

RESOLUTION NO. 2005-46

A RESOLUTION AMENDING RESOLUTION 1993-39 TO INCLUDE HOMEOWNER ASSOCIATION OR MAINTENANCE FEES IN ANY AFFORDABILITY CALCULATIONS

Recitals:

A. In 1993, the City of Ashland passed resolution no. 1993-39, establishing affordable housing income levels and rental and purchased cost levels.

B. Resolution 1993-39 did not contain provisions to include any homeowner association or maintenance fees in the affordability calculations.

C. The City desires that any said fees or assessments be included in the affordability calculations

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. Resolution No. 1993-39 shall be amended to read as follows:

1. RENTAL HOUSING. Units designated for affordable rental housing in developments which have qualified for density bonuses under the City's Land Use Ordinance (LUO) shall be rented to individuals or families whose annual income does not exceed 80% of the median income for families in the Medford-Ashland Metropolitan Statistical Area (MSA). This figure shall be known as the "qualifying family income" and shall be determined by the City's Department of Community Development in May of each year from the annual family incomes published by the U.S. Department of Housing and Urban Development (HUD).

The rent charged for such affordable rental housing, including any home-owners association or maintenance fees, shall not exceed 23% of the qualifying monthly income (qualifying family income divided by twelve) as provided in the following formulas:

Studio Apartment	23% of the average of 1 & 2 person qualifying monthly incomes
1 Bedroom	23% of the average of 2 & 3 person qualifying monthly incomes
2 Bedroom,	23% of the average of 3,4, & 5 person qualifying monthly incomes
3 Bedroom	23% of the average of 4,5,6, & 7 person qualifying monthly incomes
4 Bedroom	23% of the average of 5,6,7, & 8 person qualifying monthly incomes

The City's Department of Community Development shall maintain a table of maximum rent levels permitted under these formulas and shall annually update the table in May of each year.

The owner of the affordable rental housing shall sign a 20-year agreement with the City of Ashland that guarantees these rent levels will not be exceeded and that the owner will rent only to families meeting the income limits. The agreement shall bind subsequent owners who purchase the rental housing during the 20-year period. The agreement shall also require the owner to rent to HUD Section 8 qualified applicants and agree to accept rent vouchers for all of the affordable units where applicable.

2. PURCHASED HOUSING. Units designated for affordable housing available for purchase in developments which have qualified for density bonuses under LUO, shall

2.1. Only be sold to individuals or families whose:

2.1.1. Annual income does not exceed 130% of the median income for families in the MSA.

2.1.2. Net assets, excluding pension plans and IRA's and excluding the down payment and closing costs, do not exceed \$20,000 for a family or \$130,000 if one family member is 65 years or older.

2.2. Have a purchase price not exceeding the following amounts:

Type of Unit

Purchase Price

(revised annually)

The purchase price shall be annually revised in May of each year by the City's Department of Community Development. The annual revision shall be calculated by multiplying the current purchase price by the annual percentage change in median family income as published by HUD for the MSA.

2.2.1 The purchaser of a unit designated for affordable housing shall not be assessed any home-owners association or maintenance fees in addition to the maximum purchase price.

2.3. Be assured to remain affordable as follows:

2.3.1. FARMER'S HOME ADMINISTRATION (FmHA) - For housing financed by the FmHA, affordability will be assured by the recapture provisions required by FmHA which requires sellers' to repay FmHA for all the subsidies accrued during the period that they resided in the housing.

In addition, FmHA financed housing shall be subject to a covenant that for the first five years after the initial purchase, resale can only be to individuals from the same income category as the original purchasers.

2.3.2. ALL OTHER DEVELOPMENTS - For all other developments in which the planning action approval includes the provision of affordable housing, affordability will be assured by requiring that the purchasers of the affordable housing units agree to the City of Ashland Affordable Housing Resale Restriction Agreement prior to the issuance of building permits for the units.

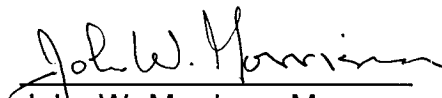
SECTION 2. This resolution takes effect upon signing by the Mayor.

This resolution was read by title only in accordance with Ashland Municipal Code §2.04.090 duly PASSED and ADOPTED this 6 day of December, 2005.

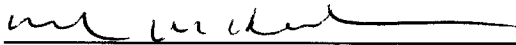


Barbara Christensen, City Recorder

SIGNED and APPROVED this 7 day of December, 2005.


John W. Morrison, Mayor

Reviewed as to form:



Micheal M. Reeder, Assistant City Attorney