly, housing for farm laborers, childcare centers, fire and police stations, hospitals, libraries, nursing homes, schools, and much more.

Local Lenders
To find lenders within Jackson County that are familiar with these and other programs that provide first time buyers, veterans and people with special needs with below market home loans use the State of Oregon’s “Locate a Lender” online tool at:
http://ohcs.state.or.us/lenders/lenderlocator.jsp

Mortgage Insurance. Mortgage insurance protects lenders against losses from on mortgage defaults. This makes housing more affordable because lenders can offer lower interest rates when their risk is lower. The federal government provides affordable mortgage insurance through the Federal Housing Administration. Federal mortgage insurance is available for homes within a limited purchase range, and the required down payment is smaller than that required for commercial mortgage insurance.

Development Grants/Forgivable Loans: Grants do not need to be repaid. Forgivable loans turn into a grant once a certain result has been reached. Grants rarely cover the entire cost of an affordable housing development, but there are many available for specific purposes. The federal government, foundations, and the charitable arms of commercial banks give grants.

Equity . Equity is form of investment in which the investor gets a partial ownership stake in the project and makes money from profit-sharing or at resale rather than by collecting interest. The most common form of equity investments in low-income housing are tax credits, whereby investors save money on their taxes for investing in affordable housing.

Low Income Housing Tax Credit : The federal government offers the Low Income Housing Tax Credit, which has become the largestaffordable housing production program in the country. LIHTCs are authorized through the federal tax code, and administered by state agencies. (Some states have their own tax credits as well.) Each state is allocated to distribute a certain amount of LIHTCs per capita. The distribution process is usually very competitive. Some states give nonprofit developers extra points in the competitive process.

Housing built with tax credits must be rental units. There are two affordability options: either 40 percent of the units must be affordable to families making at or below 60% of AMI, or 20 percent must be affordable to families making at or below 50% of AMI. These restrictions last for 10 to 15 years.

Tax Exemptions . Some local or state governments (depending which has the authority to assess property taxes) offer tax exemptions for affordable housing. Sometimes this is a matter of a specific exemption program. For example, in New York City , the J-51 program grants exemptions for 15 years for buildings whose owners meet various criteria and make it through a strenuous application process. In other situations, an exemption may be negotiated for a particular development.

Developer Incentives . Local governments, which usually have jurisdiction over zoning and land use regulations, can use that jurisdiction to create developer incentives, such as a “density bonus” for inclusion of affordable units in a development. Some areas make programs like this mandatory (e.g. inclusionary zoning), with the “incentive” as compensation. Others make voluntary programs, with the incentive actually serving as encouragement.

This Financing section was excerpted in large part from from PolicyLink website
http://www.policylink.org/EDTK/AH101/Financing.html

HOUSING NEEDS

As of the 2000 Census there were 8,552 households living in Ashland, of which 48% lived in a rented home or apartment. Conversely 52% of the population owns their homes. There is one important difference between these two groups; renters are much less affluent than home owners and their incomes increase at a much more modest rate.

For this reason it it imperative that a stable community provide a range of housing types for all income levels, all family sizes, and work to ensure that this housing is within the financial means of the resident population.

Since 2000 the housing costs throughout the Rogue Valley have grown to push ownership well beyond the reach of households earning nearly one and a half times the area median income (see Needed incomes depending on the Homes purchase price table within the purchase housing section).

This doubling of home costs in just 5 years (see table next page) has essentially created a market where the resident renter population is very unlikely to transition into homeownership. As a community these factors stress the importance of retaining an appropriate balance of all the needed housing types including, studio apartments, 1,2, and 3 bedroom apartments, condos, townhomes and detached single family homes.

Additional local reference materials available online

Ashland's Affordable Housing Action Plan (2003)
http://www.ashland.or.us/Files/COUNCIL%20ADOPTED%20ACTION%20PLAN%20May%2020%202003.doc

Ashland's Housing Needs Analysis (2002)
http://www.ashland.or.us/Files/Housing_Needs_Analysis_final.pdf

Ashland Rental Needs Analysis (2007)
http://www.ashland.or.us/Files/RentalNeedsAnalysis_2007.pdf

The Bear Creek Valley Regional Housing Needs Analysis (2006)
http://www.rvcog.org/rps_pdf/RVCOG_RPS_Housing_FNL.pdf

The Workforce Housing Summit Handbook(2006)
http://www.ashland.or.us/Files/wfh_book_final.pdf

Average Price on Resale Homes within Urban Areas								
	2000	2001	2002	2003	2004	2005	% Change	Annual Price Change (Avg.)
Ashland	**$253,202**	**$290,131**	**$294,462**	**$323,475**	**$397,261**	**$465,893**	**84%**	**$42,538**
Central Point	$145,120	$158,815	$159,482	$189,368	$225,622	$296,959	105%	$30,368
Eagle Point	$188,849	$182,968	$170,778	$215,104	$245,208	$306,319	62%	$23,494
East Medford	$166,990	$177,491	$188,743	$218,686	$265,329	$327,880	96%	$32,178
Gold Hill	$184,664	$177,478	$191,065	$216,219	$280,563	$303,896	65%	$23,846
Jacksonville	$214,285	$274,497	$275,269	$336,564	$393,394	$471,233	120%	$51,390
Phoenix	$150,362	$154,816	$179,239	$219,238	$212,912	$258,743	72%	$21,676
Rogue River	$154,916	$183,344	$173,731	$220,958	$240,633	$317,184	105%	$32,454
Shady Cove	$155,246	$175,080	$191,196	$205,088	$220,337	$304,889	96%	$29,929
Talent	$165,278	$182,571	$220,120	$218,642	$245,580	$378,522	129%	$42,649
West Medford	$102,704	$110,624	$113,494	$132,255	$160,155	$217,642	112%	$22,988
White City	$111,271	$108,359	$118,060	$145,930	$175,941	$212,901	91%	$20,326

The informationcollected for this table was restricted to “resale” homes in an effort to isolate appreciation independant of new home construction. The Annual Price Change column shows in actual dollars the average yearly increase in housing costs over the period of available data. All communities examined appreciated at an annual rate of between 12% (Eagle Point) and 47% (Cave Junction) with an average annual increase of 21% for all communities combined. This annual increase in resale home costs effectively doubles the price of a home every five years.

The data for this table were provided by Gary Stine, Southern Oregon Multiple Listing Service (SOLMS)

Rental Housing Needs
Profile of the Rental Market

Due to their more modest income levels, a large percentage of renters pay a disproportionately high percentage of their income on their housing expenses (rent and utilities). In the housing industry, the standard measure of affordability is when the cost of rent and utilities (gross rent) is less than 30% of a household's gross income.

When gross rent levels exceed 30% of income, particularly by a large percentage, it places a significant burden on household finances. In some cases, households even sacrifice their basic nutrition needs because too much of their other income is used on basic shelter and other necessities.

Research indicates that historically a large percentage of renters in Ashland pay more than 30% of income on rent. In 2000, 56% of Ashland's renters fell into this category. This is significantly higher than the national average of 40%. This statistic is slightly inflated by the inclusion of students who live in Ashland and attend Southern Oregon University. When the estimated number of students who live in off-campus housing are taken out of the analysis, the percentage decreases to 52%.[1,3]

Profile of the Rental Market and Housing Cost ratio sections are excerpted from the **Ashland 2007 Rental Needs Analysis** by Ferrarini and Associates.

1 In the ownership market, the amount of income spent on rent is largely controlled by mort gage underwriting standards. As a result a smaller percent of owners pay more than 30% of income on their housing compared to renters. .

2 Oregon Food Bank

3 Based on Southern Oregon University Statistics.

Home Cost Ratio

The ratio of owning versus renting a home is important because in a normal market, as home prices increase, rents usually follow suit. However, this has not been the case in Ashland. From 2000 to 2006, the median home price in Ashland increased from $210,000 to $430,000, while rental rates have been flat. As a result:

1. The cost ratio of owning to renting is much higher in Ashland. Currently homeowners pay approximately four times the amount renters pay on a monthly basis, compared to ownership costs that are only 1.5 to 2.6 times higher than the cost of renting in other areas analyzed in this report [2007 Rental Needs Analysis].

2. The cost ratio of owning to renting in Ashland has been increasing faster than statewide or national ratios. Over the last six years, the home cost ratio in Ashland increased by 52%.

	US	Oregon	Jackson County	Ashland
1990	1.29	1.45	1.61	2.36
2000	1.59	2.36	1.87	2.61
2006			2.58	3.96

Source: US Census, Southern Oregon MLS, HUD and Ferrarini & Associates

The implication of these findings is that rental rates in Ashland are likely to increase substantially in the near future. To bring the city's home cost ratio back to what it was in 2000, rents would need to increase by an average of approximately $350 per month. While this magnitude of increase is not likely to be supported by the market in the near-term, there is clearly a lot of room for rental rates to increase while still remaining at a substantial discount from home costs. Under these conditions, the market is expected to begin to trend back toward a lower home cost ratio through increasing rents and potentially a stagnation in home price appreciation.

PURCHASE HOUSING NEEDS

A diverse and capable workforce is essential to retain the economic vitality and prosperity of the region within the global marketplace. High housing costs limit the diversification of the workforce as workers in high demand professions can choose to move to less expensive markets to buy or rent more house for the money. This puts the region at a competitive disadvantage in recruitment. The availability of affordable housing within a reasonable commuting distance is a key factor for business location decisions.

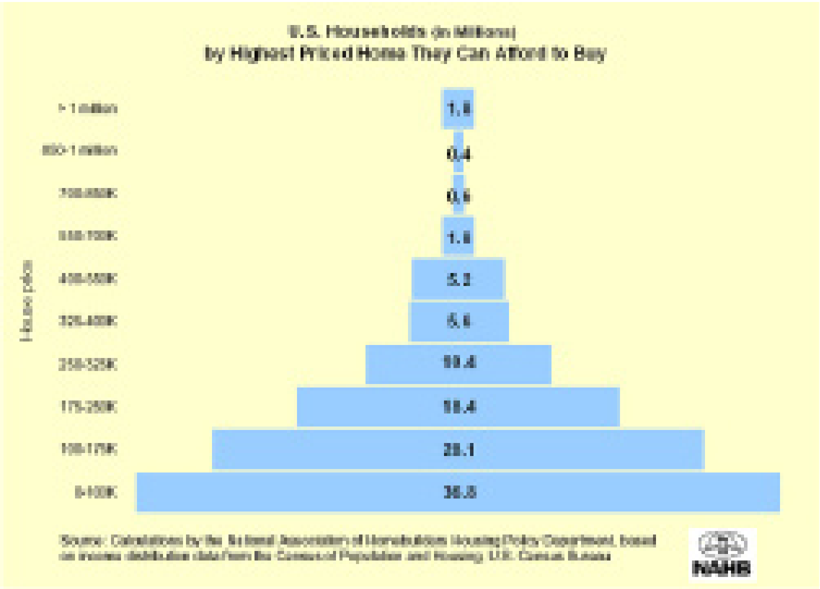
A wage-housing cost imbalance is evident throughout the Rogue Valley which is putting constraints on economic development. As housing costs continue to soar, employers have noted an increased difficulty in recruiting relatively high wage employees such as doctors, professors, engineers and management positions.

“Whether we like it or not, we are entering an era of labor shortage, a phenomenon very new and unusual for Southern Oregon,” said Charlie Mitchell, Economic Development Coordinator for the City of Grants Pass. “While we’ve collectively done a great job creating an environment that fosters strong economic growth, this growth may be hindered as we move ahead if employers cannot find the workers they need to expand their businesses. Affordable housing is a major piece of this issue; if workers cannot afford to live in or relocate to this area, it will exacerbate an already shrinking labor pool. We all have an obligation to ensure that the availability of quality labor doesn’t negatively impact our economic growth.”

Guy Tauer, Regional Economist with the Oregon Employment Department agrees with Mitchell. “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 impeding crisis.”

A future home owner builds “sweat equity” by painting rafters on her affordable home while its under construction. Ashland Community Land Trust and Habitat for Humanity project.

The relatively affordable rental market however is not guaranteed to persist into the future given the vast gulf between the cost of purchasing a home and the cost of renting. Historical trends suggest that per capita income growth will continue to lag behind appreciation in home prices over the long term. Young people and those trying to enter the housing market for the first time face a difficult situation today and a growing gap in the future. When, and if, the median home value exceeds $400,000 in many communities in our region, less than 10% of the population will be able to purchase a home (see pyramid chart).

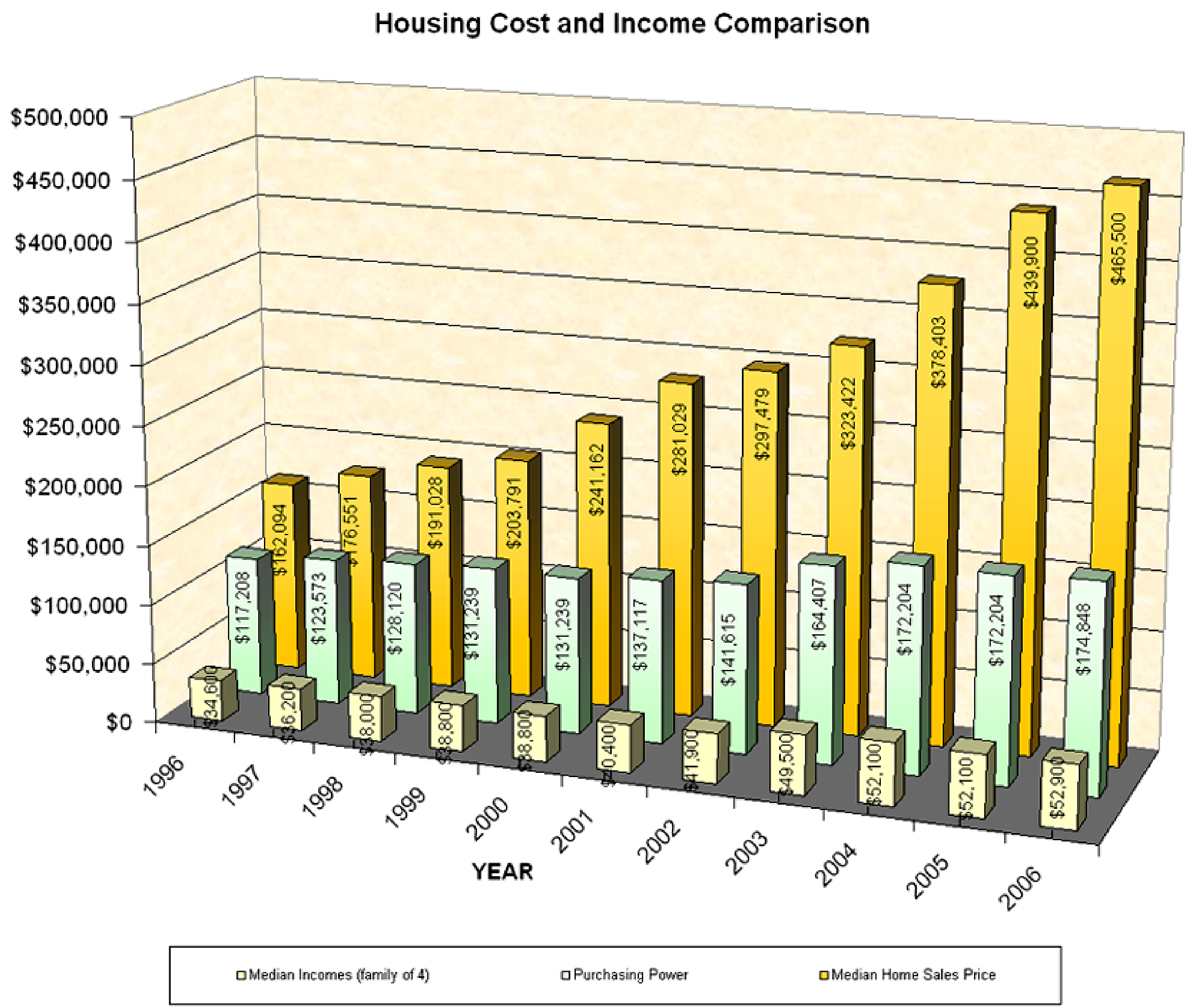


This dwindling pool of eligible buyers will put more demand upon the rental market with the logical consequence of driving up rental prices. Ashland has affordability problems for households that earn significantly more than the median family income. For example, rough calculations suggest that households earning between $40,000 and $50,000 annually are not able to purchase housing in Ashland (see chart below). A $40,000-$50,000 income with a 10% downpayment equates to a purchase price between $100,000 and $150,000. The median sales price of a single-family residence in 2006 was $465,500. Other than regulated affordable housing units no units sold for less than $150,000 meaning that if someone makes the median income they can not purchase a home in Ashland. These households are not eligible for government housing assistance. An anual income of over $127,000 is needed to purchase a median priced home in Ashland.

Purchase Price of Homes affordable by Percent of Area Median Income (2007)							
Purchase Price	**150,000**	**200,000**	**250,000**	**300,000**	**$350,000**	**$400,000**	**$465,500** *(2006 median sale price)*
Down Payment (10%)	**$15,000**	**$20,000**	**$25,000**	**$30,000**	**$35,000**	**$40,000**	**$46,500**
Monthly Principle and Interest (6.5%)	$853	$1,137	$1,422	$1,706	$1,991	$2,278	$2,648
Property Taxes, Insurance, & Mortgage Insurance	$431	$450	$464	$487	$506	$525	$550
Estimated Monthly Payment	**$1284**	**$1587**	**$1888**	**$2193**	**$2497**	**$2803**	**$3198**
Bank loan income requirement (monthly)	$4,281	$5,292	$6,303	$7,313	$8,324	$9,344	$10,658
Annual Salary needed	$51,381	$63,508	$75,636	$87,763	$99,890	$112,139	$127,904
Income Needed as a Precent of median income for a family of four (median income = $52,900)	**97%**	**120%**	**143%**	**166%**	**189%**	**212%**	**242%**

Morgage calculations assumed a 10% downpayment, a fixed rate (6.5%) 30 year mortgage and the industry standard that monthly housing payments including principle, interest, insurance, and taxes should not exceed 30% of the households gross monthly income. Median income provided by HUD for the Medford-Ashland area as of 2007.

An anual income of over $127,000 is needed to purchase a median priced home in Ashland. The household earning median income can only purchase a home valued at approximatly $175,000 (see chart below). It it obvious that such escalations in price have all but eliminated the opprtunity for moderate income households to obtain the american dream in Ashland. About 42% of Ashland households (3,660) are considered low income (80% or less of median family income) and for these households the only means of achieving ownership is through housing assistance from employers, government, or affordable housing providers.



Emergency Housing

What We Know About Housing and Homelessness

The National Alliance to End Homelessness has published a Policy Guide to help policymakers and advocates understand federal programs and policies regarding housing and homelessness. The following is exerpted from that research.

http://www.endhomelessness.org/content/general/detail/1723

In January 2007, the National Alliance to End Homelessness released the first estimate in over ten years of homelessness in the U.S. We found that in January 2005, an estimated 744,313 people experienced homelessness.

About 56 percent of homeless people counted were living in shelters and transitional housing and, shockingly, 44 percent were unsheltered. 59 percent of homeless people counted were single adults and 41 percent were persons living in families. In total, 98,452 homeless families were counted.

23 percent of homeless people were reported as chronically homeless, which, according to HUD's definition, means that they are homeless for long periods or repeatedly and have a disability.

Affordable Housing is the primary solution to ending homelessness.

Numerous studies show that housing is the key to ending homelessness. In one study, 80 percent of homeless families who received a housing subsidy or public housing remained stably housed, compared to only 18 percent of those who did not receive a subsidy.

Another study found that 88 percent of families who received a subsidy remained housed for up to 18 months.

Permanent supportive housing can end homelessness for people who have been on the streets for long periods. Studies reveal that 80 to 85 percent of chronically homeless people who accesspermanent supportive housing remain housed.

A study by the University of Pennsylvania found that the annual cost of a homeless, severely mentally ill person to public systems of care in New York City was $40,449. The annual cost to public systems after these individuals were placed in supportive housing was $41,444. For a net cost of $995 per year, people who have chronic illness and face long-term (or chronic) homelessness can be placed in supportive housing

When asked about the single most important thing preventing their exit from homelessness, homeless people cite affordability issues, including insufficient income (30 percent), lack of job/employment (24 percent), and lack of suitable housing (11 percent)

Homelessness among families is all too common in the United States.

On any given night, nearly 100,000 families are homeless.18 Every year 600,000 families with 1.35 million children will experience homelessness, comprising half of the homeless population.19 Families who experience homelessness belie stereotypes that homeless people are somehow a population apart.

The overriding characteristic of homeless families is their extreme poverty. Nationally, families that experience homelessness have incomes under 50 percent of the poverty level. Most are headed by a single woman who has limited education. Only half of parents in families that experience homelessness have a high school diploma or a GED. While around a third of parents are working, most rely on government assistance to meet their basic needs

Families that experience homelessness tend to be headed by young parents and have young children. Forty-two percent ofchildren in families experiencinghomelessness are age five and under.

The 10-year plans to end chronic homelessness

The United States Interagency Council supports and encourages the development of local 10-year plans to end chronic homelessness. Planning to end homelessness – not to manage – is new. Inspired by the President's call to end this profile of homelessness and by city and county 10-year plans that have been developed across our country, these planning processes have offered new resources, new collaborations, and new energy to create solutions. By mid-2006, over 215 cities and counties had committed to such 10-year plans.

The Council's work with federal departments and agencies promises new collaborative approaches and new funding opportunities at the national level. Our encouragement of Governors to create state interagency councils on homelessness will create new state level opportunities. Again, by 2006, 53 Governors had made such a commitment.

Most importantly, the new research and new technologies offer performance based, results oriented strategies to reduce and end homelessness. We have prioritized people on the streets and in long term stays in shelters, those experiencing "chronic homelessness." They are the most vulnerable, visible, and costly.

Jackson County has made the committment to end chronic homelessness through the formation of a 10 year Plan. The article printed on August 8, 2007 in the Mail Tribune (next page) explains the efforts that are currently underway locally to address this issue that impacts the entire community.

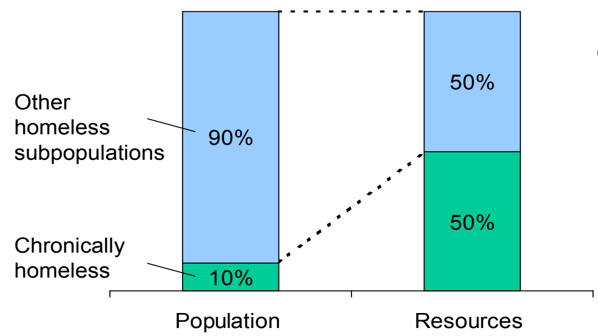
Pictured right: 71-year-old woman named Lee Sevilla, is accompanied by her shaggy dog, Sandy. The two of them have lived in a car for more than eight years. "I'll tell you something: There are a lot of people out there living in their cars," Sevilla said. "It's no wonder, she adds, when you look at the price of a one-bedroom apartment, let alone a house."

Los Angeles Times article by Steve Lopez May 7, 2006

fullstory: http://www.elsegundo.net/looking-for-an-end-to-her-skid-05-07-2006.html

INDIVIDUALS EXPERIENCING CHRONIC HOMELESSNESS CONSUME A DISPROPORTIONATE AMOUNT OF RESOURCES

10% of the homeless population consumes over 50% of the resources



Individuals experiencing chronic homelessness are heavy users of costly public resources, including :

- Emergency medical services
- Psychiatric treatment
- Detox facilities
- Shelters
- Law Enforcement / Corrections

Burt, Martha R., Laudan Y. Aron and Edgar Lee. 2001. Helping America's Homeless: Emergency Shelter or Affordable Housing? Washington, DC: Urban Institute Press. Kuhn, R. & Culhane, D.P. (1998). Applying cluster analysis to test of a typology of homelessness: Results from the analysis of administrative data. The American Journal of Community Psychology, 17 (1), 23-43. Community Shelter Board. Rebuilding Lives: A New Strategy to House Homeless Men. Columbus, OH: Emergency Food and Shelter Board.

Helpful Links to learn more about homelessness

National Coalition for the Homeless
www.nationalhomeless.org/

U.S. Department of Health and Human Services
www.hhs.gov/homeless/

United States Interagency Council on Homelessness
www.ich.gov

National Alliance to End Homelessness
www.endhomelessness.org/

Homelessness-HUD
www.hud.gov/homeless/index.cfm

National Law Center on Homelessness and Poverty
www.nlchp.org

Policy and Legislation
www.endhomelessness.org/
http://thomas.loc.gov/
www.maplight.org/map/us

Public Sector

The public sector has a number of tools at its disposal to promote the development of needed affordable workforce housing.

Regulations impact the costs and availability of land as well as the type of development, the location, and the overall costs and timliness of developments. How these tools function to promote affordable housing is often tempered by the local housing market and conditions outside the governments control. However having an understanding of these tools and the terminology used to discuss affordable housing is imperative to selecting the apprtopriate tools for a given community.

photo: Derek Severson (c) 2007

In 2005 the Southern Oregon Workforce Housing Summit identified a number of Public Sector Strategies that could potentially be implemented to support the development of affordable workforce housing.

The listing provided in this Housing Notebook identifies many of the tools at the disposal of the public sector, and further provides links to programs or policies that implement these “Best Practices”.

Many, but not all, of the tools discussed here have been implemented within the City of Ashland.

BEST PRACTICES
What Can the Public Sector Do?

Increased zoning for multi-family development: Cities can consider increasing their land supply appropriate for affordable housing by zoning for more multi-family development at medium and high densities.

Density bonuses: Developers who commit to allotting a certain percentage of units at below market rates may be allowed to reduce lot sizes or increase the number of houses on a lot, thereby reducing land cost per unit. This can include bonuses for the rehabilitation of existing substandard housing provided the bonus units are available as affordable housing.
More information:
http://www.sonoma-county.org/cdc/pdf/DbBrochure.pdf
http://www.ci.salinas.ca.us/Admin/MuniCodes/CodeFiles/_DATA/CHAP37/Article_IV__Regulations_Applying_t/Sec__37_139__Affordable_housin.html

Minimum densities: Establishing minimum densities for multi-family zones for better utilization of land dedicated to affordable housing.

Accessory Dwelling Units (ADUs): Allow ADUs as a permitted use in single family zones and planned unit developments.
More information:
http://www.horsleywitten.com/smart-growth/pages/mod-adu.html
http://www.cmhc-schl.gc.ca/en/imquaf/afho/afadv/pore/pesesu/index.cfm
http://www.cmhc-schl.gc.ca/en/imquaf/afho/afadv/pore/prgasu/index.cfm

Minimum lot and building size: Eliminate unnecessary minimum lot and building size requirements from zoning ordinances.

Mixed-use development: Encouraging higher density development in employment centers to encourage affordable housing in areas with immediate proximity to jobs.

Cluster design: Rather than allowing cluster designs only as special exceptions or conditional uses, permit their use without exception or conditional use requirements.
More information:
http://www.mrsc.org/Publications/textaht.aspx#cluster

Parking requirements: Where advisable, especially in areas within proximity to public transport, cities can reduce their parking requirements for affordable housing developments (number and dimensions).

Joint municipal planning: Provide for coordination and uniformity among jurisdictions on land use ordinances important to workforce housing, thus providing a better knowledge base and response to current housing needs, as well as a more uniform playing field for the development community.

Priority review of affordable housing projects: Jurisdictions could provide special services at all levels of review and inspection for affordable housing projects.
More information:
http://www.huduser.org/rbc/search/rbcdetails.asp?DocId=1169
http://www.fremont.gov/Construction/DevelopAffordableHousing/default.htm#49percent

Inclusionary zoning: Mandated link between the construction of market rate housing and low- and moderate-income housing. Often used in conjunction with density bonuses. (Mandatory Inclusionary Zoning is prohibited by Oregon State Law)
More information:
http://www.townofcary.org/depts/dsdept/P&Z/affordablehousing/plancolor.pdf
http://www.brookings.edu/es/urban/publications/inclusionary.pdf
http://www.policylink.org/EDTK/IZ/Success.html

What Can the Public Sector Do? (continued)

Redevelopment of industrial and commercial properties: Former industrial or commercial land present opportunities to redevelop sites. Redeveloping sites enables the provision of affordable housing because of the increased density and the use of existing infrastructure. Redevelopment can range in size from one or two units on the site of a former dwelling to many hundreds of units on former industrial lands.

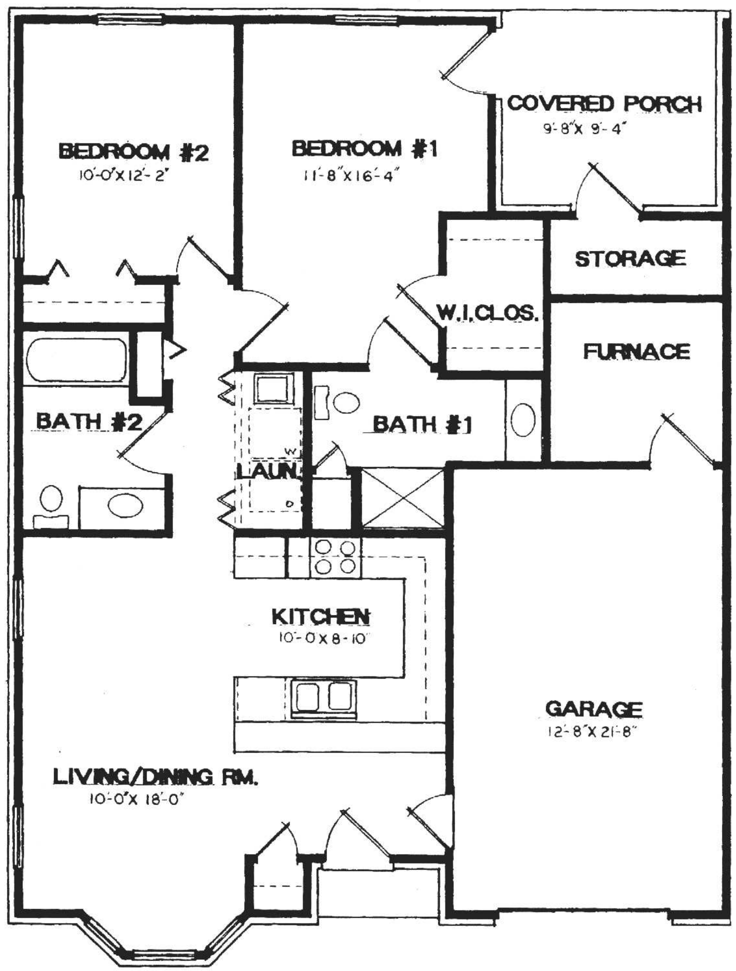
More information: http://www.cmhc-schl.gc.ca/en/imquaf/afho/afadv/rere/resi/index.cfm

Existing housing stock rehabilitation: Establish regulations that encourage (especially in terms of cost reductions) the rehabilitation of existing housing.

More information:

http://www.state.nj.us/dca/codes/forms/rehab.htm


photo: B. Goldman 2006



Construction of smaller homes: Among other measures, tie permit costs to home size, rather than just number of units. This could make it more profitable for builders to build smaller units. Given the lower construction costs on a per square foot basis, smaller homes can be produced to target lower income households.

Reduced condominium conversion: Restrict and/or discourage condominium conversions of existing rental stock. Conversion to condominiums (or single family homes) usually increases cost of housing and often displaces residents. An ordinance that requires a certain percentage of units remain in the rental market could prevent large reductions in a town's available rental stock. Turnover of affordable units can be prevented through deed restrictions.

Residential alterations/conversions: Permit/facilitate the conversion of existing single family dwellings into two or more residential units.

Development Fee Waivers or Abatement for Affordable Housing:
Can be full or partial reductions in System Development Charges (Impact Fees) on affordable housing units. Ashland currently waives such fees for deed restricted affordable housing units.
More information:
http://www.pdc.us/housing_serv/hsg_development/dev-fee-waivers.asp
http://www.huduser.org/rbc/newsletter/vol3iss3more.html

In 1970 the average 3 bedroom home was 1200 sq.ft. In 2005 the average new 3 bedroom home built is 2200 sq.ft., and yet the average number of people per household has decreased over that same period.

Property-tax abatement for construction of new workforce housing: Similar to what economic development has historically done to encourage business recruitment. Either workforce housing construction, or rehabilitation could qualify.

Reduction of the tax rate for multi-family housing: Reduction of the tax rate for affordable multi-family housing to make them consistent with single-family housing.
More information:
http://www.deed.state.mn.us/bizdev/PDFs/consol-pl.pdf

Residential tax credit for rehabilitating affordable housing: A residential tax credit applicable to the costs incurred during the construction, alteration, or modification of affordable housing.
More information:
http://www.state.hi.us/tax/tir/tir2002-03.htm

Replacement of demolished units: Mandated replacement of moderate- or low-priced single family homes demolished as a result of a residential project by an equal number of equivalently priced units, with first priority for occupancy given to previous residents.

Encouragement of vertical housing: In addition to the state's Vertical Housing Program, which offers long-term partial property tax exemptions for multi-story affordable housing within mixed-use developments, cities can provide a friendly regulatory framework for such projects.
More information:
http://egov.oregon.gov/OHCS/HFS_VerticalHousingFacts.shtml

Preferential expansion of city urban growth boundaries for the creation of workforce housing: A streamlined process for the selective expansion of UGBs for the expressed purpose of creating workforce housing.

Affordable Housing Trust Funds

Many policy leaders are increasingly aware of the limited availability of affordable housing for lower income residents, and the critical need to find ways to increase the supply of low-cost housing. ***Affordable housing trust funds*** are public sector tools used to direct financial resources to the development of affordable housing for lowincome households. At present, there are more than 170 housing trust funds in the United States. and 37 states admistered trusts including the State of Oregon.

Housing Trust Funds:

1) commit public sources of revenue;

2) create dedicated, ongoing funding for the support of affordable housing;

3) do not depend on interest or earnings from a fixed fund, or on contributions from corporations, financial institutions or foundations.

The housing trust fund model is an innovative departure from the way that dollars have historically been secured to support affordable housing.

Every year, various interest groups compete for a share of the total budget. Because of the cyclical nature of public and private funding, communities can fall farther and farther behind in addressing the growing need for affordable housing. Yet, decent affordable housing should not be dependent upon an unreliable and highly political budget process.

HTFs provide a stable and steady source of funding for affordable housing. Trust funds enable jurisdictions to design housing programs and provide housing developers with a dependable source of funding to support projects. These funds can be used for a variety of purposes including, but not limited to:

Creation and maintenance of affordable housing

Homebuyer assistance: Including counseling, down payment and mortgage assistance, and interest subsidies.

Subsidized rental housing: Assisting families with rent vouchers or creating below-market rental units.

Safety net housing: Creating and improving homeless shelters.

Gap financing: Providing dollars to complete a financial package, when all other funding sources are secured.

Loan source: Providing start up and dependable cash flow to housing developers (cushioning the less-timely nature of other public funding sources).

Support for nonprofit housing developers: Providing pre-development funds to secure land and assist with financial packaging, housing design, and management.

Leverage additional resources: Providing “matching” funds that other public or private resources may require.

Because HTFs are created locally using public revenues, they should be structured to address priority issues in a community. For example, funds initially can be targeted to fix up vacant homes for homeownership opportunities, and later shifted to address other needs. This flexibility in design is one of the most attractive features of a housing trust fund.

The information on these pages regarding the purpose and formation of a Housing Trust Fund comes from www.PolicyLink.org
PolicyLink is a national research and action institute that works collaboratively to develop and implement local, state, and federal policies to achieve economic and social equity.

In communities planning redevelopment, and in those where private investment is driving gentrification, housing trust funds can provide financing to acquire properties key to preserving affordability. In escalating housing markets, the funds can subsidize renters while other affordable housing opportunities are developed to meet

Since housing trust funds are designed locally, they can be tailored to address the range of housing problems specific to that jurisdiction. There are three important components to every housing trust fund:

- **Administration,** or the structure for managing the fund;
- **Program Design,** criteria for what is supported through the fund;
- **Revenue Sources,** or the financing of the fund

Administration

Lead Agency

Housing trust funds are typically administered by a public agency, usually the department that deals with affordable housing programs. This agency will assign or hire staff to carry out the day-to-day operations of the housing trust fund.

While not common, there are instances where nonprofit entities administer a housing trust fund. The East Tennessee Foundation, for example, administers a housing trust fund in Knoxville , Tennessee . Another approach is the creation of an independent or quasi-public corporation for the express purpose of operating a trust fund.

Oversight Board

Most housing trust funds have an oversight board. The composition of the board is governed by the ordinance or legislation establishing the housing trust fund, and board members are appointed. Board members typically represent a broad range of housing interests within the community. They are usually responsible for establishing trust fund policies; developing regulations for the operation of the fund; determining funding priorities; and monitoring and evaluation. Some oversight boards play an advisory role, while others have full power and authority to be decision-making bodies.

Well-functioning oversight boards are important for several reasons. They build public support for the trust fund and its activities. They provide guidance on the operation of the housing trust fund. They provide connection to the community, and work to ensure that the trust fund reflects and is accountable to local needs.

Program Design

The most important program design components should be contained in the ordinance or legislation to establish how dollars are spent and who benefits.

- Dissemination and types of funding
- Eligible applicants
- Eligible uses
- Requirements

Dissemination and Types of funding

Most housing trust funds award funds through requests for proposals (RFPs). The lead agency announces the availability of funds and outlines the application process.

HTFs usually provide funds in a variety of forms including: no-interest loans, forgivable loans, below-market loans and grants. In addition, funds can be used to establish a line of credit, guarantee funds or bridge loans. Some housing trust funds coordinate their application procedures with other programs, allowing potential applicants to submit a single application to access multiple funds available within the jurisdiction. Single applications can include HOME funds, the Community Development Block Grant Program (CBDG), housing trust funds, and others. This unification enables the jurisdiction to be more strategic in implementing affordable housing.
HTFs can also establish special funds programs. Dauphin County , Pennsylvania 's Affordable Housing Fund created a First Time Homebuyers Second or Subordinated Mortgage Program that provides funds for households earning less than the median income.

Eligible Applicants

Housing trust funds can qualify a variety of eligible applicants including: nonprofit and private developers, Native American tribes, regional entities, jurisdictions, housing authorities, and other entities. Some housing trust funds restrict funding to nonprofit organizations. Other funds provide loans to private developers while making grants available to nonprofit developers. Nonprofit development organizations have probably been the most consistent users of and partners to housing trust funds.

Eligible Uses

Most HTFs provide for many, diverse uses. Funds can be used for acquisition, new construction, rehabilitation, emergency repairs, housing-related services, adaptive re-use, accessibility modifications and more. While less common, some trust funds make dollars available for rental assistance (including emergency assistance), foreclosure prevention, and other needs. Some housing trust funds focus on serving the needs of the homeless. Many encourage mixed-income and mixed-use developments, requiring that funds be used for projects (or the portion of a project) that address the needs of lower income households.

Requirements

Recipients of trust fund dollars are required to meet established criteria.
Common requirements include:

- Income guidelines. Most housing trust funds restrict the use of funds to projects that serve households who earn no more than 80% of the area median in come. Many target 50% or 30% of area median income. Trust funds may serve a mix of income levels, but often set aside a portion of the funds to serve the needs of lower income households. Most funds encourage projects that serve the lowest income households by giving priority status to these projects.
- Long-term affordability. Most HTFs encourage or require that trust fund dollars support housing with provisions for long-term affordability. Some trust funds specify a number of years, while others for the life of the project.
- Accessibility. Housing trust funds often require that a portion of units are accessible to those with disabilities and meet the requirements of the Americans with Disabilities Act (ADA) and applicable local laws.
- Displacement. Other requirements can prevent the displacement of current residents or offer tenant protections. Some HTFs require neighborhood planning to receive trust fund dollars.
- Other preferences or priorities. Preferences may be given to projects that achieve the highest leverage of public and private funds, those serving certain neighborhoods and those serving households with special needs, among others.

Other Important Elements
Whether capitalized from less than $100,000 to over millions of dollars annually, housing trust funds can have tremendous impact in a community. The single most important factor in the success of a housing trust fund is a committed, talented, effective staff. Key elements to ensure the success of a housing trust fund include:
• Clarity. Create clearly stated objectives. A fund that is too broadly defined will have less clear impact than one whose resources are targeted to specific needs.
• Efficiency. Create a streamlined process for moving funds to needed projects. Develop an easy-to-understand and use application process.
• Accountability. Create public accountability. Put an effective process in place for evaluating how funds are spent and ensuring they support the goals for which the trust was created.
• Public Will. Build public will by publicizing accomplishments and continuing to stress the beneficial impacts of the HTF. Never underestimate the importance of continuing to educate the public and elected officials about the vital role that decent affordable housing plays in sustaining healthy communities.

Revenue Sources
Revenue sources vary depending on whether the trust fund is established by a city, county, or state government. Securing these dollars is the most political and difficult part of establishing a housing trust fund.

Public Dollars Sources may include:
Real estate taxes or fees (e.g., real estate transfer tax, document recording fee, excise tax);
Developer fees (e.g., fees on new commercial development that contribute to housing funds, inclusionary zoning in-lieu fees, impact fees);
Other taxes (e.g., property taxes, sales taxes, hotel/motel taxes);
Other fees (e.g., application fees for municipal programs, permit fees, demolition and conversion fees);
Tax increment funds from redevelopment districts;
Repayments on various loan programs and other kinds of program income; and
Interest from government-held and market-based accounts (e.g., rainy day funds, escheat funds, real estate escrow accounts or tenant security deposits).

Most revenue dedicated to housing trust funds is new income to a jurisdiction, based on increased taxes and fees and does not take dollars away from other programs. As with any tax or fee, the amount of revenue coming into a fund fluctuates from year to year. The funds generated by trust funds cannot be diverted to other uses. And all interest and earnings must remain in the trust fund, as well as any unused dollars at the year's end.

It is not always possible to win an increase in a tax or fee, particularly in states that have enacted "anti-tax" legislation. In these instances, it may be possible to divert a portion of existing revenues from the general fund to the trust fund.

Housing trust funds can also receive appropriations and/or special allocations of funds to augment existing dollars. This might include surplus budget funds, excess TANF funds, and funds available from the sale of public property, among others.

Non-Public Dollars and "Hybrid" Funds
A special note should be made regarding non-public funding sources. By definition, housing trust funds are not comprised of corporate contributions, foundation grants, or bank commitments. These funds are more typical of housing partnerships-a different and useful tool.

A few housing trust funds are exploring combinations of public funds with private contributions. It may prove useful for such combined funds to define a special role for private contributions, such as land acquisition and predevelopment activities.

http://www.policylink.org/EDTK/HTF/default.html

Employer Assisted Housing

Increasingly employers are recognizing the correlation between housing costas and wage pressures, recruitment and retentiaon issues and stability of the workforce. To address this many employers offer assistance in the form of grants for down payment assistance, low interest loans, matched dollar savings plans, credit counseling, homebuyer education, rental deposit assistance, or even function to house employees directly.

A shortage of housing affordable to workers of low-, moderate-, and even above-median-incomes, is imposing substantial and harmful costs upon employers within Ashland and increasingly Jackson County as a whole.

High housing costs are creating and/or exacerbating:

Labor shortages

Diminished productivity

Unacceptable recruitment and retention

Loss of key personnel
(to lower housing cost areas);

Potential slowdown in the growth of the regional economy.

Why Employers Participate in Affordable Housing

1. Allows an employer to expand operations and recruit new employees.

2. Increases stability in the workforce as turnover decreases.

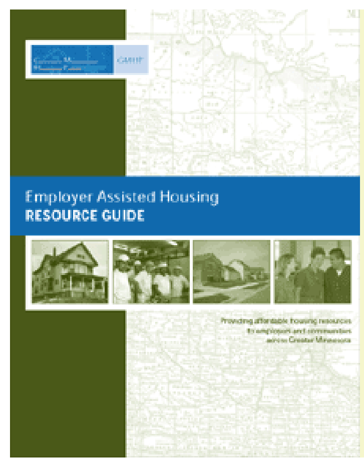
3. Reduces absenteeism, tardiness and stress as commuting times decrease. Raises morale and increases productivity.

4. Improves community relations as employers contribute to affordable housing.

5. Helps stabilize deteriorating neighborhoods. Improving or replacing dilapidated housing in a company's immediate neighborhood can have positive effects on a firm's property values and address safety issues for employees.

6. Offers opportunities for a return on an employer's investment when structured appropriately through partnerships with developers.

7. Leverages matching funds from public and private funders that support employer assisted housing.



"Why employers participate in Affordable Housing" and "Helping Employees obtain affordable housing" are excerpted from the

Employer Assisted Housing RESOURCE GUIDE

Produced by the GREATER MINNESOTA HOUSING FUND www.gmhf.com

Author: Jennifer Larson

http://www.gmhf.com/Publications/eah.htm

Helping Employees Obtain Affordable Housing

Downpayment and Closing Cost Assistance

Saving enough money for a downpayment and closing costs can be a significant barrier to homeownership for many low- and moderate-income families. Individuals employed in lowwage jobs often cannot afford to save the upfront investment that is required to purchase a home, despite the fact that they may be able to afford the monthly mortgage payment. Employers can help to minimize this problem by offering the following assistance to employees.

Grants and Loans

Employers can provide grants, forgivable loans or deferred loans to employees that can be used for a downpayment and closing costs. If the funds are provided as a loan, the interest rate should be low and repayment should be deferred until the employee sells the home or repays the first mortgage. Assistance by the employer directly to the employee is considered income and is subject to taxation for both the employee and the employer. Employers can also contribute funds to a downpayment assistance pool that is available to their employers and others in the community. In those cases, funds may be treated as a charitable contribution rather than as income to the employee. Check with your tax attorney or accountant for more information.

Payroll Savings Matches

Payroll savings matches are another way to help employees obtain downpayment and closing cost funds. Many lower-wage workers spend their paychecks on immediate necessities rather than saving for large purchases that may seem far away or less urgent. Employers can help employees save for homeownership by establishing a payroll savings plan. A portion of the employee's paycheck is deducted and put into a special account, allowing for funds to be saved before the employee receives them.

As an incentive to get employees to sign up for the savings program, an employer can promise to match the employee's savings for home purchase. The employer can set a goal amount and match the employee's savings once that amount is in the account and the employee has found a home to purchase. In some communities, individual development account programs are available that encourage saving by providing matching funds from public and private sources.

Secondary (Gap) Financing Assistance

While downpayment and closing cost assistance can help many people purchase homes, some employees may need additional assistance to make homeownership affordable. Rising home prices mean that many lower-income households cannot qualify for a mortgage that is large enough to buy home. To help cover this gap, employers can develop a secondary financing program or contribute to a loan pool that provides financing to local employees. Secondary financing assistance is typically structured as a zero- or low-interest loan with repayment deferred until the buyer sells the home. The amount of assistance may range from a few thousand dollars to $20,000 or more. If the employer provides assistance directly to the employee, it is considered income and is subject to taxation for both the employee and the employer. If the funds are contributed to a pool and not reserved for specific employees, the funds may be consi ered a charitable contribution.

Rent Subsidies

In some communities, there may be adequate rental housing available, but the market rent is higher than the employee can afford. An employer can make the housing more affordable by providing a rent subsidy directly to the employee. As an alternative, the employer can provide operating funds directly to the owner of the property, thereby reducing the rent charged to the employees. Employers wishing to recruit new employees to the area can agree to pay the security deposit and/or guarantee the employee's rent, making the landlord more willing to rent to a family with no local rental history.

Homebuyer Education and Counseling Funding

A relatively low-cost form of homeownership assistance is providing homebuyer education for employees. First-time homebuyers typically do not know about the complexities of purchasing or owning a home. Credit counseling and budgeting advice can help a prospective buyer be a successful homeowner. Employers can provide assistance through financial support of local agencies and nonprofits that provide education and counseling services.Employers can also often arrange for classes at the workplace and can combine other forms of housing assistance with these services to ensure success and stability for the employee. In the Rogue Valley employers can contact the Southern Oregon Housing Resource Center for information on the ABCs of homebuying courses offered.

Schools: Housing for Teachers


photo: B. Goldman 2007

In response to rising housing costs throughout the country, officials are considering measures that would put affordable housing within the reach of teachers. School District efforts to recruit and retain teachers has been frustrated as young teachers cannot afford to buy or rent homes in high housing cost school districts. Given the Medford-Ashland region has been listed as one of the top ten over-priced communities in the country, Ashland is obviously facing this recent phenomenon as well.

Many communities and school districts have taken valuable steps in addressing this problem and they can serve as examples for our region as we face similar recruitment and retention problems.

> In Nevada's Clark County, for instance, school officials are considering buying land and building affordable homes they would sell to teachers.
>
> In Florida's Osceola County, the school board is lobbying to team with developers and build apartments that teachers could rent at below-market rates.
>
> In the San Luis Coastal Unified School District in San Luis Obispo, Calif., school leaders are looking into the possibility of offering short-term loans to teachers to make it easier for them to buy houses.

The articles included in this Housing Notebook illustrate other creative ways in which communities and School Districts are successfully creating housing for teachers.

Santa Fe Public School System and Neighborhood Housing Services Provide Benefits to Local Teachers

Article Source: Department of Housing and Urban Development Office of Policy Development and Research
(http://www.huduser.org/periodicals/fieldworks/0203/fworks3.html)

With one of the highest priced housing markets in the country and some of the lowest teacher salaries in the state, Santa Fe, New Mexico was finding that it could not keep its public school teachers for very long. In fact, according to a 1998 study by the Santa Fe Public Schools, Santa Fe loses about 20 percent of its teachers each year, and 79 percent of all teachers reported that they have considered leaving because of the high cost of living.

In an attempt to reverse this disturbing trend, Neighborhood Services of Santa Fe, Inc. (NHS) began a pilot program in October 1999 specifically designed to provide public school teachers with housing resources that would allow them to remain in the community and continue teaching in the Santa Fe schools. Called the Teacher Home Fund, the program provides downpayment assistance to qualifying teachers as well as low-interest loans for home repairs. The program also provides financial counseling for teachers with an interest in homeownership, but who aren’t quite ready to commit to buying a home.

High Housing Costs Compared to Teacher Salaries

The need for such a program in Santa Fe is critical in light of the tight housing market and relatively low teacher salaries in the public school system. New Mexico’s homeownership rate increased by 2.5 percent from 1990 to 2000, but the homeownership rate in Santa Fe dropped 1.4 percent during that same period. In the third quarter of 2002, 230 new or existing homes were sold in the city of Sante Fe with a median price of over $241,0001. In contrast, the average teacher salary in the Santa Fe public schools is $34,635 - far less than the national average. Starting teachers in the Sante Fe district earn just $26,414.

Creating Homeowners

Based on studies showing that employees who own their own homes are less likely to move, NHS piloted the Teacher Home Fund to provide a host of services to assist teachers with their housing needs. The program was originally funded through an $80,000 grant from the Land Title Trust Fund (a fund managed by Title companies in New Mexico). Beginning in October 1999, the Fund offered loans of up to $6,000 per teacher for downpayment, closing cost, and home repair assistance. Participation was restricted to teachers whose combined family income was at or below 80 percent of Santa Fe’s median family income.

Through loans provided by the Fund, 25 teachers became homeowners. In addition, seven teachers had their homes repaired, and 26 teachers are completing action plans with NHS counselors to financially prepare for future homeownership. Each of the 25 new homebuyers have remained in the Santa Fe public school system.

Most importantly, however, the Teacher Home Fund led to a collaboration between the Santa Fe Public School administration and the NHS to create the new Teacher Housing Assistance Program (THAP), which was recently funded by the Santa Fe School Board for $600,000. This program provides many of the same services to local public school teachers, but with access to additional resources, it can make funding available to more teachers more often.

The guidelines for THAP have evolved out of the lessons learned from the Teacher Home Fund. It is anticipated that the Assistance Program will be broader than the Home Fund and will encompass three areas of assistance: homeownership, home repair, and rental assistance. The loans will take shape as zero-percent deferred mortgages of up to $15,000, and the salary limit criteria will be higher than that for the Teacher Home Fund. And while program financing has yet to be finalized, NHS is looking into finding other sources of funding beyond that currently provided by the School Board.

For more information, contact: Mike Loftin, Executive Director, Neighborhood Housing Services of Santa Fe, New Mexico, mloftin@ix.netcom.com, 1-800-429-5499.

New York Times
National Perspectives

Creating Housing for Teachers

By LISA CHAMBERLAIN
Published: December 18, 2005
Santa Clara, Calif.

AIMEE BRINKS, a teacher in her late 20's, lives by herself in a two-bedroom, two-bath apartment with a private garage and patio in the heart of Silicon Valley, one of the nation's most expensive housing markets. She is the beneficiary of an innovative solution to the high cost of housing in the Bay Area, which forces many teachers to commute several hours a day or live nearby in cramped conditions or dangerous neighborhoods. Because of Santa Clara's determination to deal with the housing problem, she pays about 40 percent of what such a place would command in the open market.

During the dot-com bubble years, the housing crisis in Santa Clara - home to some of the biggest names in the high-tech industry, like Intel and Yahoo - became acute. The school district was losing teachers about as fast as they could be hired. Just when they were trained, they would leave for other districts where they could live more comfortably and closer to their jobs. And even after the tech bubble burst, housing prices never really came down. The median price is $714,250.

"It became a big issue in the Valley," said Paul Perotti, the recently retired superintendent of the Santa Clara Unified School District. "School boards were talking about it, politicians were talking about it, but no one was doing anything. So I said, 'Let's either do something or stop talking about it.' "

The school board gave Mr. Perotti permission to hire the developer Thompson/ Dorfman Partners, which built an upscale apartment complex in the area. Using land that the school district owned and agreeing to a small development fee and no profit margin, Thompson/Dorfman built 40 apartments for around $6 million. The complex would have cost more than $12 million with normal land costs and profit margins, the company said.

"In the development business, it's always a struggle," said William W. Thompson, a partner in Thompson/Dorfman, whose daughter is an elementary school teacher in Napa Valley. "After we made our presentation to the Santa Clara review board, we were applauded."

Ms. Brinks, hired in 1999, was one of the first teachers to move into the complex when it opened in 2002. She had already moved four times in three years, taking temporary sublets or paying more than she could afford for conditions that were less than desirable. One apartment had four people in a three-bedroom. Another place went to $1,900 a month from $900 overnight. Now she pays $1,075 in rent, well below the market rate of about $3,000 a month for a similar apartment in the area, and it takes her three minutes to drive to work. There are 28 people on a waiting list for the apartments.

"Before the apartment became an option, it was impossible to get settled," said Ms. Brinks, who teaches first grade. "Now I love it here. The way the complex is designed, you can have privacy or you can socialize with the other teachers. And I can walk to the grocery store."

The housing is helping retain teachers. According to the district, new recruits in general had a 24 percent turnover, but teachers who moved into the apartment complex had only an 8 percent attrition rate.

To avoid the company-town syndrome, where the property owner is also the employer, the school district set up a separate foundation to manage the property and handle potentially sticky situations, such as one teacher complaining to the school district about another teacher's living habits.

There is a five-year limit in the complex, so teachers are encouraged to save money to buy their own homes. To help with that, the Santa Clara school district teamed up with Intel to offer a mortgage-assistance program, offering five-year interest-free secondary mortgage loans with monthly payments of up to $500.
The school district's only regret is that more apartments weren't initially planned, although Thompson/Dorfman is negotiating with the district to build 20 more units on a plot just behind the original complex.

"It's been wildly successful," Mr. Perotti said. "You need three things - the land to build on, a willingness to borrow the money, and a passion for getting it done." The Santa Clara solution has inspired others. Barbara Christensen, the head of community and government affairs at San Mateo Community College, undertook a teacher-housing project after confirming what she already suspected to be true: housing prices were causing a high attrition rate.
She sent out a survey to 1,500 faculty and staff members asking about their future with the college. Eighteen percent said they planned to leave within three years and 58 percent of them said it was because of housing. She discovered people were commuting from as far as Sacramento and Gilroy, both more than a 90-minute drive each way.

The college brought in Thompson/Dorfman to build 44 units on what was a 2.5-acre parking lot, again for a small development fee and no profit margin. Bruce N. Dorfman, the firm's other partner, explained that in an area like San Mateo, where new development is controversial, fostering good will in the community can only help when they propose market-rate housing in the future. The nearly completed teacher project, which the developers nestled into a hillside, offers sweeping views of the San Francisco Bay while protecting views of nearby residents.

Kevin Corsiglia is a physical education teacher and women's soccer coach at San Mateo Community College, and his wife, Stacy, is an elementary school teacher in San Mateo. They want to have children, but with a joint income that is less than the median for the area, finding a suitable house is tough. They will be among the first residents of the new building, moving into a two-bedroom, two-bath unit for about $1,100 a month by the end of the year.

Mr. Corsiglia had never lived in an apartment building before. "But we looked at how they designed it and all the privacy with a balcony and private entrance to our own garage, you feel like it's a town home," he said.

The complex will be an improvement for Arturo Hernandez, who is a student counselor at the college. He and his wife, Jennifer, who is pregnant with twins, will move out of a trailer park near Oakland into a two-bedroom unit just minutes away from his campus job.

Mr. Hernandez and his wife, who is studying for a doctorate degree in biology at the University of California at Berkeley, moved into the trailer as a last resort after bouncing from a crime-ridden neighborhood in Oakland to a crime-ridden neighborhood in Berkeley. They bought a trailer and have been paying $700 for a parking space. They move into their new apartment in January.

"If we hadn't gotten this housing, we were thinking that we would move back to Arizona and she would have to finish her program long distance," Mr. Hernandez said. "I started at a relatively high salary, and it still would not be enough to live in this area."

The median price of a home in the area rose to $780,360 in 2005 from $477,300 in 2000, according to the San Mateo County Association of Realtors.

Thompson/Dorfman was recently chosen to build teacher housing in the Sausalito area, north of San Francisco in Marin County. Mr. Perotti, meanwhile, says he gets calls from all over California to give talks on how districts can go about doing this. "I guess it's because people are realizing that this housing issue isn't going to change," he said.

Arturo and Jennifer Hernandez outside their old trailer.

Photo: Peter DaSilva for The New York Times

Green Building Principles

Energy Efficiency and Renewable Energy Resources

Commercially available, cost-effective energy technologies could reduce overall energy consumption in the United States by as much as one-third--worth some $343 billion. This link provides information on strategies such as proper siting and airtight construction, as well as installing energy-efficient equipment and appliances and renewable energy systems. Such technologies can reduce the amount of energy your building needs to operate and to keep its occupants comfortable.

Environmental Impact

The built environment has had a tremendous impact on the environment. However, your building can interact more positively with the environment if you pay special attention to preserving the site's integrity and natural characteristics, landscaping appropriately, and selecting materials that have lower embodied energy and those that are produced locally.

Resource Conservation

Conserving resources is a cornerstone of green building techniques. There are many ways to conserve resources during the building process. For example, selecting materials that have at least some recycled content can conserve natural resources and virgin materials. Minimizing construction waste can ease the impact on landfills and resources. Installing water- and energy-efficient products can conserve resources while reducing operating costs. Choosing a green (plant-covered) roof can reduce energy use, cool urban heat islands, and prevent stormwater runoff, as well as contributing to wildlife habitat and air quality.

Indoor Air Quality

Energy-efficient buildings are more airtight and therefore hold greater potential for indoor air quality problems, especially if not properly ventilated. Building products can contribute to poor air quality, but these potential problems can be reduced by selecting materials lower in chemicals and toxins, and installing mechanical ventilation systems to ensure an adequate fresh air supply.

Community Issues

Placing green building projects within easy access of public transportation, medical facilities, shopping areas, and recreational facilities decreases the need for automobiles and encourages bicycling and walking. In addition, successful green buildings blend into the community, preserving natural and historical characteristics, and will utilize existing infrastructure in order to reduce sprawl. Cohousing represents one approach to creating a community of green buildings.

source: ***Smart CommunitiesNetwork***: http://www.smartcommunities.ncat.org/buildings/gbprinc.shtml

Green goes Mainstream

The first home in the country to be “given ‘platinum’ status in the U.S. Green Building Council’s influential LEED rating system (for Leadership in Energy and Environmental Design). The bulk of the house was built at a factory in Santa Fe Springs, Calif., and assembled in one day. (source: SocketSite.com)

“Where Green is Mainstream” has been a saying an Ashland for over a decade. In 2006 the City of Ashland adopted the Earth Advantage® program to work with builders and developers to bring the most energy efficient, sustainable and healthy homes to the market. The City participates with other nonprofits, organizations and associations to bring forth the message of conservation and sustainability.

In 2007 numerous homes have been constructed that meet the Earth Advantage® energy efficiency standards. Green Building is no longer reserved exclusively for expensive homes. Green technologies, if anticipated in the design phase, can be no cost components (such as orientation, minor cost upgrades as part of the installation (IE increased installation), and or relatively expensive upgrades that require repayment over the following decade to realize cost savings (IE solar panels).

Even without the more expensive systems such as solar panels, buildings can be considerable more energy efficient through careful planning. Of the Earth Advantage® homes built in Ashland in 2007 of particular note are three units, designated as affordable housing, have been built to these standards.

Within the Fordyce Co-Housing development all the units were developed to meet these standards but most notable a unit available for sale to a low-income household has incorporated the environmently responsible building components to be a certified Earth Advantage® Home. With nearly 80% of the windows (glazing) on the south side of the home and a termal mass floor the unit is virtually heated throughout the winter by the power of the sun. Although a number of materials nbeeded to make a home energy efficient have higher upfront costs, the household benefits from lower energy costs for the life of the building.

Habitat for Humaity in conjunction with the Ashland COmmunity Land Trust also constructed two affordable housing units accross from Garfield park that due to the incorporation of conservation minded elements, will continue to provide the residents with a cleaner environment as well as relief fronm increasing utility costs.

Green affordable design driven homes are even available as stylish and exceptional prefabricated homes. The cost of such homes contineus to drop as demand increases. Offered in various styles such pre-fab homes can suit any family size.

What Makes a Home *Earth Advantage*®?

Every Earth Advantage home is designed to provide its residents with comfort and quality while maintaining our standards for energy efficiency, indoor air quality, environmental responsibility and resource efficiency.

Energy efficiency

At minimum, an Earth Advantage home is designed to improve energy efficiency by 15 percent over a conventionally built home. The incorporation of products such as energy-efficient windows, appliances, mechanical systems and light fixtures can add up to lower energy usage and greater comfort year round..

Indoor air quality

The air inside your home makes a difference in how you feel every day, and indoor air quality is a high priority in the construction of an Earth Advantage home. With options like air filtration systems, controlled ventilation and low-toxic building materials, an Earth Advantage home may allow you to breathe a little easier.

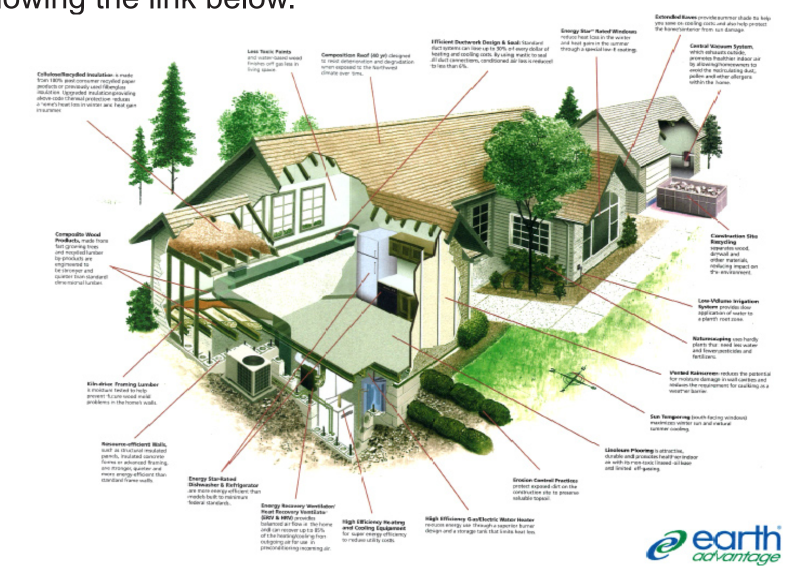
Environmental responsibility

The same building materials in an Earth Advantage home that improve indoor air quality also contribute to a cleaner environment, as less toxic products reduce atmospheric pollutants. Earth Advantage homes may also employ site measures that minimize environmental impact such as recycling job site waste, preserving topsoil and trees, and adding native plants to the landscape.

Resource efficiency

Highly efficient appliances save energy and conserve our region's resources. Many items can be made with a high-recycled content, such as carpet crafted from plastic pop bottles, ceramic tile, paint and insulation. Flooring made from bamboo can make a big difference by minimizing the use of timber. Construction techniques such as steel framing, use of concrete foam blocks and brick will save wood in the home's structure.

To learn more about the Earth Advantage® Program contact the City of Ashland Conservation Division or go to the Earth Advantage® website at www.earthadvantage.com. To see the components of an Earth Advantage® home, the website has an interactive tour of the home pictured below that you can access by following the link below.



http://www.earthadvantage.com/pop/tour/tour.htm

Low-Income Housing Development Wins Environmental Award

http://www.knowledgeplex.org/news/346961.html
SAN FRANCISCO, CA; Apr 19, 2007

Citizens Housing Corporation, a non-profit developer of low-income housing, announced today that its Folsom/Dore Apartments is among the very first new affordable housing developments in the United States to receive a LEED rating from the U.S. Green Building Council. LEED is the highest standard for achievement in sustainable development. Folsom/Dore, which received a LEED silver rating, is the first new housing development of any kind in Northern California to be LEED rated.

"Citizens Housing has shown that green building can be done affordably, while providing housing for the neediest," said San Francisco Supervisor Chris Daly, who will speak at a ceremony at the building at 11 a.m. today to unveil the award. "I congratulate Citizens Housing for being pioneers in green building and for providing safe, affordable housing for low-income San Franciscans."
The building is made of many recycled materials, including flooring materials containing 50 percent recycled vinyl and wood powder. The interiors are made up of environmentally friendly finishes to maintain air quality and reduce off-gassing. These green building techniques, along with many others, were crucial for the building to succeed in the rigorous LEED evaluation.

"Citizens Housing is pleased to be the first housing developer in Northern California honored with a LEED rated project," said James Buckley, president of Citizens Housing. "As one of the first new, affordable housing projects in the nation to receive a LEED rating, we hope to set an example for others. Green buildings not only help fight global warming by using less energy, they directly improve air quality for the building's residents, neighbors and construction workers."

Folsom/Dore houses a mix of low-income and formerly homeless residents in 98 units and offers supportive onsite services for its residents. San Francisco Mayor Gavin Newsom was an early supporter of the project. The San Francisco Mayor's Office of Housing provided $8.8 million in financing. Additional funding sources included: state Multifamily Housing Program funds, Federal Home Loan Bank funds, Citibank credit enhancement, and Apollo Housing Capital tax credit equity. Operations are also subsidized through the San Francisco Department of Public Health, and HUD's McKinney Act and Section 8 project-based funds.

The building is located in San Francisco at Folsom Street & Dore Alley, between 9th and 10th Streets. It was designed by David Baker + Partners Architects with Baker Vilar Architects and was built by Cahill Contractors.

About Citizens Housing Corporation
Citizens Housing Corporation is a non-profit housing developer incorporated in 1992 to increase and preserve affordable housing opportunities for low-income Californians. Citizens Housing's current portfolio includes over 3,000 units, more than 90% of which are affordable to low-income seniors and families earning between 30% to 60% of the area median income. Their diverse portfolio includes transitional housing on a former naval base, reuse of historic buildings for affordable senior and family housing, renovation of HUD Section 8 expiring use properties, supportive housing for people with special needs, and mixed-use, transit oriented developments. For more information, please visit www.citizenshousing.org.

Market Wire

THE DAILY JOURNAL OF COMMERCE,
PORTLAND, OREGON (DJC)

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Green homes go affordable

November 28, 2005
www.djcOregon.com

BY ALISON RYAN
alison.ryan@djcOregon.com

Tucked under a canopy of mature trees, the gabled, cottage-style apartment buildings at Oleson Woods in Tigard are grouped around a preserved wetland. The project's 32 units are green from the non-toxic paint inside to cementitious siding outside – and they're also affordable housing.

Just as the idea that green building costs more is fast becoming an urban legend, the idea that green living is for the wealthy is fading. "Affordable units can be sustainable and green," said Sheila Greenlaw-Fink, executive director of project developer Community Partners for Affordable Housing (CPAH). Oregonians can expect to see more affordable green communities like Oleson Woods. The complex is the first completed affordablehousing project in Oregon to get funds from Enterprise's Green Communities Initiative, a national program that aims to provide at least $550 million in financing, equity and grants to developers over a five-year period. The initiative provided $2.8 million – more than half the total development costs – toward the development of Oleson Woods.

The initiative also puts the support of a national foundation behind small projects.

Having Enterprise's weight behind local projects makes a major difference in funding, Greenlaw-Fink said. Green Communities partners in providing favorably priced financing include the Kresge Foundation, Bank of America, Washington Mutual and Merrill Lynch Community Development Co. Affordable housing is not only getting in on green building, it's quickly becoming a leader in healthy and efficient homes.

Continued on next page

"Our mission really is to make green a priority for all housing, but specifically developments for people that are disenfranchised. To have substandard housing for that population is really unacceptable."

– MELISSA PETERSON,
Enterprise Portland's Green Communities intern

Green homes go affordable (continued)

Obviously, a small, individual developer like us couldn't get Kresge. We wouldn't be competitive if we went to them on our own," she said. Affordable housing is leading the healthy, energy- efficient industry, said Brian Carleton, a principal at Oleson Woods architect Carleton Hart Architecture. Developers of affordable housing end to be more mission-driven than cost-driven, and that, he said, makes a difference. "What we're doing when we incorporate sustainable design is focusing on real benefits to the tenants," he said. "Whether it's the developer's mission or the funders' mission, it really has to do with providing benefit."

The Pacific Northwest is really ahead of the curve in building green affordable housing, and much of that is tied to existing building codes that make it fairly easy to go green, said Melissa Peterson, Enterprise Portland's Green Communities intern. In Portland, where Enterprise is working with the city's Office of Sustainable Development to set up training and technical assistance for greening affordable housing, only a handful of Green Communities criteria require significant additional effort above code requirements.

Other local projects that are part of the initiative include Northwest Housing Alternatives' Village at the Headwaters, Housing Authority of Portland's Trenton Terrace in the New Columbia neighborhood, Hacienda Community

Development Corp.'s Clara Vista Townhomes and Bertha Station, another CPAH project. Both Bertha Station, a senior housing community in Hillsdale being designed by William Wilson Architects, and the Carleton Hartdesigned Clara Vista Townhomes on Northeast Killingsworth will aim for LEED certification.

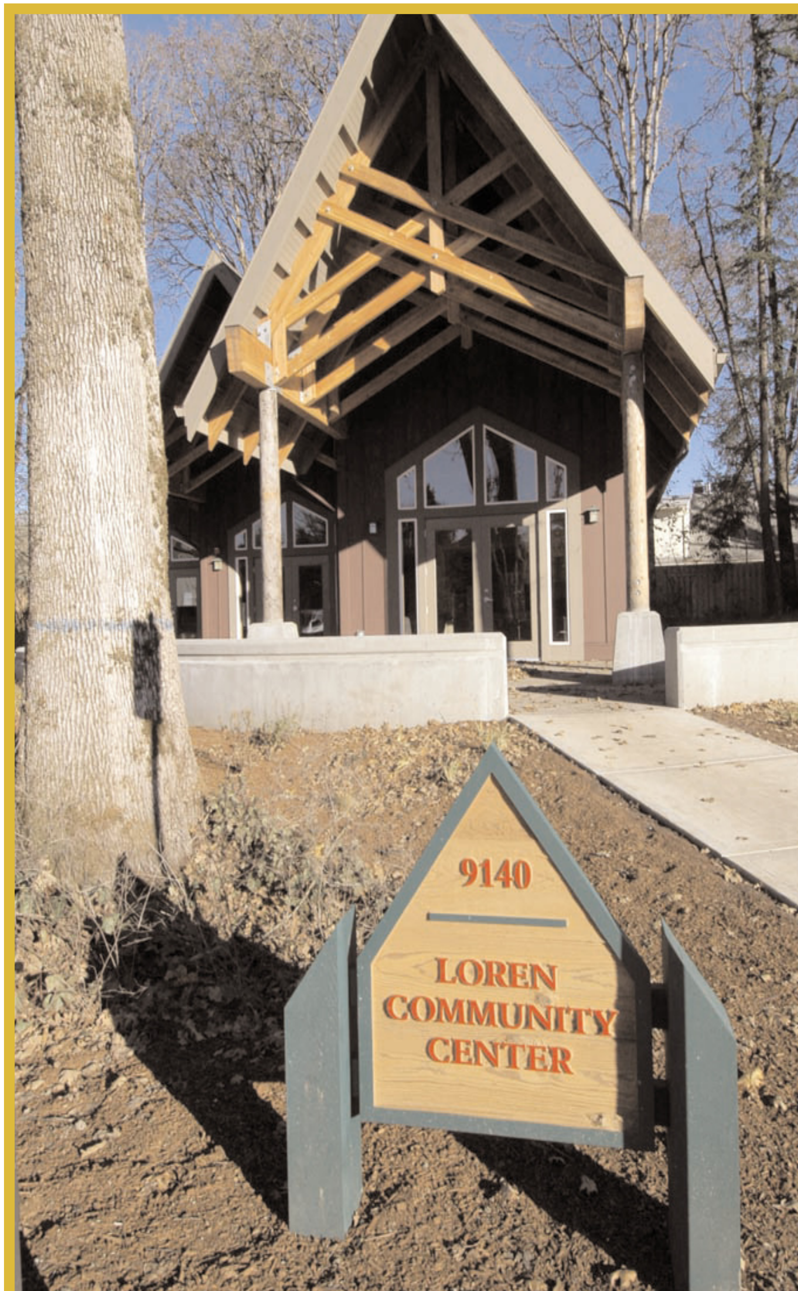
Bertha Station's shooting for silver under LEED for New Construction, and the Clara Vista project is expected to go silver in the U.S. Green Building Council's under-development LEED for Homes, the fifth Leadership in Energy and Environmental Design rating system. The Green Communities initiative launched nationally last fall. Since then, 77 developments with a total of 4,300 homes have received $179million in grants, loans and equity. Enterprise Portland aims to build or renovate 1,400 homes for low-income families, with at least half of those conforming to Green Communities criteria. The local organization has committed $90 million to helping nonprofits increase the supplyof affordable homes."Our mission really is to make green a priorityf or all housing, but specifically developments for people that are disenfranchised,"

Peterson said. "To have substandard housing for that population is really unacceptable." Enterprise is also working to drive the cost of green building materials down. A supplier network is in the works that Enterprise hopes would let sellers get enough support to offer materials at more reasonable prices. "The demand is out there. It's just a matter of connecting people with the information that they need," Peterson said.

The overreaching goal, Peterson said, is to close both the knowledge gap and the funding gap for greening affordable housing. Eventually, the project is hoped to fuel perception of green, healthy housing as an expectation, not a perk. "We see it as a great jump start to really make some comprehensive change at a policy and practice level," she said.

At the practice level, Oleson Woods is a living example of what can happen. Green elements include on-site rainwater filtration, whole-house ventilation, energy-efficient lighting, insulation and appliances and abundant daylighting. And though energy efficiency has been a focus in past CPAH pro ects, Green Communities made a push for considering the health of the home from both economic and physical perspectives, Greenlaw-Fink said. Indoor air quality was a major focus, with only nontoxic, durable, moisture- proof materials used. Healthy and energy-efficient building is becoming much more prevalent, Carleton said. Others are starting to tune into what Carleton Hart's been doing for a long time. "Our great little market niche is not so much a niche anymore. And, really, that's what you want," he said.

Designing green inside and out



Give and take: It's a phrase that architects working on the Oleson Woods Apartments came to know well from their first visit to the Tigard site.

"They said, we see cottages nestled in the trees," said Sheila Greenlaw-Fink, executive director of project developer Community Partners for Affordable Housing. "We said, well, we see two- and three-story apartment complexes."

The challenge of incorporating high-density housing into an environmentally sensitive site – andmaintaining as much of that site as possible – really drove the project, said Brian Carleton, a principalat Carleton Hart. The site featured a mature tree canopy as well as a seasonal wetland, and both needed to be worked into the built environment.

"Once or twice, we were picking between do we lose one or two more trees and save more of the wetland, or do we minimize the wetland in the favor of the trees," Carleton said. Eventually, a wildlife assessment determined that the tree canopy was a more valuable habitat,and the team began leaning toward the trees, while still preserving the wetland at the site's center. The preservation of both, Greenlaw-Fink said, will make an excellent wildlife learning opportunity. The building design was also about working with what was there. Project architect Brad Simmons'

design of Northwest-style gabled cottage, Carleton said, is especially notable for the way it forgoes outlandish design elements for synthesis of site and surroundings. "What we're really proud of on this one is our restraint," he said. "We're nestling in with a real neighborhood, and we wanted to fit in."

The Co-housing Model

Cohousing is a type of collaborative housing in which residents actively participate in the design and operation of their own neighborhoods. Cohousing residents are consciously committed to living as a community. The physical design encourages both social contact and individual space. Private homes contain all the features of conventional homes, but residents also have access to common facilities such as open space, courtyards, a playground and a common house.

Old-fashioned sense of neighborhood

Cohousing communities are usually designed as attached or single-family homes along one or more pedestrian streets or clustered around a courtyard. They range in size from 7 to 67 residences, the majority of them housing 20 to 40 households. Regardless of the size of the community, there are many opportunities for casual meetings between neighbors, as well as for deliberate gatherings such as celebrations, clubs and business meetings.

The common house is the social center of a community, with a large dining room and kitchen, lounge, recreational facilities, children's spaces, and frequently a guest room, workshop and laundry room. Communities usually serve optional group meals in the common house at least two or three times a week.

The need for community members to take care of common property builds a sense of working together, trust and support. Because neighbors hold a commitment to a relationship with one another, almost all cohousing communities use consensus as the basis for group decision-making.

The six defining characteristics of cohousing:

1 Participatory process. Future residents participate in the design of the community so that it meets their needs. Some cohousing communities are initiated or driven by a developer. In those cases, if the developer brings the future resident group into the process late in the planning, the residents will have less input into the design. A well-designed, pedestrian-oriented community without significant resident participation in the planning may be "cohousing-inspired," but it is not a cohousing community.

2 Neighborhood design. The physical layout and orientation of the buildings (the site plan) encourage a sense of community. For example, the private residences are clustered on the site, leaving more shared open space. The dwellings typically face each other across a pedestrian street or courtyard, with cars parked on the periphery. Often, the front doorway of every home affords a view of the common house. What far outweighs any specifics, however, is the intention to create a strong sense of community, with design as one of the facilitators.

3 Common facilities. Common facilities are designed for daily use, are an integral part of the community, and are always supplemental to the private residences. The common house typically includes a common kitchen, dining area, sitting area, children's playroom and laundry, and also may contain a workshop, library, exercise room, crafts room and/or one or two guest rooms.

4 Resident management. Residents manage their own cohousing communities, and also perform much of the work required to maintain the property. They participate in the preparation of common meals, and meet regularly to solve problems and develop policies for the community.

5 Non-hierarchical structure and decision-making. Leadership roles naturally exist in cohousing communities, however no one person (or persons) has authority over others. Most groups start with one or two "burning souls." As people join the group, each person takes on one or more roles consistent with his or her skills, abilities or interests. Most cohousing groups make all of their decisions by consensus, and, although many groups have a policy for voting if the group cannot reach consensus after a number of attempts, it is rarely or never necessary to resort to voting.

6 No shared community economy. The community is not a source of income for its members. Occasionally, a cohousing community will pay one of its residents to do a specific (usually time-limited) task, but more typically the work will be considered that member's contribution to the shared responsibilities.

Making cohousing affordable:

Strategies and successes
By Betsy Morris, Coho/US Research Director
July 2007

At a glance at a detailed map of U.S. cohousing communities would show that most cohousing communities are located in areas of relatively high property values: on the coasts, in college towns or on the outskirts of high-tech growth centers. That's one reason why making cohousing affordable to the widest possible number of people has been of intense interest to prospective community members throughout the history of the cohousing movement.

Over the past year, I have identified strategies used by more than 30 communities to include households at lower-income levels. The number of communities and strategies continues to grow. We'll delve into these strategies in a moment.

What is affordable housing?

The term affordable housing has a regulatory meaning beyond the notion of "what I can afford to pay." The US Census and other federal agencies define housing as affordable if the costs (rent and utilities or mortgage, taxes, insurance, and HOA dues) are no more than 35 percent of a household's gross income. That cap has risen from 25 percent over the past couple of decades.

There are a lot of reasons why housing has become more expensive and a bigger part of the typically household budget. Suffice it to say that the market is not building housing based on actual incomes, but tends to produce a glut for upper income households, particularly in the form of second homes and investment properties. Relatively little housing is built for those of us on the downside of the national median, a troublesome trend.

In response, a growing number of cities and regions in higher income/high growth/expensive market areas now have "inclusionary zoning" policies to ensure more housing for greater income diversity. In parts of California, the District of Columbia, Massachusetts and New Mexico, new housing built with more than four units (the numbers vary) must have at least 10, 20 up to as high as 30 percent (Santa Fe) of its units selling or renting for below-market rates. Affordable in this sense means housing that has been subsidized in some way. More specifically, the rents and sales prices must again cost no more than a third of the household's monthly budget but here the households targeted range from those living at poverty level up to those at 120 percent of the city or county's median household income. Most inclusionary zoning requires that a fifth of new units be affordable to families making 80 to 120 percent of median income for homeowners. In the case of rental projects, prospective renters earn 30 to 80 percent of the median income.

So that brings us to the essential question: How do cohousing units or communities become more affordable? There are two ways, controlling costs and by bringing in subsidies usually in the form of low-cost loans or shared equity investments.

Controlling costs
In real estate develo pment, time is money. Developers save money by making costs predictable, not simply by cutting costs. Controlling costs means keeping close tabs of all three phases of development:

"soft" or variable costs associated with pre-development such as permit fees, architecture and planning
"hard" costs of land, labor and materials
Operating and reserve costs required to maintain the buildings, and other community and household expenses after move-in.
All three phases are affected by the cost of money, i.e. interest on loans used to cover each phase.

Making housing affordable to a range of households requires thoughtful planning well before anything is built or people move into a new community. The development costs and long-term operating costs will be spelled out before construction starts in a new project because of bank and other legal requirements. Retrofit communities should also be mindful of the long-term impacts of choices made early on that will affect household expenses 10, 20 and 30 years out.

Internal strategies for lowering housing costs include methods used by architects and builders, and other methods specific to cohousing. Widely used examples include choosing smaller unit sizes, building "at scale," (building the number of units sufficient to get better prices on labor and materials); designing for energy efficiency in materials, siting homes for passive solar gain, and clustering homes to use less land. Bathrooms and kitchens are the "high ticket" rooms, so having only one bathroom per unit and standard kitchen appliances is another way to lower per unit costs. Other less common methods include:

These kinds of strategies can take tens of thousands off the purchase price, or thousands of dollars off operating costs or interest payments a year. Let's take a closer look at a couple of those internal strategies.

Sharing utilities is a cost-saving method specific to cohousing because of the cooperation necessary among homeowners to negotiate these systems and convince bankers and local planners. In areas with extreme seasons, utilities for the typical home can often go over $200 a month. In addition to passive solar and other design elements, communities such as Westwood in Asheville, NC, Cobb Hill in Hartland, VT, and Swan's Market Cohousing in Oakland, CA, use highly efficient centralized boilers for heating and hot water for two dozen and more households. Nyland, Wild Sage and other Wonderland Hill projects were all early adopters of green technologies for documented lower utility costs. Takoma Village in Washington, DC, and nearby Eastern Village in Silver Spring, MD, have geothermal systems that tap the relatively constant temperature of the underlying rock to help heat and cool the homes and common house to a comfortable temperature year-round. I have heard of costs as low as $9/month for heating and cooling in the most extreme months.

An internal loan fund was another affordability approach taken by Boston's Jamaica Plain Cohousing. Ten percent of the 30-unit community was required by the City of Boston to be affordable to buyers earning 80 percent of area median income or less. In fact, half the community households qualified. To make more units affordable, the community funded a $100,000 loan fund so buyers who needed more than the bank would lend could apply for a loan from the fund. Half the loan funds came from a voluntary assessment from all members, raising their home prices slightly; the other half came from individuals in the community. The fund is managed by an independent third party.

External strategies to lower housing costs – Subsidies and partnerships

External affordability strategies involve partnerships or relationships with other public or nonprofit entities. Groups need to bring these partners in very early, often before land has been found. In more recent cases, nonprofit developers are deciding to build cohousing and recruit a group after they have gotten a site and an approved design.

Let's explore a few of these external strategies in more depth.

Limited equity: Limited equity arrangements allow eligible buyers to purchase homes at very favorable prices with low down payments. Limited equity means when the property is resold, all or some of the equity returns to the fund that subsidized its purchase, sometimes revolving to subsidize the next eligible buyer of the same home, Berkeley Cohousing's 14 units were renovated at market rate with costs kept as low as possible. Half the residents were first-time homebuyers. To avoid a condo-conversion fee required by the city, members agreed to cap future appreciation for 30 years to remain affordable to people with similar incomes. Five homes have sold over the last 12 years, for roughly 33% to almost 50% percent below market rate for units of a similar size.

Land trust: Mariposa Grove is another retrofit community a few miles from Berkeley Cohousing. The original buyer brought in people to share and renovate three existing buildings into seven units, create common space and make decisions cooperatively. Last year the land was sold to the nonprofit Northern California Land Trust. The units are being purchased as condominiums affordable to households making 60 to 80 percent of area median income. Banks will supply a mortgage in the normal manner.

Partnering with a nonprofit housing developer: Elderspirit, in Abingdon, VA, pioneered a mixed-rental/homeowner cohousing model to provide more affordability. Burning soul/founder Dene Peterson, an experienced nonprofit manager, created a nonprofit community housing development organization (CHDO), a special entity that is eligible for special federal, state and private lending grants and low-interest loans. (Creating a CHDO is not for amateurs – partner with an experienced one in your area if you can.) Elderspirit has 16 subsidized rental apartments and 13 homeowner units.

Santa Fe Housing Trust (another CHDO) is building Eldergrace, 28 units of senior cohousing at the behest of a small group of future residents committed to conscious aging. The city requires that thirty percent be affordable to low-income seniors; the community hopes that 50% of the units can be subsidized to sell at below-market rates. The community is expected to break ground this fall; all but 12 units are pre-sold.

Sequoia Village in Sebastopol, CA, is the first 100 percent below-market-rate cohousing community to use what developer Burbank Housing Development Corporation (another CHDO), calls "sweat equity light." Prospective community members didn't help design the community, but they will be putting in 500 hours of labor per household to build, landscape and participate in policy setting and other group development workshops. The city of Sebastopol and various other public funding sources combined to provide almost $190,000 in subsidies per unit. The subsidies include a "100-year" roof (to reduce monthly replacement-reserve contributions that are a substantial component of HOA dues), active and passive solar features, and significant reductions in down payments. A portion of the subsidy will be only paid back on resale, but members will get most of the additional appreciation in value once the first and second mortgages are paid off. The pay back will go back into a fund managed by Burbank to help subsequent homeowners purchase the unit.

Betsy Morris, PhD, MCP, is a partner in Planning for Sustainable Communities helping people build and create cohousing, ecovillages and other intentional communities. She is also director of the New College MBA program in San Francisco.

BEAR GRASS VILLAGE CO-HOUSING, FORDYSE STREET, ASHLAND

http://www.ashlandcoho.com/cgi-bin/view/FSCC/WebHome

The Bear Grass Village Co-housing Community (BCVCC) is a Ashland's first co-housing community.   In addition to providing 13 below market rate homes for Ashland households committed to the co-housing model, the project helped preserve the initial level of affordability of their homes through equity limitations on the units developerd.

"It is a value of our community to protect our investment, yet retain the idea of moderately-priced housing in Ashland. Placing equity limits on our homes is saying that it is important to us that Ashland remains a place where middle-income families can continue to live and work. It is also a value of our community that people not gain the monetary value of a unit that was not paid in their purchase price. In this way, we hope to discourage those who may be seeking primarily a speculative investment rather than a long-term home".

Further BCVCC provided two units affordable to low income households in keeping with Ashland's zone change requirements. These units provide low income households with an ownership opportunity they could not obtain on the open market. With a sixty year affordability period on these homes they will continue to benefit Ashland for many decades to come.

"Living in Cohousing is a way to live my values: I want to use fewer of the earth's resources, I believe in the power of community, and I support affordable housing. The consensus process is creative and fascinating, and it stretches me to think in terms of what is in the best interest of the community, and not just in my individual self interest"

Jan Jacobs

"I'm moving to Fordyce Street Cohousing because I want to live in a community where I feel a meaningful connection with my neighbors that goes beyond waving as I back my car out of the driveway. I want my children to know adults who have different interests than I do. And I want to have relationships that not only support me when I need an extra boost, but offer me and my children opportunitues to be of service to our friends in community."

Tonya Graham

Contact Information
If you would like more information about Bear Grass Village Co-Housing: e-mail interest@ashlandcoho.com.

50 THINGS YOU CAN DO
TO HELP WITH WORKFORCE HOUSING IN ASHLAND

1.) Talk to friends and neighbors about the need for more workforce housing.
2.) Build workforce housing on property that you own.
3.) Attend a Housing Commission meeting.
4.) Google “workforce housing” to see what other places have done.
5.) Read a book or magazine article on the topic.
6.) Spread the word to friends and neighbors about the next meeting regarding workforce housing.
7.) E-mail City Councilors encouraging their support of workforce housing.
8.) E-mail Planning Commissioners encouraging their support of workforce housing. Encourage them to explore more creative planning/zoning/housing solutions.
9.) E-mail School Board members encouraging their support of workforce housing.
10.) Find out more about projections for the future of Ashland.
11.) Network with others in Ashland to address workforce housing.
12.) Speak with at least one person on the City Council, Planning Commission, School Board, or Parks Commission about the issue.
13.) Start a website on this topic to help generate discussion and ideas.
14.) Write a letter-to-the-editor of the Ashland Daily Tidings.
15.) Write a letter-to-the-editor of the Medford Mail Tribune.
16.) Talk to Kevin Preister about the Discovery Process and how it might help with this issue.
17.) Invite someone from another community who has experienced this problem to come and speak (Jim Kent from Basalt, Colorado, for example).
18.) Promote awareness of the need for workforce housing among the retired community.
19.) Talk to people who you feel may be able to have an impact.
20.) Contribute a percentage of your home‘s sales price to the Ashland Housing Trust Fund
21.) Speak to your employer about the need for workforce housing.
22.) Go to a City Council meeting and make a brief comment in support of workforce housing.
23.) Include your house in estate planning -- donate your home to the Ashland Community Land Trust.
24.) Support the creation of a local Housing Trust Fund.
25.) Create an access TV show on this issue to generate discussion, ideas and awareness.
26.) Attend a Joint Meeting of the Ashland City Council, Ashland Parks Commission and the Ashland School Board. Encourage them to work together on the issue of workforce housing.
27.) Write a letter to a state representative encouraging them to push for inclusionary zoning. (Inclusionary zoning = balance in housing = a percentage of the housing built needs to be affordable to the workforce. Inclusionary zoning was pre-empted in Oregon law in 1999.)
28.) Call a state representative and encourage them to push for more funding for workforce housing.
29.) Encourage state legislators to explore the possibility of a document recording fee that would help fund the state housing trust fund. (Washington State has a document recording fee.)
30.) Research other area’s solutions to see which solutions might work here. Look into Santa Fe, New Mexico; Aspen, Colorado; Fort Collins, Colorado; Boulder, Colorado.
31.) Elect politicians who care about workforce housing.
32.) Call City Hall once a month and leave a message for the Mayor and City Administrator regarding the need for workforce housing.
33.) Help start an awareness campaign (with Housing Commission, Chamber of Commerce, and local non-profits) using posters on buses depicting a doctor, firefighter, teacher, etc., with slogans: “She can save your life, but she can’t be your neighbor,” “He can be a hero, but he can’t be your neighbor,” and “She can teach your child calculus, but she can’t be your neighbor.”
34.) Help get a coalition of groups together to work on this issue locally.
35.) Start a Friday café discussion group to discuss the issue.
36.) Create a computer generated graph/visual projection showing what we have done in the area of workforce housing and what we need to do.

37.) Gather opinions from various community members and organizations.
38.) Research the effect that a lack of workforce housing has on our local hospital.
39.) Start a "Save Ashland" campaign with bumper stickers and a website.
40.) Hold a neighborhood garage sale event to promote awareness and donate proceeds to a housing trust fund or a non-profit housing provider such as Habitat for Humanity.
41.) Go to a Planning Commission meeting and make a comment in support of workforce housing. Speak in support of workforce housing projects when projects are being reviewed by the Planning Commission.
42.) Call state legislators and ask them to lift the pre-emption of a real estate transfer fee.
43.) Support the development of a real estate transfer fee locally.
44.) Support non-profit housing providers such as Ashland Community Land Trust (ACLT), Habitat for Humanity, RVCDC, and ACCESS, Inc.
45.) Direct people to Southern Oregon Housing Resource Center (ACCESS, Inc.).
46.) Talk to friends who are in the building industry and encourage them to do what they can to support workforce housing.
47.) Talk to friends who are in the real estate business and encourage them to do what they can to support workforce housing (discounts for teachers, for example).
48.) Go to a School Board meeting and make a comment in support of workforce housing.
49.) Think outside the box!
50.) *We've left this one open for you -- insert your own idea here and let us know what it is!*

photo: B. Goldman 2006

These "**50 Things You Can Do to Help with Workforce Housing in Ashland**" came directly from participants in the Community Forum on Workforce Housing held May 4th, 2006.

Produced in partnership with Save Our Schools & Playgrounds, Ashland Housing Commission and members of the Ashland Community
Contact us: www.ashlandsosp.org and www.ashland.or.us

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August 4, 2007

LARGE blueprint, small eco-footprint

By Vickie Aldus

Scott Beeman and Susanne Watkins' home in the foothills below Grizzly Peak is loaded with eco-friendly features.

On its north side, the Craftsman-inspired house nestles into the ground for better insulation.

Rainwater that falls on the metal roof flows into three massive tanks inside a barn. After passing through a filter and ultraviolet disinfection system, the stored water is ready for use.Five free-standing solar panels rotate to follow the sun, providing enough electricity to meet 70 percent of the home's energy needs each year. Inside, compact fluorescent light bulbs lower electricity consumption.

There's just one problem that Beeman has with his house — its size.At nearly 4,000 square feet, he thinks the home is simply too large for two people.

"Can you build a big house sustainably? Yes. Should you do so? I would say, no. Big houses are insane unless they're densely occupied," he said. But back when construction of the house began in 1995, Beeman — a retired casino and hotel manager — thought he wanted a trophy home. At the same time, he wanted it to be eco-conscious. He decided to build a large home with environmental features to lessen its impact rather than to settle for a more modest house. "My ego got in the way," Beeman recalled. "I chose on the side of, 'I'll build bigger and catch up.'"

That "build big but mitigate" outlook is familiar to Larry Giardina, a conservation analyst for the city of Ashland.The city of Ashland offers financial incentives for building energy-efficient homes that meet Earth Advantage standards. Some residents have criticized the city for offering incentives for large homes, Giardina said.

"Inherently a large home is more resource-consuming. A large house is much more challenging because of the resource consumption during construction and the resource consumption for energy use," he said. "Does


Erik Hidle | For the Tidings

Scott Beeman points out some of the eco-friendly features at his large home near Ashland.

that mean we should ignore large homes? They are probably more important because they are consuming all these resources. The city of Ashland doesn't exclude them because we can make a difference."

He said many people buy homes that are too big for their needs because they think the market will demand large homes when they eventually sell. Builders are also driven by market forces.

On Oregon Street near Southern Oregon University, husband-and-wife team Dan and Laurie Jovick are in the midst of building three homes advertised as "eco-conscious." The houses range in size from 2,600 square feet to 3,300 square feet. The Jovicks will likely start construction on a fourth home in the development next summer. Prices are from $725,000 to $775,000.So far, potential buyers are all gravitating toward the 3,300-square-foot home, and real estate agents have told the couple that people want that size, Dan Jovick said. Owners of Talent-based Elite Northwest, the Jovicks focus on environment-friendly construction.Dan Jovick said he doesn't believe that a large home is automatically bad for the environment.

"That's like saying you couldn't make a school eco-conscious because it's big," he said.

At the Oregon Street development, a winding driveway that bypasses trees is made with a pervious surface to allow rainwater to reach roots. Piers extend from the foundation walls into the ground to minimize root disruption.Rather than being milled from single big trees, studs and beams are made from pieces of wood that are glued together. A radiant barrier roof and Thermaflect windows keep out heat, while sealed ducts prevent air loss from the heating and air conditioning systems.Glue, caulking, paint and carpet backing are all made from materials with no or low-volatile organic-compound emissions. Rather than installing luxury jetted bathtubs, the Jovicks invested in tankless water heaters that heat only the water that is being used.Concrete and recycled glass countertops, Forest Stewardship Council-certified wood flooring and compact fluorescent light fixtures will finish the homes.Construction workers are piling scrap wood, cardboard and soda cans for recycling.

Laurie Jovick is in the last stages of having the homes certified as Earth Advantage houses with the city of Ashland.The final test for how eco-conscious each house is will come when it is sold."Hopefully a family will move in and use all the space it offers. It's all relative to who moves in," Laurie Jovick said. "If it's only one person, that might not be so environmentally friendly."

Ashland architect Tom Giordano also thinks the measure of how green a home is depends largely on who lives there and how it is used."A house should be tailored to the people living in it. That should be the justification of whether it's big or not," he said. "I do have people who come in and want extra rooms for an office or guest bedroom."They want to work out of the home. I think it's more efficient and environmentally friendly not traveling to work every day. It justifies a little bit bigger house."

People with many children, or who have extended family members such as in-laws living with them, may also need large homes. One big house has less impact on the land than multiple homes, Giordano said.Back at the base of Grizzly Peak, Beeman is wishing he could share his newfound perspective on what size home he and his wife really need with his younger self."We have lived comfortably in 1,800 square feet," he said as he gazed out at the view of the valley spreading below. "I'm not sure that isn't still too big."

ASHLAND DAILY TIDINGS ONLINE EDITION February 7, 2006

City has incentives for developers

By Vickie Aldous

The City of Ashland does offer a number of incentives to help developers build housing for middle- as well as low-income residents.

Those incentives, unlike the federal Community Development Block Grant program, are contained in the city's own planning regulations.

Developers who want a zone change or annexation must provide 15 percent of their housing units for low income people who make 60 percent of area median income or less, or they must build 35 percent of the housing units for middle income people who are at 120 percent of area median income or less, according to Ashland Housing Program Specialist Brandon Goldman.

Developers can convert apartments to condominiums only if 25 percent of the new condominiums can be rented by people making 80 percent of area median income or less, or if 25 percent of the condos can be bought by people making 120 percent or less of area median income, he said.

Developers also can build subdivisions more densely if a percentage of homes can be rented by people making 80 percent of area median income, or if a percentage of homes can be bought by people making 120 percent of area median income. Builders can pack in up to 35 percent more homes under that incentive, according to Goldman.

The City of Ashland will pay system development charges and engineering and planning fees on some projects — up to $10,000 per affordable housing unit.

But the Ashland Housing Commission is recommending changes that would eliminate that incentive for middle-income housing.

Developers now can secure that fee waiver if they build a for-purchase home for a person making 120 percent of area median income. Rental units for people making 80 percent of area median income also qualify.

But the proposed change would allow a fee waiver only on a for-purchase home built for a person making 80 percent of area median income, according to Goldman.

ASHLAND DAILY TIDINGS ONLINE EDITION February 7, 2006

Too poor to buy, too rich for help

Middle-income families largely excluded from housing aid

By Vickie Aldous

Helping low-income residents is the highest priority for the City of Ashland when considering how to use affordable housing funding from the federal government. But at a time when even middle-income people can't afford to buy a home in Ashland, the question arises whether teachers, police officers, firefighters, nurses and other middle-class workers should be excluded from federal housing help.

Contractor John Wheeler with Rogue Valley Community Development Corp. closes the gates to signal the end of the day at an affordable housing project. Projects like this one on Siskiyou Boulevard are helping low-income residents own homes, but some wonder whether middle income residents should get more housing help

The Ashland Housing Commission and Ashland City Council will soon be mulling how to divide $360,800 in U.S. Department of Housing and Urban Development funding through the Community Development Block Grant program.

Under federal rules, 51 percent of people who benefit from a CDBG affordable housing project must make 80 percent or less of the Ashland-Medford area median income. That translates into $29,200 or less per year.

The rest of the beneficiaries of a project, or 49 percent, can make more money and be in middle or even high income groups.
But under Ashland's guidelines — laid out in the 2005-09 Consolidated Plan adopted by the city council to give direction on how to award CDBG funds — the city should try to increase the supply of rental housing and boost home ownership opportunities, giving "funding priority to those projects that will provide benefits to residents with the lowest incomes."

City Councilor David Chapman was appointed to his post to fill a vacancy in June 2005, just before the city council adopted the Consolidated Plan in July. He wasn't part of the discussions that led up to the plan's approval, but he wonders about the direction set by the plan. "I think the goal ought to be what we've been calling workforce housing — like people working in the downtown and teachers," he said. "I'm a little worried about middle income people falling off. That's where I'd like to see my target."

Councilor Russ Silbiger said he doesn't want to exclude any income group from housing help, but the funding program should remain oriented toward lower income households. "I think the money should be used where the need is greatest. I would think lower income people have the greatest need," he said.

City of Ashland Human Resources Manager Tina Gray said some city employees have come to her looking for help in finding affordable housing. "I've referred them to programs, but they don't qualify," she said. "Our emergency responders are making too much."

A person making $29,200 per year or less is classified as low income and is eligible to participate in various affordable housing programs. A family of four can make up to $41,700, according to figures from the Ashland Housing Commission's recent annual report to the city council.

But firefighter/paramedics start out at $46,980 per year without overtime, while sworn police officers start at $39,168 annually without certification incentives, Gray said.

Ashland School District teachers begin at $32,057, while Ashland Community Hospital nurses start at $47,500, according to school district and hospital managers.

Ashland electrical line installers, whose duties include responding to emergency power outages, earn $65,364 per year, Gray said.

The electrical workers renewed their contract earlier this month. Despite their relatively high incomes, the workers asked for and won a contract change that allows them a full year after they are hired to find a home within 30 minutes of Ashland. Previously, new electrical workers had six months to find a home within a half-hour of town.

Firefighters and police officers don't have response time requirements, but the departments maintain minimum staffing levels at all times, Gray said.

Housing Commissioner Bill Street, the librarian for Ashland High School, said he sees problems ahead for the school district. In 2010, more than 50 percent of Ashland teachers will be over 55, creating a need for a wave of new teachers to replace retirees, he said.

“We will have young teachers with nowhere they can afford to live in Ashland,” Street said. Although many middle income workers are left out of housing programs, they still fall far short in being able to buy a home in Ashland.

A family would have to earn $127,787 each year and have a $20,000 down payment in order to buy a home at Ashland’s median home purchase price of $439,000, according to the housing commission’s annual report. A household earning the area median income of $52,100 a year for a family of four can only afford a $172,204 house, the report stated.

Ron Demele, executive director for the Medford-based Rogue Valley Community Development Corporation, has two Ashland projects in the works that received CDBG funding through the city.
All the participants in the projects earn 80 percent or less of area median income, putting them in the low-income category.

He said a nonprofit group or government agency that tried to submit a project benefiting both low- and middle-income people would probably be at a competitive disadvantage for winning CDBG funds from Ashland.

Although federal guidelines allow 49 percent of participants in a program to have middle incomes or higher, a project where 100 percent of participants are low income would be viewed more favorably under Ashland’s criteria, Demele said. However, he said he believes Ashland should prioritize help for lower income people.

“They have no other chance. These are folks who would not have homes otherwise. We’re helping people who cannot afford a house anywhere in the Rogue Valley,” he said. Middle income residents may not be able to buy in Ashland, but they have other options like buying a condominium in Phoenix or a house in White City, Demele said.

Additionally, a surprisingly large number of Ashlanders qualify as low income and are therefore eligible for projects like those organized by RVCDC. According to Goldman, 42 percent of residents make 80 percent or less of area median income.

Changing focus?

Although he supports prioritizing help for low income residents, Demele predicted nonprofits like RVCDC will be looking at how to provide housing for middle-income residents more and more in the future. Creating mixed-income projects actually has a number of advantages, he said. Some homes in a project could be sold for a higher amount to middle income buyers, allowing the homes for low income buyers to sell for less, according to Demele.
“Also, it just makes sense for a community to have mixed neighborhoods,” he said.

Ashland Housing Commissioner Alice Hardesty said the Consolidated Plan’s focus on aiding low income residents makes sense when it comes to rental housing, but perhaps the emphasis should shift toward middle income residents when it comes to ownership housing.

Rent prices in Ashland are similar to those in surrounding communities, meaning mainly low income people cannot afford to rent here. But buying a house is much more expensive, creating a need for help to own a home across all income categories, she said.
Councilor Kate Jackson said she believes the CDBG funds should be used to help those in the most dire need. But with limited public funding available, she said the city should work to create codes and incentives to boost private construction of affordable housing.
“We need to build partnerships where projects are profitable for developers and have communitywide benefits,” she said.

Like Jackson, Rich Rohde, regional organizer for the Southern Oregon chapter of Oregon Action, said the city should use its CDBG funds for low-income residents while working on a larger solution.

"If there's a chance to provide for the people who are least able to afford a home, I would say that's a good set of priorities, while recognizing that affordable housing is a broad-based need," he said. "We don't want to turn over our community support for affordable housing and divide it by class or income level. We need everyone to be united and not divided over whether we provide affordable housing for low income or middle income people."

Applications for CDBG funds are due at 3 p.m. Feb. 22.
The Ashland Housing Commission will hold a public hearing and review proposed CDBG projects at 6:30 p.m. March 20 in the Siskiyou Room of the Community Development Building, 51 Winburn Way. The commission will forward its recommendations on which project or projects to fund to the city council.

The city council will hold a public hearing of its own and make its grant award selections at 7 p.m. April 4 in the Ashland Civic Center Council Chambers, 1175 E. Main St.

Staff writer Vickie Aldous can be reached at 479-8199 or vlaldous@yahoo.com

ASHLAND DAILY TIDINGS ONLINE EDITION
November 4, 2005

Low paying jobs aren't keeping up with high cost of living in Ashland

By Alan Panebaker; Ashland Daily Tidings

As the cost of living in Ashland is rising at a rate exponentially higher than that of the minimum wage, people like Chloe Friedl are struggling to make ends meet.

Working at the Senor Sam's Mexican Grill for $7.50 an hour, Friedl said she seems to spend all of her time working instead of living the life of an average 18-year-old. Chloe Friedl explains lunch choices to a customer at Senor Sam's in Ashland on Thursday. Friedl is one of many local service workers who are struggling to make ends meet.

"I've seen some really good people go down for things that are out of their control," Friedl said. "When you fall behind in this town, you're way behind."

Friedl began to slip behind when she dropped out of high school and got her G.E.D. at the age of 16. She moved out of her parents' house to live on her own, usually working two jobs to pay rent and keep herself fed. Leaving the nest was a matter of freedom and a power struggle with her parents, she admits. Now she lives in a townhouse in Ashland with her boyfriend and another roommate. They pay $1,075 a month for rent.

"Most people my age work for extra money, so they can do stuff," Friedl said. "I work to survive."

This 18-year-old has lived in Ashland since the age of three months when she was adopted from her birthplace of Korea. After a few years at the Spring Ridge Academy in Arizona, Friedl came back halfway through high school and decided she was ready to break out on her own. Now, after two years of supporting herself, she admits she is slightly bitter about her current situation in Ashland.

Orville Hector | Ashland Daily Tidings

Watching this town grow, I hate what it's becoming," Friedl said. "When I think of Ashland, I think of the free-spirited community that came together, but now it's becoming financially impossible for people without degrees or rich parents to live here."

Friedl is not the only one in Ashland working in the food industry who think things are going downhill. Jennifer Cook has worked at Taco Bell in Ashland since 1991. After 15 years, she is now a manager, but recently moved to more affordable housing in Medford. "I have five children," Cook said. "I can't afford the space for five kids." Starting in 1991 making $3.45 and hour, Cook said it has never been affordable for people to live in Ashland at starting-wage jobs. However, the cost of living has far surpassed that of starting-wage income.

The good news isn't really much. Oregon's minimum wage will increase by 25 cents in January. But despite being among the highest in the nation, it doesn't approach the level needed to meet living wage scales for Ashland. According to Brandon Goldman, housing programs specialist for the City of Ashland, living wages and minimum wages do not correspond. The minimum calibrated living wage for city employees and contractors is calculated at $11.74 an hour. The National Low Income Housing Commission put the living wage for Medford and Ashland at $12.63 an hour.

This disparity puts a drain on the entire community, Goldman said. "With any of these living wages, it's clear that jobs below put more burden on taxpayers," he said. "If you're not receiving a living wage, people are going to make decisions on where they're going to cut costs. They're most likely going to cut out nutrition and healthcare which eventually puts more of a burden on taxpayers."

According to Cook, the lack of a live-able minimum wage, causes even deeper problems for local businesses. Finding good help at low wages in Ashland has always been hard, Cook said but "over the years, it's gotten worse." "It's gotten harder to find good help, absolutely," she said. "It's hard to find over-18 people. And because high school kids don't have to work, they don't have the same work ethic."

One of Cook's employees who does have a solid work ethic is Jade Powell. Powell works 40 hours a week at Taco Bell. She leaves her fast food job at 4:30 p.m. and takes the bus to her home in Medford, arriving at 6 p.m. Then she studies at Rogue Community College in the learning center, making it back home at about 8:30 p.m.

While Powell admits she struggles, she moved from Hannibal, Mo., for a reason. She has family here and she loves the area. "It's worth it," Powell said. "I'd rather live in Ashland, but things don't always work out the way you want."

(The following article is provided for some recent historical context for the change in the Housing market in just the last 8 years)

Mail Tribune - 1999 Article

Ashland's just a dream for many

Housing costs outstrip incomes

BY DANI DODGE

ASHLAND -- Tom and Pat Ryan worried they would never be able to achieve their dream: to buy a house in Ashland. The prices were just too high.

Tom, 62, works in the environmental services section of the Ashland Community Hospital and Pat, 57, is a homemaker. Their 30-year-old daughter, a student at Southern Oregon University, lives with them, as well as her 8-year-old daughter.

The family searched for a house in Ashland while they rented, but couldn't find much of anything under $250,000.

"We're pretty common people who needed a roof over our heads," Pat Ryan said. "Tom wanted to be here in the worst way. But we knew we couldn't afford it."Then in October they stumbled onto the city's affordable housing program, which encourages less expensive homes and defers the city's systems development charges for qualified buyers -- people who make less than 130 percent of the county's median income. The Ryans bought a three-bedroom, two-and-a-half-bath attached home for about $122,000.

In Ashland -- where the average house price is $186,000 -- that's what's called affordable. But in West Medford, that's way over the average house price of $100,000.

With vacant houses in short supply, an increasingly high profile on the national scene and rising city fees, Ashland's not going to get cheaper anytime soon. Rental prices also are increasing, and many worry that Ashland will soon become an enclave for the rich.

The city's affordable housing advocates are working toward solutions such as a land trust, loans, and the affordable housing program that helped the Ryans. But some advocates feel they are drowning in the rising tide of Ashland property values.

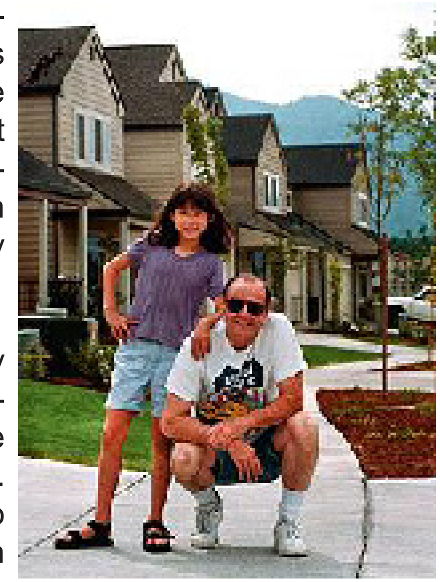
Photo by Jim Craven

Tom Ryan and his granddaughter, Devin, 8, found a home with the rest of their family in Chautauqua Trace, an Ashland development where the Ryans found a home for $121,000.

This past week, there were only three houses on the Ashland market priced below $100,000: three condos and a 1940's fixer-upper. But anyone with half a million to spend has their choice of seven beautiful homes, not including a handful of spiffy bed-and-breakfast inns.

"It's the desirability of Ashland that drives the prices up," said Realtor David Sprague of Patricia Sprague Real Estate in Ashland. "You aren't talking people who make minimum wage, or even double that, being able to afford it."

Some social service agencies have given up on working in Ashland, choosing instead to build in less expensive areas.

"We are (working on) rehabilitation housing with students doing the work in Medford," said Rich Rohde of Oregon Action, an advocacy group. "We are not working in Ashland ... the price of land was the key issue."

And the prices will continue to increase. Not only is that the direction of the market, but the city's transportation systems development charge -- the amount the city charges new construction to pay for its effects -- will increase by about $2,000 over the next year and a half.After the transportation increases, the average new home buyer in Ashland will pay $8,681 in development charges vs. $4,608 in Medford.

"We really looked at trying to capture what the cost of new growth is," explained city planning director John McLaughlin about the charge. "My guess is where new home prices are about $180,000, that's not a significant cost."

Ashland developer Larry Medinger said, though, the development charges are getting too high -- and suggests the city should base them on house size."I think it's a blow to affordable housing," he said. "This is getting to be a rich people's town."

Another factor impacting affordability is availability. There are 146 houses available for sale in the community of 18,500 people -- about 30 percent fewer homes than this time last year. People who were determined to live in Ashland are looking elsewhere."I was surprised at how much square footage you get for the price," said Kathryn Bazylewicz, Southern Oregon University's new marketing director. "The general feeling is if I wait I may find a deal, but I've started looking out of Ashland. There's just not that much for sale."

The Jackson County area is listed by the National Association of Homebuilders as the fifth least affordable in the nation. The association looked looked at wages and the prices of housing when it determined only 34 percent of the people who live in Jackson County can afford to buy a house here. Honolulu is considered more affordable.

"I'm a college professor. I have a Ph.D. I've been in my profession about 15 years. I make $34,000 a year," said Echo Fields, an assistant professor of sociology at SOU. "Given my income, the most mortgage I could get into is an $80,000 mortgage. How many $80,000 mortgages are there in Ashland? There aren't any and there won't be any.

"My aspiration at this point is a double-wide (mobile home) someplace." She said everyone she knows who has been able to afford a home in Ashland has either been part of a two-income household or received money from family.

Local coalition plans to end homelessness

Group will present its plan to the Jackson County Board of Commissioners in early 2008

Mail Tribune

August 08, 2007

By Sarah Lemon

A plan to end homelessness in 10 years will come before the Jackson County Board of Commissioners early next year, county and nonprofit officials say.

The county and its United Way chapter have assembled a new coalition to craft the plan, which likely will be ready by February, said Dee Ann Everson, United Way executive director. County commissioners endorsed the effort last year after consulting with a U.S. government representative about the problem.

"We partly want to see the depth of the problem," said Commissioner Dave Gilmour. "We're seeing more and more families — moms with kids — living out of cars. And it's made worse by the high price of housing."

More than 70 people attended a June 28 summit in Medford that led to a Web site, an e-mail list and planning groups. Participants in the summit were asked to dedicate not just their interest but also their agency's time and resources, said Angie Curtis, director of the county's Commission on Children and Families.

"We really need people who can say 'I can commit this piece of the system to it,' " Curtis said.

City officials, social-service workers, nonprofit groups, churches, businesses and others are involved, Curtis said, adding that their response was overwhelmingly positive. Planning groups will focus on five strategies: creating data systems, preventing homelessness, outreach to the homeless, shortening the time of homelessness and linking the homeless to services

“It is achievable,” Curtis said.

The county’s coalition likely will use tools developed in other communities and by other organizations, Curtis said. The first planning meeting is set for later this month. The date hasn’t been confirmed.

The concept of ending homelessness in 10 years sprang from a national effort spearheaded by government and nonprofit agencies. Clackamas County in June adopted a 10-year plan to end homelessness under the guidance of the U.S. Interagency Council on Homelessness, according to the government Web site, www.ich.gov.

Jackson County’s movement, Curtis said, will add to more than 20 years of effort by its Homeless Task Force, which unveiled a survey last year characterizing the community’s problem.

More men throughout the county are homeless than women, the report found, but 42 percent of the total homeless population surveyed are families. More than 1,100 survey respondents most frequently said their own drug and alcohol use caused them to leave home, followed by unemployment and the inability to afford rent.

About 10 percent of those surveyed said they were homeless by choice.

For more information or to become involved, Visit the Web site www.sou.edu/~coxki.

Reach reporter Sarah Lemon at 776-4487, or e-mail slemon@mailtribune.com.