

Council Study Session

October 18, 2021

Agenda Item	General Fund Supported Services – Community Development Department	
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Item Type	Requested by Council <input checked="" type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input type="checkbox"/> Presentation <input type="checkbox"/>	

SUMMARY

As part of the Council’s review of General Fund supported services, a summary will be presented of the services provided by the Community Development Department. Essential or core services provided by the department include building plan review and inspections services, Comprehensive Plan maintenance, drafting land use legislation and processing of planning applications. The City has a statutory obligation to administer and enforce an approved building inspection program, as well as to maintain the City’s Comprehensive Plan, enact land use regulations that implement the Comprehensive Plan, and make land use decisions in compliance with the Comprehensive Plan and land use regulations.

FY2020-21 saw a marked increase in development activity and total annual construction permit valuation. New residential units increased over the previous biennium by 119%. Building permits totaling 183 residential units were issued in FY2020-21, compared to 83 residential units in FY2019-20. The total permit value of all new building construction increased from \$25.6 million in FY 2019-20 to \$77.1 million in FY2020-21. As a result, it was necessary to shift staff resources from the Long-Range Planning program to the Current Planning program to address the increase in development activity in order to maintain required permit review and approval timelines.

The department also has responsibility for administering the City’s Housing Program and handling municipal code compliance actions. The Housing program focuses on affordable housing activities through public education and outreach, zoning initiatives, grants and direct funding, and other financial incentives such as permit fee waivers targeted for low to moderate housing projects. Code compliance services generally consist of one-on-one mediation for a variety of municipal code infractions as well as direct enforcement actions through the municipal court.

As part of the BN 2019-2021 Budget General Fund Balancing Proposal, Planning Division staffing was reduced by one FTE. The proposal also included the goal of improved cost recovery within the Building Division. An update of City building fees was completed and became effective on January 1, 2020. This represented the first comprehensive increase in permit fees for the Building Division in over 20-years, resulting in a projected \$150,000 to \$200,000 annual increase in permit revenue over an average year of construction activity.

POLICIES, PLANS & GOALS SUPPORTED

Council Goal 1 -Develop current and long-term budgetary resilience

Council Goal 2 - Analyze City departments/programs to gain efficiencies, reduce costs and improve services

BACKGROUND AND ADDITIONAL INFORMATION

The Community Development Department's two divisions include Planning and Building. The Planning Division maintains and updates Ashland's Comprehensive Plan and Ashland Municipal Code (AMC) Title 18 Land Use, reviews and conducts the public noticing and hearing process for development proposals, evaluates building permits for compliance with land use standards and provides staff support for four advisory commissions and the City's Planning Commission. The Housing program is located within the Planning Division and focuses on affordable housing activities through public education/outreach, zoning initiatives, grants and direct funding and other financial incentives such as permit fee waivers targeted for low to moderate housing projects. The Housing Program Manager administers and manages Community Development Block Grants (CDBG), Social Service Grants and the Housing Trust Fund. The total annual award for these three funding sources is approximately \$400,000. Last, the City's Code Compliance Specialist responds to an average of 800 calls for service annually, addressing a range of issues with respect to violations of Ashland's Municipal Code.

The Building Division implements Oregon's Statewide Building Codes program by administering a comprehensive building plan review and inspection program. Building permit applications are reviewed for consistency with statewide building codes for all residential and commercial projects within the city. Everything from a minor home remodel to large commercial developments undergo a thorough review process to ensure construction plans meet building code requirements. Following permit issuance, projects undergo a series of inspections during the construction stage to verify the work being done is consistent with the approved plans and all fire and life safety measures are met. The Building Division also works closely with the City's Fire, Electric and Public Works departments to coordinate approval requirements to ensure state and local standards are met.

Department Goals and Projects

Some of the Community Development Department's key goals identified in the BN 2021-2023 Budget and addressed over the current biennium and beyond include:

- 1. Adoption of Wildfire Hazard Mitigation Code** – These new requirements require the use of non-combustible or fire-resistant materials for all new residential structures. Completed. Effective Date – October 1, 2021
- 2. Adoption of Housing Capacity Analysis (HCA)** – Update the Housing Capacity Analysis and implementation strategies to increase the supply of needed housing as required by HB 2003 (mandated by state legislation). Completed June 30, 2021
- 3. Housing in Employment Lands** – Review existing ground floor area requirements for commercial uses and create greater flexibility for the development of housing in commercial and employment zoning districts. Currently under review at Planning Commission.
- 4. Emergency Shelter** – Expand pallet shelter program through use of a \$300,000 Emergency Shelter Grant (ESG) to establish an emergency shelter. Received County Approval. Estimated Opening Date - October 30, 2021
- 5. Adoption of Housing Production Strategy** – Prepare a Housing Production Strategy after completion of the Housing Capacity Analysis that identifies specific actions the City will take, such as revising regulations or providing financial incentives, to promote the development of needed housing within the community as required by HB 2003 (mandated by state legislation). Received Approval of State Funding on October 5, 2021

6. **Update City Annexation Code --** Evaluate and draft code amendments to address issues raised on appeal before the Oregon Land Use Board of Appeals (LUBA). The goal is to address inconsistent language in the annexation chapter in order to create greater clarity and certainty within the approval process. This item was also identified as part of the recently adopted Housing Capacity Analysis (HCA) as an action in the upcoming Housing Production Strategy. Public Hearing before Council on Draft Code - November 2021.
7. **Wireless Communication Facilities (WCF)** – Community Development will assist and support the Legal Department with their effort to update the Ashland Municipal Code through addressing design standards for small cell wireless facilities on both public and private properties. The Legal Department is developing a request for proposals for assistance by an outside consultant.

Looking Ahead - Significant Issues

Considerable staff resources will continue to be allocated to the following issues:

1. **Above Average Construction Activity**

During the past two years, the department has experienced above average development activity which has created an increased demand for development services within the Building Safety and Planning Divisions.

2. **State Legislation Requiring Staff Resources**

New legislation at the State and local government level will continue to impact the Department's workload and influence how staff resources are allocated. At the beginning of the 2021 session of the Oregon Legislature, approximately 1800 draft bills were submitted, with many of the bills addressing housing, wildfire protection and relief, land use and climate change. The biennial budget of Department of Land Conservation and Development (DLCD) has increased in order to provide technical assistance to cities and counties.

3. **Addressing Ashland's Housing Needs**

Department of Land Conservation and Development (DLCD) just notified Ashland that it will fund completion of a Housing Production Strategy as required by House Bill 2003. The Housing Production Strategy is the partner to the Housing Capacity Analysis, another study required under HB 2003, which was completed in June 2021 with funding assistance from DLCD. The Housing Production Strategy will identify specific actions the City will take over an eight-year period, such as revising regulations or providing financial incentives, to promote the development of needed housing within community.

Other Challenges and Opportunities

In addition to department goals and projects, as well as the other significant issues described above, looking ahead staff anticipates the future will bring additional challenges and opportunities. While these items will compete for staff resources, they are important in furthering the public's interest in such key areas as citizen involvement, the local economy, infrastructure development and housing.

1. **Advisory Commission Support**

In addition to the City's Planning Commission, Community Development provides technical and administrative support to the Historic Commission, Tree Commission, Housing and Human Services Commission and Public Arts Commission. These advisory commissions

carry out important functions as described in their powers and duties under AMC Chapter 2. Each play an important role in advising Council and the Planning Commission on legislation, formulation of new City programs and land use/development applications. Support for commissions, however, places demand on staff resources, which is challenging in times of higher-than-normal development activity. Staff will continue to evaluate ways to harness the expertise and diverse perspectives of City commissions while recognizing limitations of existing staffing.

2. Croman Mill District Plan – Revisions

Staff has had conversations with a prospective development group that is considering acquisition of the old Croman Mill property. The property consists of 65-acres at the east part of town and lies within the CM-Croman Mill zoning district. The City adopted a master plan for the area in 2010 and Council authorized staff in 2018 to work with the property owner on considering plan adjustments to jump start the construction of needed public facilities. The potential purchasers have done several mixed-use, residential with employment, projects throughout the west, specifically Washington and Oregon. If acquired, the development group likely will consider amendments to the existing Croman Mill Master Plan, which would necessitate considerable City staff involvement.

3. Union Pacific Railroad Property Clean-Up

Union Pacific Railroad, Oregon Department of Environmental Quality (ODEQ) and Jacobs Engineering have developed a tentative site remediation plan for 15-acres of vacant land, located north of A Street and the Historic Railroad District and commonly referred to as the “railroad property”. The land has deep areas of heavy petroleum contamination and to a much lesser degree lead and arsenic, which are the result of past railroad operations. A public meeting on the recommended remediation plan could occur within the upcoming months. Completion of a site remediation plan is anticipated to take 12 to 15 months. Once complete, the property would be suitable for a variety of land uses, including employment and certain types of housing. Similar to the Croman Mill area, the process for clean-up, site planning and land development will necessitate involvement, oversight, and guidance from a variety of City departments.

FISCAL IMPACTS

This is an informational item that will include a presentation on the services provided by the Community Development Department, including specific accomplishments in the last biennium as well as future opportunities and challenges.

Fiscal impacts associated with Community Development Department services and programs are described and illustrated in the adopted FY2021-2023 City of Ashland Budget document.

DISCUSSION QUESTIONS

Does Council have any questions about the services and programs administered by the Community Development Department, or identified goals and projects identified for the remainder of the biennium and beyond?

SUGGESTED NEXT STEPS

None

REFERENCES & ATTACHMENTS

Attachment 1 - Community Development Department Presentation - *Draft*

City of Ashland

Community Development



Community Development



Building Division – 4.5 FTE

- ▶ Building Safety

Planning Division – 9.5 FTE

- ▶ Municipal Code Compliance
- ▶ Housing & Human Services
- ▶ Long Range Planning
- ▶ Current Planning

Building Safety Division



Full-Service Building Division

- ▶ Building Structure, Electrical, Mechanical, Plumbing and Fire & Life Safety Systems
- ▶ Pre-Construction Consultations
- ▶ Work Toward Regional Consistency



Building Division

Accomplishments

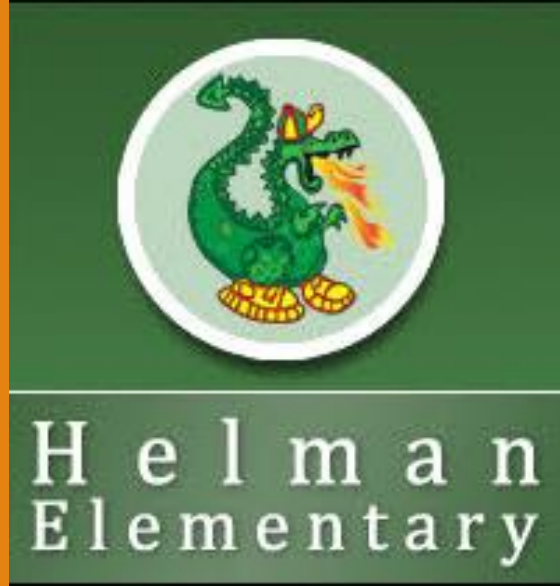
- Adoption of Wildfire Mitigation Code
- Effective October 2021



Building Division

Accomplishments

- Heavy Permit Volume
- Assisted by Investments in Digital Plan Review and Permit Processing Software
- Met Customer Service Objectives



Code Compliance

A photograph of a cluttered storage unit. The unit has a corrugated metal interior. The floor is covered with various items, including a yellow plastic crate, a blue plastic crate, a white bucket, a white pot, a white cooler, a blue tarp, a patterned blanket, and several bags of trash. The lighting is dim, with a bright light source visible in the distance.

Key Factors

- Time of year
- Development activity
- New regulations

Housing Program

Established in 1990

- Housing Program Manager
- Housing & Human Services Commission



Public Education

Housing & Human Services Commission



- ✓ Education Materials
- ✓ Fair Housing Trainings
- ✓ Rental Housing Forum

Land Use Initiatives Process Improvements



- ✓ ARUs/Duplex
- ✓ Cottage Housing
- ✓ Housing Capacity Analysis (HCA)
- ✓ AH for Annexations

Grants Financial Awards Incentives



- ✓ Community Development Block Grants (CDBG)
- ✓ Affordable Housing Trust Fund
- ✓ Social Service Grants
- ✓ **ESG** – East Main St.

Fee Waivers Tax Exemptions



- ✓ System Development Fee Waiver
- ✓ Community Development and Engineering Fee Waiver
- ✓ School Construction Excise Tax Waiver

Administer City Funding

▶ Grants

- **Community Development Block Grant (CDBG)**
 - \$175,000 Annual Award
 - Federal Funding
- **CDBG-CV: Coronavirus Relief funds**
 - Pandemic response
 - \$293,000 in FY21
 - Federal Funding
- **Affordable Housing Trust Fund**
 - \$100,000 Annual Funding
 - Marijuana Tax Revenue
- **Emergency Shelter Grant (ESG)**
 - \$300,000 Award
 - Assistance to 49 individuals
 - Rogue Retreat - Management
- **Social Service Grants**
 - \$134,000 Annual Awards

Affordable Housing Projects



Snowberry Brook Phase II – 60 Units

Affordable Housing Projects



Columbia Care – 30 Units

Affordable Housing Projects

- Calvary Church Site on East Main Street
- 300K Grant for:
 - Land/Building Lease and Utility Fees
 - Pallet Acquisition
 - Management and Navigational Services



Emergency Shelter – ESG Grant



Long Range Planning

- Comprehensive Plan
- Land Use Code

Long Range - Drivers

Council Goals, Citizen-Requested & State Law



- **50%** - Grassroots and Citizen Initiated
- **20%** - Council and Planning Commission Goals
- **30%** - State & Federal Requirements



Projects – Current and Next Biennium

Long Range Planning

- ▶ Increase Housing in Employment Zones
- ▶ Revisions to Annexation Code
- ▶ WCF Changes – 5G Facilities
- ▶ Housing Production Strategy
- ▶ Croman Mill Analysis*
- ▶ Railroad Property Clean-Up*



Current Planning

- Process for making land use decisions



Current Planning

- ▶ Process development proposals
- ▶ Staff advisory commissions
- ▶ Review building permits & conduct on-site inspections
- ▶ Respond to general zoning questions



Land Use Approvals Small Ownership



Kestrel
Cottages –
North
Mountain
Area



Laurel Street Cottages



Land Use Approvals

Housing Types - Quads



880 Park Street

Land Use Approvals

Mixed-Use Projects



Plaza North – First St., Downtown



SOUTH WEST ELEVATION
SCALE: NTS

Meadowbrook – North Mountain Area

Land Use Approvals

Ashland School Districts



Helman Elementary School



Ashland Middle School

City Commissions

Planning Commission

- Required Under State Law
- Final Decision – Appeals to Council
- Zoning Legislation – Advises Council



City Commissions

Advisory Commissions

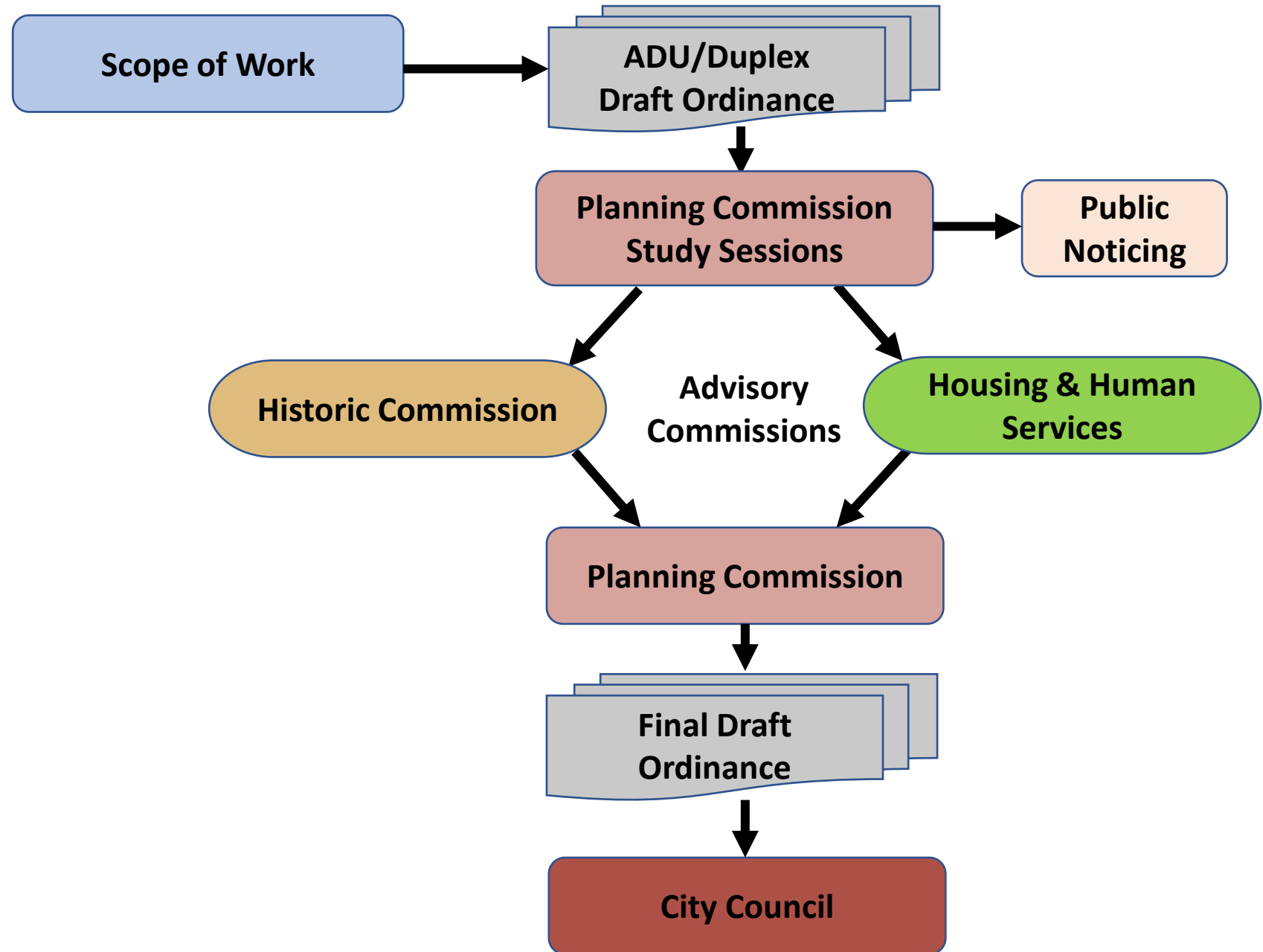
- Historic
- Housing and Human Services
- Public Arts
- Tree



The Plaza - Ashland, Oregon

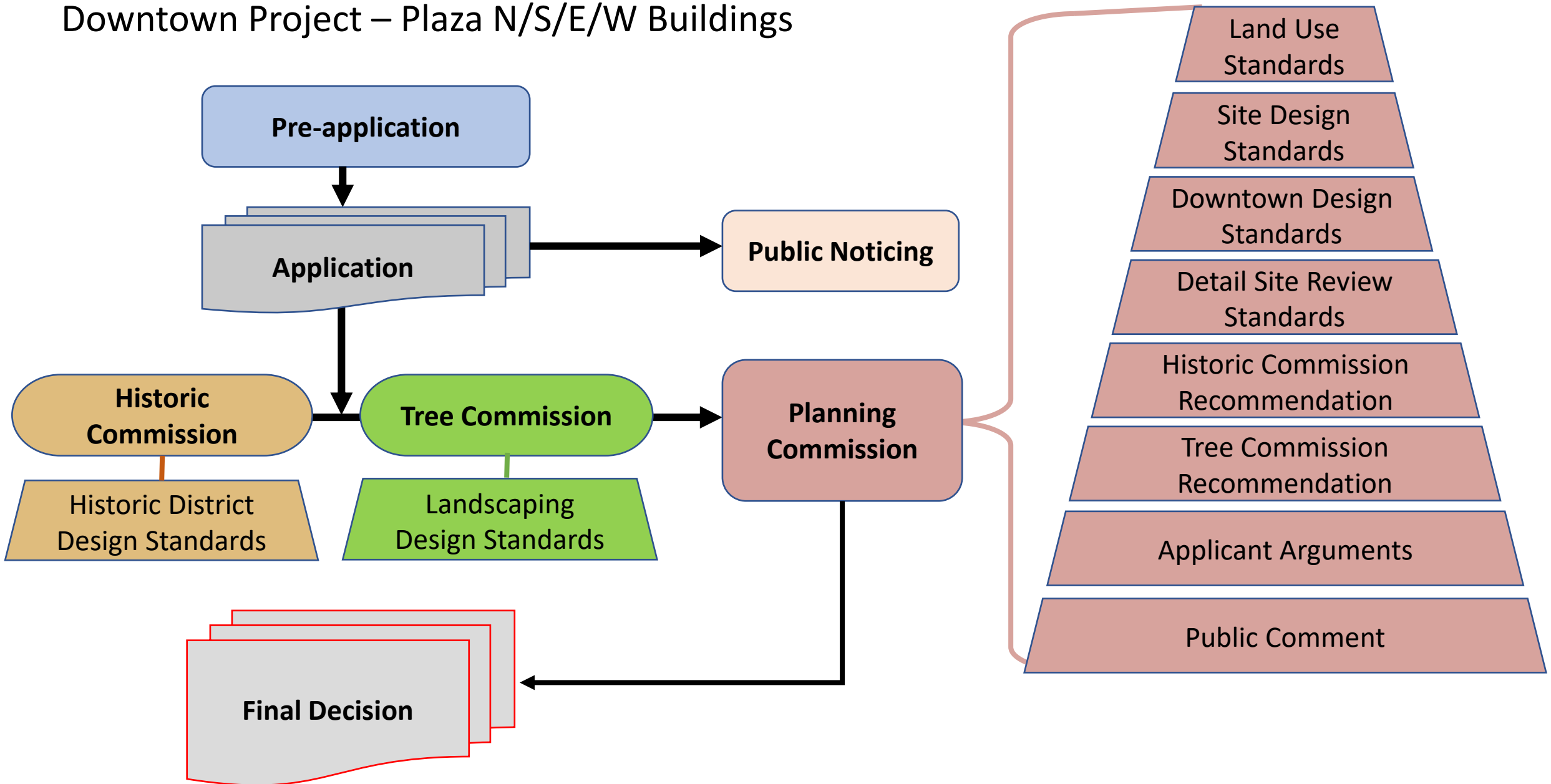


Legislative Example
ADU's & Duplexes



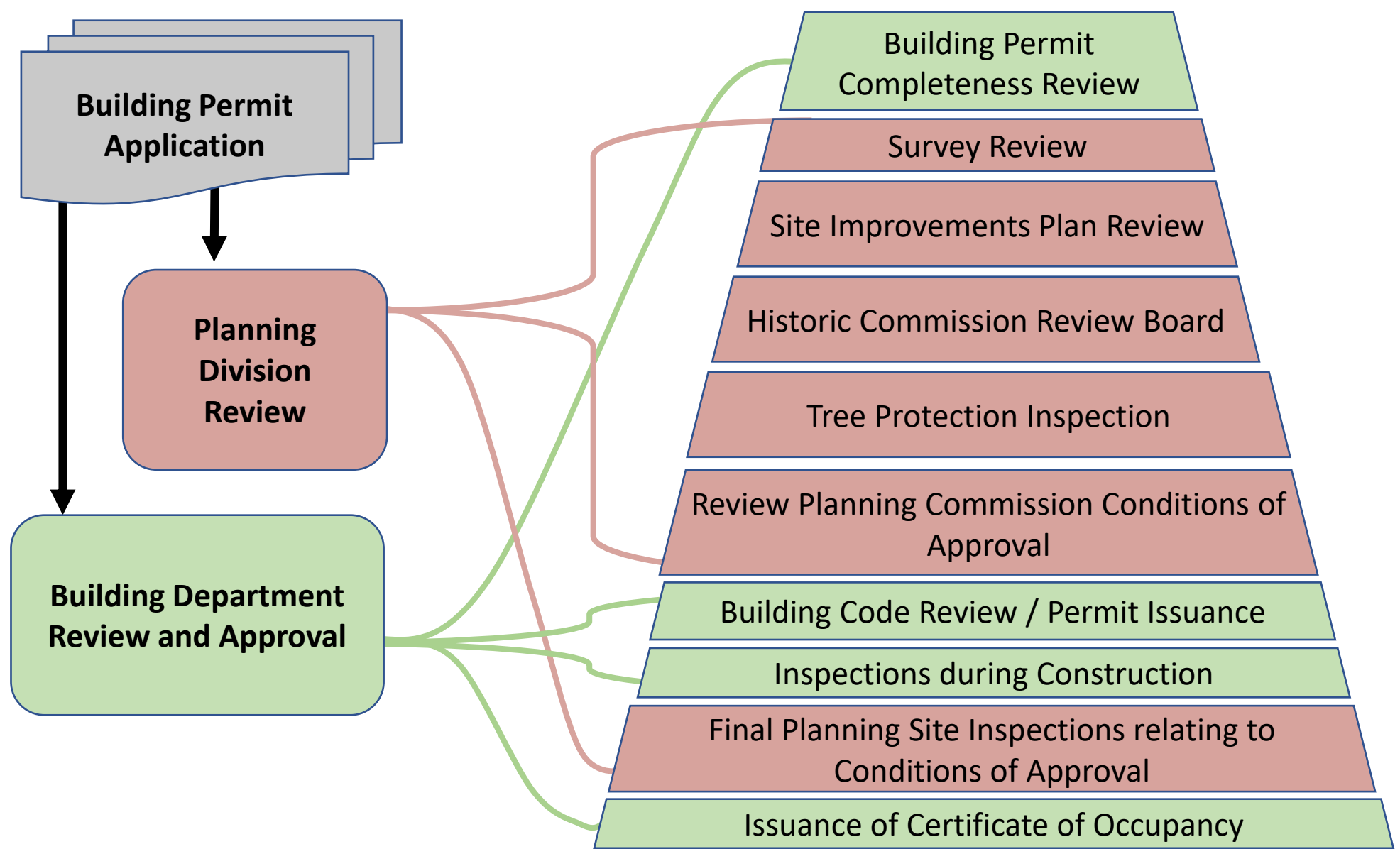
Development Land Use Approval Example

Downtown Project – Plaza N/S/E/W Buildings



Building Permit Approval Example

Downtown Project – Plaza N/S/E/W Buildings



Looking Ahead – Key Issues

- Above average building activity creating steady demand for City development services
- Actions to address housing needs and services for unhoused
- State legislation and legal mandates
 - Housing
 - Wildfire
 - Climate Change
- Large area plans



City of Ashland

Community Development

