



## CITY COUNCIL STUDY SESSION

Monday, May 17, 2021

Held Electronically

View on Channel 9 or Channels 180 and 181 (for Charter Communications customers)  
or live stream via [rvtv.sou.edu](http://rvtv.sou.edu) select RVTV Prime.

**Mayor Akins called the meeting to order at 5:30 p.m.**

**Councilors' Hyatt, Graham, DuQuenne, Jensen, Seffinger and Moran were present.**

### 1. Housing Capacity Analysis Update

Interim City Manager Adam Hanks gave a brief Staff report and introduced Community Development Director Bill Molnar.

Molnar introduced Senior Planning Manager Brandon Goldman.

Goldman introduced Beth Goodman from ECONorthwest. Goodman presented Council with a PowerPoint Presentation (*see attached*).

Items discussed were:

- Why do a Housing Capacity Analysis
- Components of this project
  - Housing Capacity Analysis
  - Housing Strategy
  - Revised Comprehensive Plan
  - Housing Production Strategy
  - Changing to Zoning Code
  - Housing Policies and Programs
- Overview of the Analysis and Discussion of Key Assumptions
- Ashland's Buildable Lands Inventory
- Ashland's Buildable Results updated to 2020
- Types of Housing – Owner and Renter Occupied
- Mix of Housing
- Housing Tenure
- Factors that will affect housing demand
- Factors affecting needed housing
- Median Sales Price, August – October 2020
- Rental Housing Costs, 2018
- Cost Burden (Renters & Homeowners), 2018
- Financially Attainable Housing
- What Types of Housing
- Forecast of New Housing, 2021 to 2041

- 47% of new households will be lower income
- Draft Land Sufficiency Results
- Ashland's Housing Strategy
- Factors that Influence Housing Development
- Factors that Affect Housing Price
- Categories of Strategic Issues
- Next Steps

Council discussed

## 2. Discussion of Duplex and Accessory Residential Unit Land Use Code Amendments

Molnar introduced Planning Manager Maria Harris.

Harris presented Council with a PowerPoint (*see attached*).

Items discussed were:

- Duplex Code Changes
- Accessory Residential Unit Code Changes
- Building Type vs. Type of Dwelling
- Definitions and Types of Dwellings
- Legislative Time Line
- State Middle Housing Requirements
- Siting and Design Standards
- Next Steps

Adjournment

The Council Study Session was adjourned at 6:53 PM

Respectfully submitted by:

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City Recorder Melissa Huhtala

Attest:

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Mayor Akins

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Administrator's office at (541) 488-6002 (TTY phone number 1-800-735-2900). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title I).*



# Ashland Housing Capacity Analysis

City Council – May 17, 2021

# Why do a Housing Capacity Analysis

## Answer questions...

- How much growth in 20-years?
- How much land?
- Where is the buildable land?
  - Vacant; unconstrained physically or by policy
- Does Ashland have enough unconstrained, vacant land to accommodate needed housing types?
- What policies are needed to meet Ashland's housing needs?



# Components of this Project

## Housing Capacity Analysis

*Technical report about:*

- Buildable lands inventory
- Housing market
- Demographic and socioeconomic characteristics of residents
- Housing affordability
- Forecast of new housing
- Land sufficiency

## Housing Strategy

*Housing policies and actions to address needs identified in the HCA:*

- Land availability
- Types of housing needed
- Housing affordability
- Infrastructure needs
- Funding

## **Revised Comprehensive Plan**

- Updated information (*HCA*)
- Updated policies (*Housing Strategy*)

## **Housing Production Strategy**

## **Changes to Zoning Code**

## **Housing Policies and Programs**

*Housing policies not addressed through Comprehensive Plan updates*



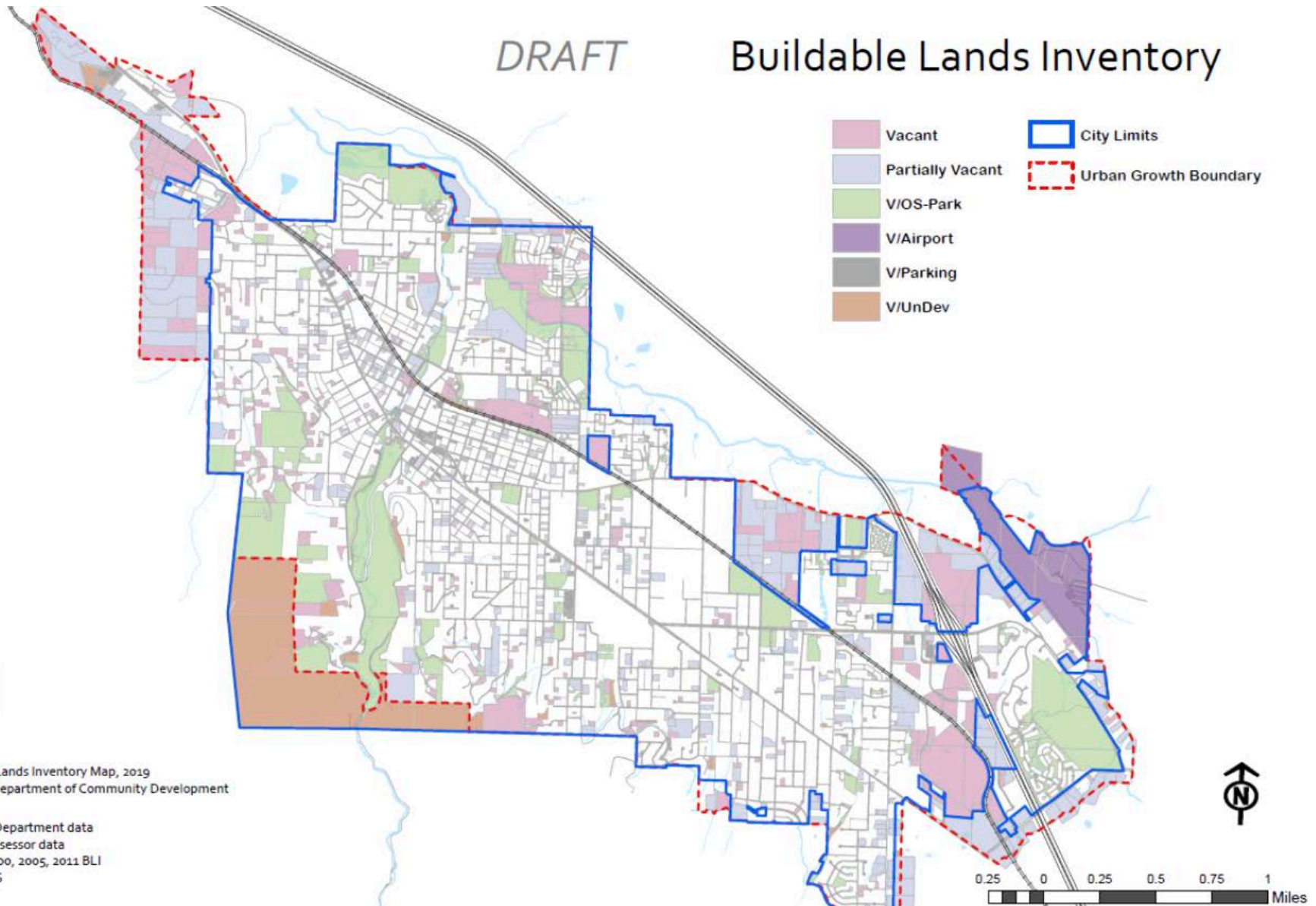




# Overview of the Analysis and Discussion of Key Assumptions

- Developed by Ashland staff and adopted in 2019
- Considered all land within the Ashland UGB where housing is allowed
- Took constraints into account
  - Slopes in excess of 35%
  - Within floodway or flood plain
  - Within resource protection areas
- Identified vacant, partially vacant, and redevelopable land

# Ashland's 2019 BLI



DRAFT Buildable Lands Inventory Map, 2019  
Produced by the Department of Community Development

Sources:  
Ashland Building Department data  
Jackson County Assessor data  
City of Ashland 2000, 2005, 2011 BLI  
City of Ashland GIS



# BLI Results Updated to 2020

Plan Designations *	Net Buildable Acres	Dwelling Unit Capacity
Low Density Residential *	332	986
Suburban Residential	8	44
Normal Neighborhood	70	474
Multifamily Residential	42	349
High Density Residential	12	129
Croman Mill District	61	243
Commercial & Employment *	112	529
<b>Total</b>	<b>636</b>	<b>2,754</b>

\* Note: Low Density Residential includes: Single-Family Residential Reserve, Low Density Residential, Single-Family Residential, and North Mountain Neighborhood.

\* Commercial & Employment includes: Commercial, Downtown, Employment, Health Care, and Southern Oregon University.

**Approach:** Updated Ashland's BLI for 2020 by deducting dwelling units permitted and acreage consumed (for the period between July 1, 2019 to June 30, 2020) from the 2019 BLI results.

2019 BLI showed capacity of 2,847 units. 2020 update shows capacity of 2,754 units.

## Where is capacity?

1,455 units of capacity is within the city limits

1,299 units of capacity is within the urbanizing area, between the UGB and city limits.

# Types of Housing – owner & renter occupied

## Single-Family Detached

Single-family detached  
Manufactured and mobile homes  
Cottage Housing



## Multifamily (2 to 4 units per structure)

Duplexes  
Tri- and Quad-Plexes



## Single-Family Attached

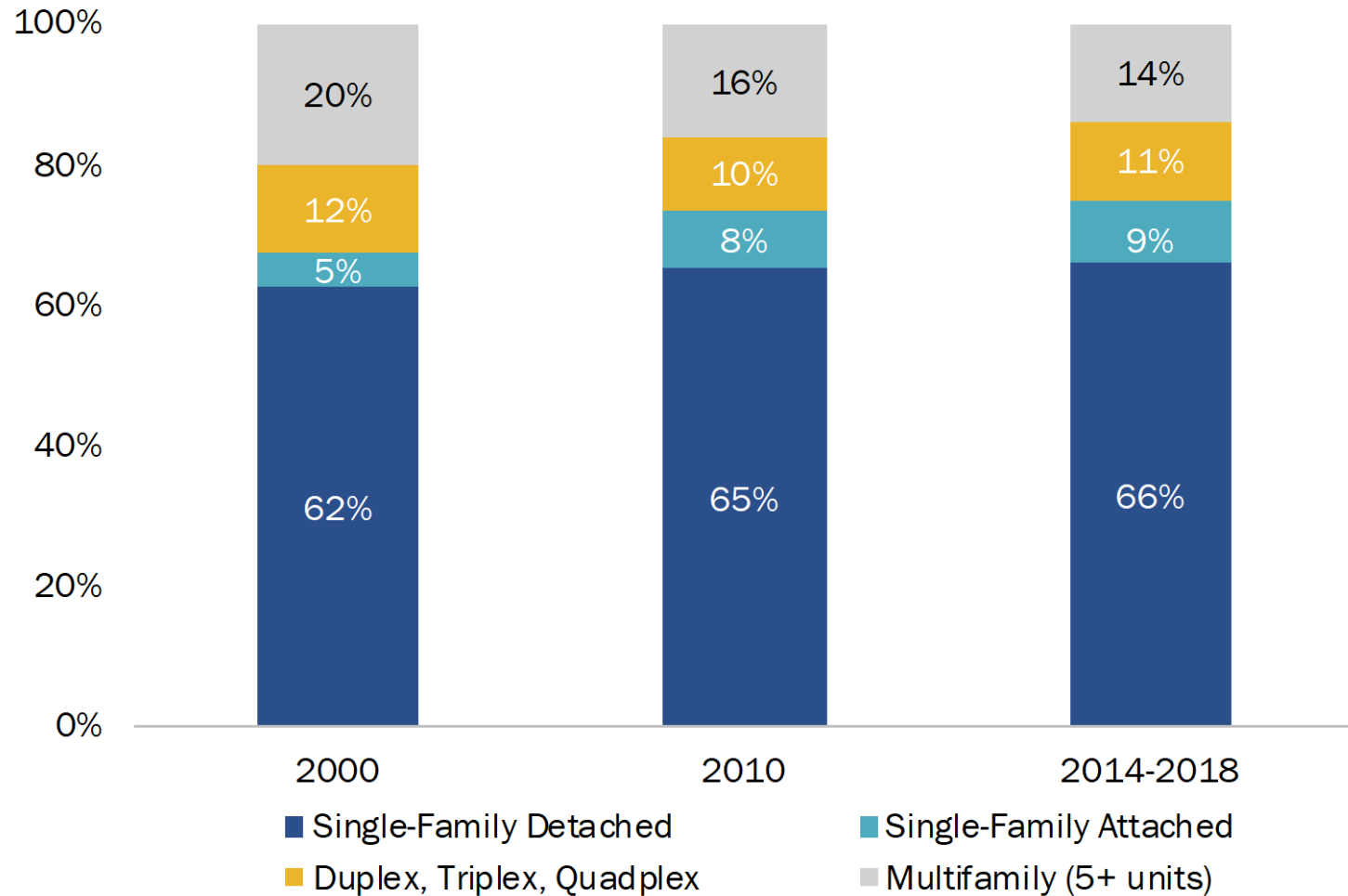
Townhouses



## Multifamily (5+ Units per Structure)

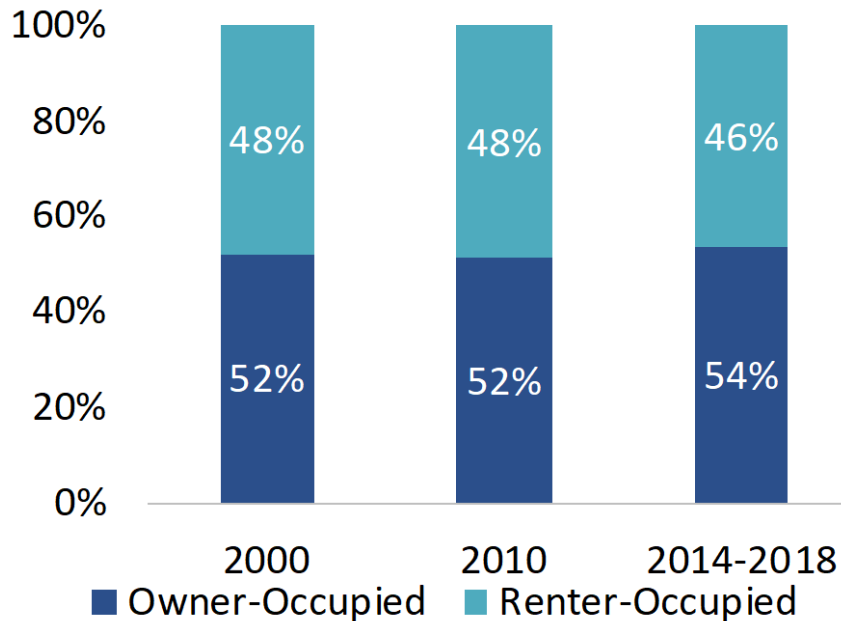


# Mix of Housing, Ashland

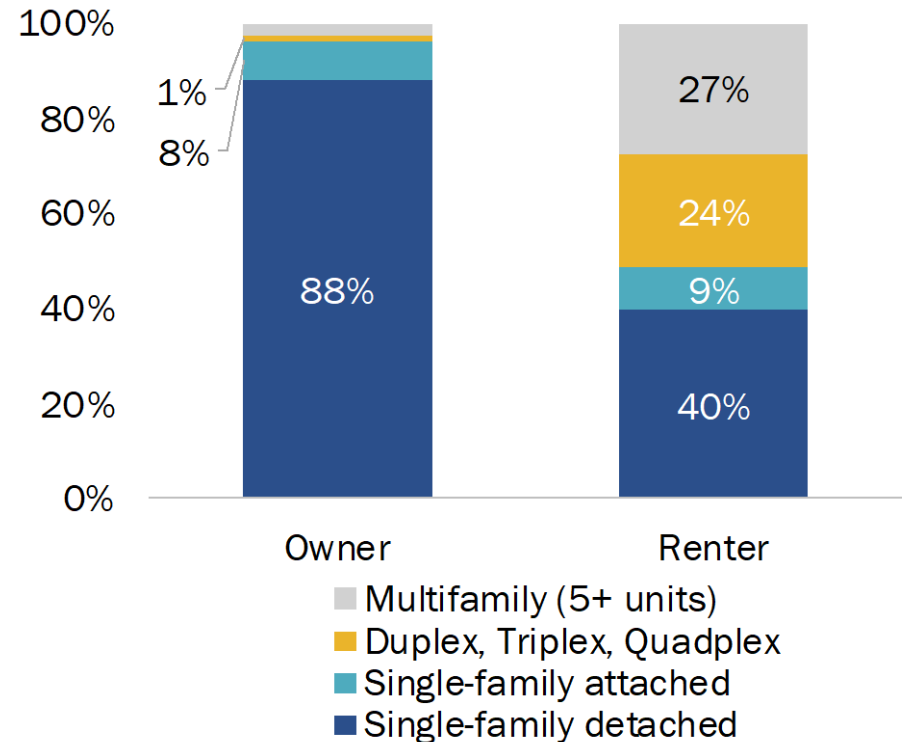


# Housing Tenure, Ashland

## Change in Tenure



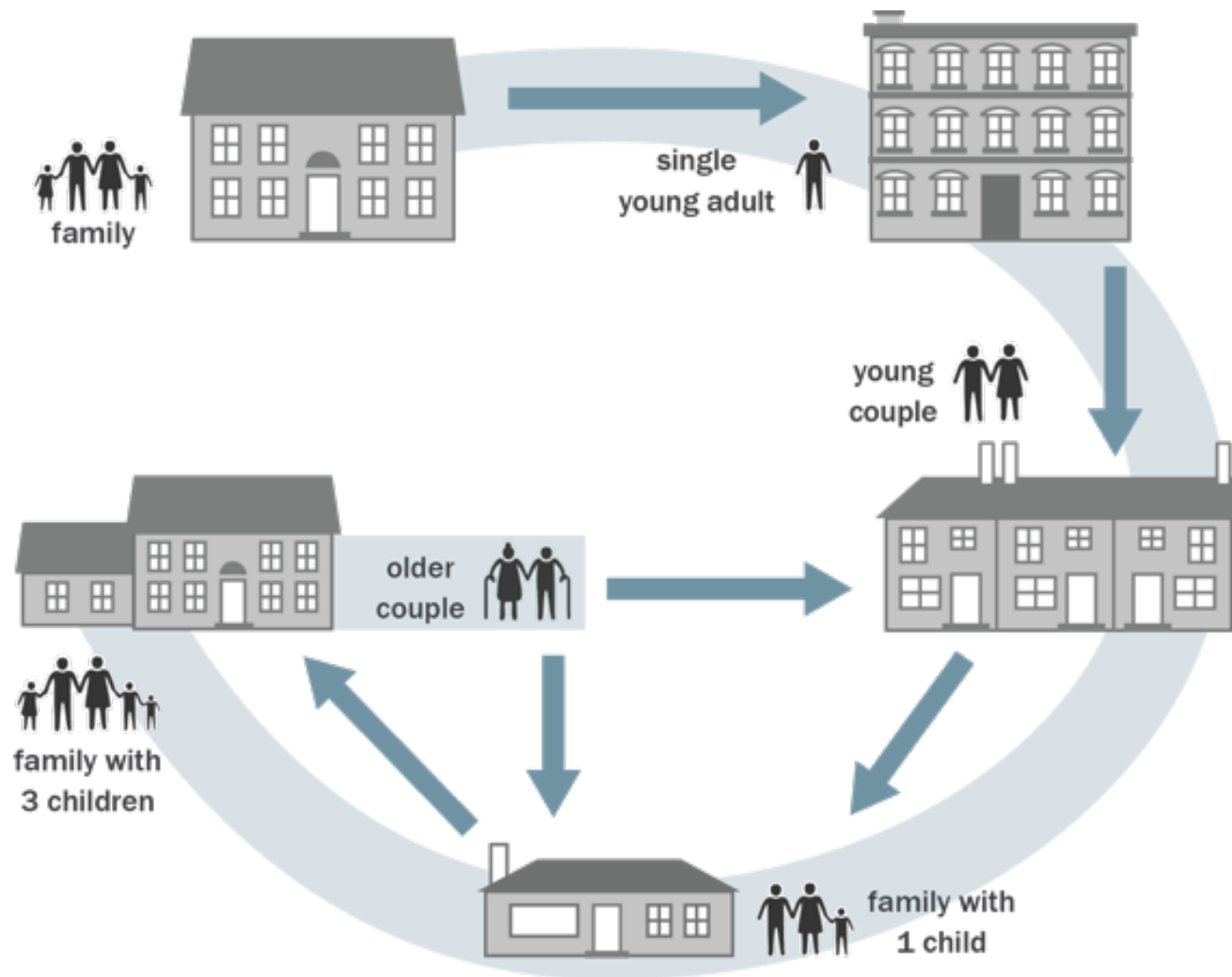
## Tenure by Type of Unit, 2018





# Factors that will affect housing demand

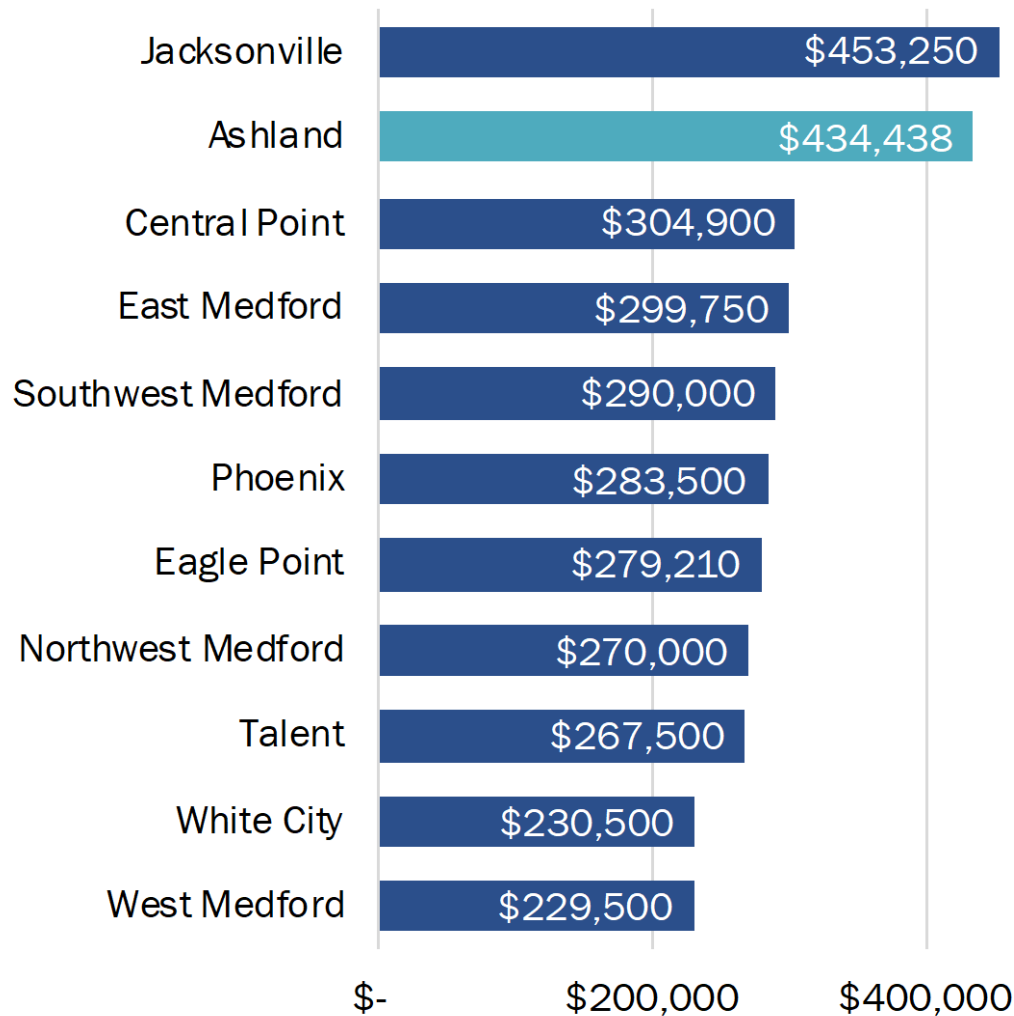
- Age
- Household Composition
- Income



# Factors Affecting Needed Housing

- Aging population: Residents aged 60+ have grown by nearly 3,000 people in last 2 decades
- 53% of households are non-family households
- 75% of households have 1- or 2-persons
- Median household income is about \$8,800 less than Oregon's median
- Some the highest housing costs in the region
  - 31% of homeowners are cost burdened
  - 63% of renters are cost burdened

# Median Sales Price, August – Oct 2020



Why is the cost of housing in Ashland so high?

Ashland is a highly desirable place to live, which attracts people from within Oregon and from other states.

Other cities within Oregon that have similar levels of desirability include Bend, Hood River, and Corvallis.

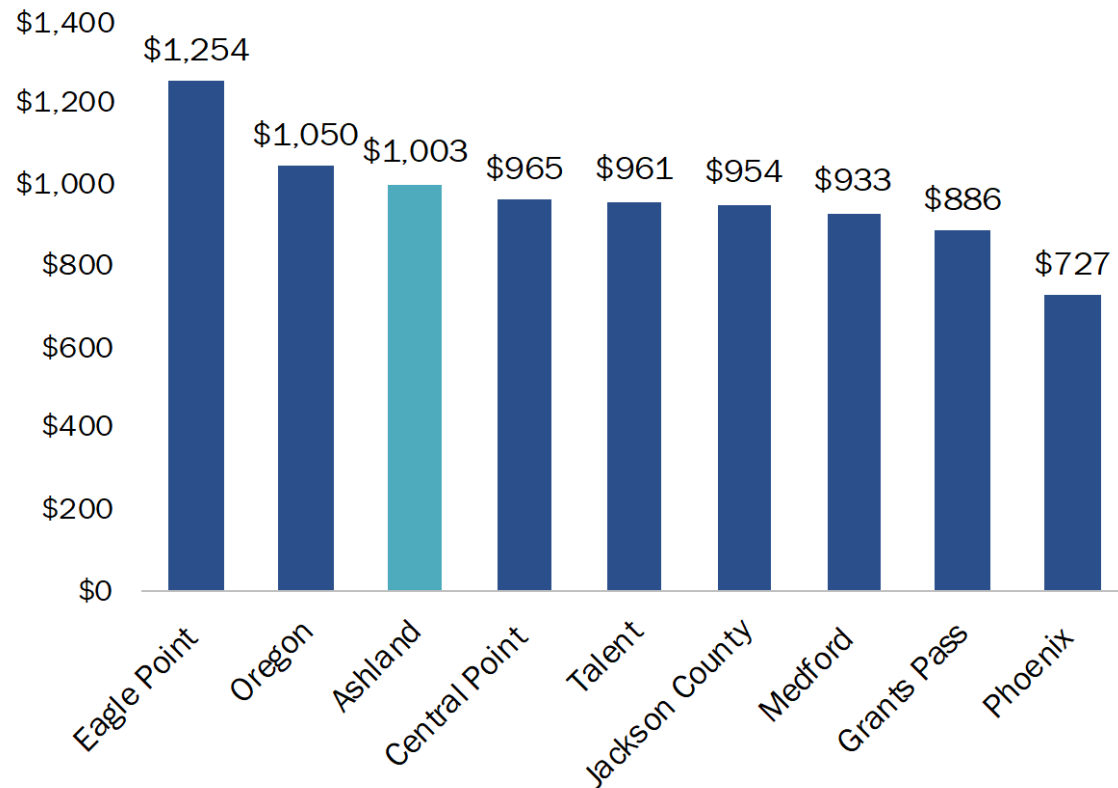
# Rental Housing Costs, 2018

Average asking rents for *currently available* rental properties in Ashland range from:

- \$1,145 to \$1,560 for a 2-bedroom unit
- \$1,595 to \$1,995 for a 3-bedroom unit

Source: CPM Real Estate Services, December 2020.

## Median Gross Rent, 2018



Source: U.S. Census, ACS 2014-2018

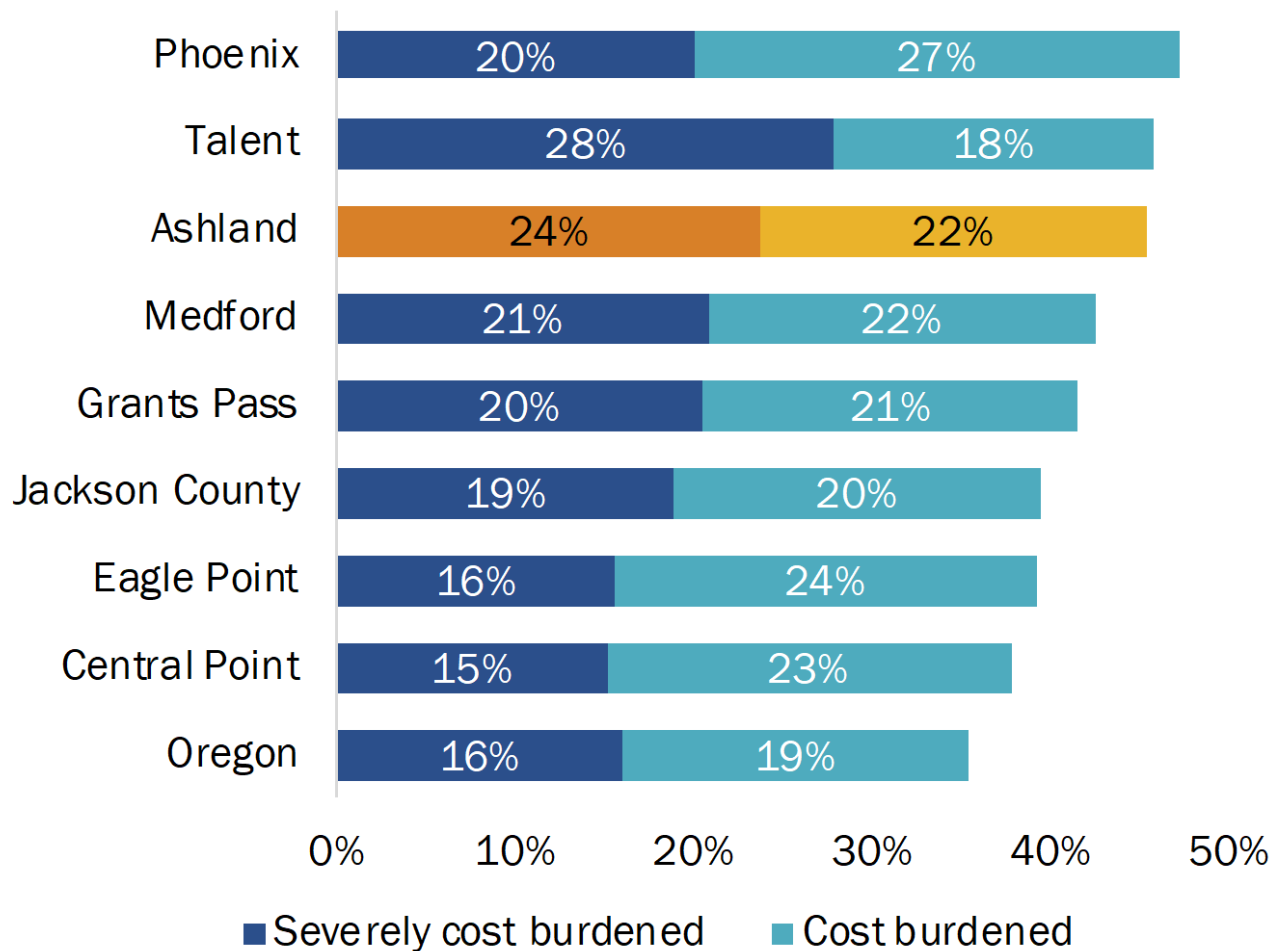


# Cost Burden (Renters & Homeowners), 2018

Households paying 30% or more for housing costs are said to be cost burdened.

## Cost Burden in Ashland:

- Renters: 63%
- Owners: 31%



# Financially Attainable Housing

## If your household earns....

**\$19,500**

(30% of MFI)

**\$32,600**

(50% of MFI)

**\$52,100**

(80% of MFI)

**\$65,100**

(100% of MFI)

**\$78,100**

(120% of MFI)

## Then you can afford....

**\$490**

monthly rent

**\$820**

monthly rent

OR

**\$98,000-  
\$114,000**

home sales price

**\$1,300**

monthly rent

OR

**\$182,000-  
\$208,000**

home sales price

**\$1,630**

monthly rent

OR

**\$228,000-  
\$260,000**

home sales price

**\$1,950**

monthly rent

OR

**\$273,000-  
\$312,000**

home sales price



Fast Food  
Worker  
\$26,750



Customer Service  
Representative  
\$32,490



Paralegal  
\$52,520



Elementary School  
Teacher  
\$65,730



Librarians  
\$78,104



Housekeeper  
\$29,180



Dental Assistant  
\$42,520



Firefighter  
\$59,110



Police Officer  
\$71,010

Median Home Sale  
Price:

**\$435,000**

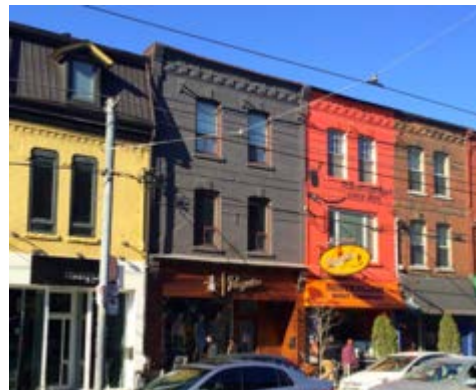
A household would  
need to earn about  
\$109,000 or 167% of  
MFI to afford this  
price.

Average asking rent  
(2-bd unit):

**\$1,145 to \$1,560**

A household would  
need to earn about  
\$46,000 to \$62,000  
or 70% to 96% of  
MFI to afford this  
rent.

# What types of Housing?



# Forecast of New Housing, 2021 to 2041

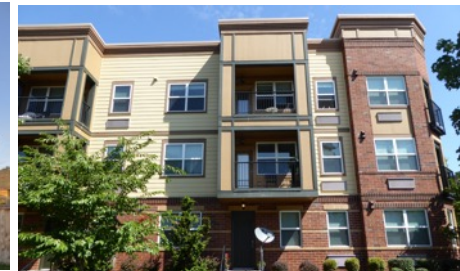
Ashland is forecast to add 858 new dwellings

Single-Family  
Detached

Single-Family  
Attached

Duplex,  
Triplex,  
Quadplex

Multifamily  
(5+ units)



**300**

New Units  
(35%)

**86**

New Units  
(10%)

**172**

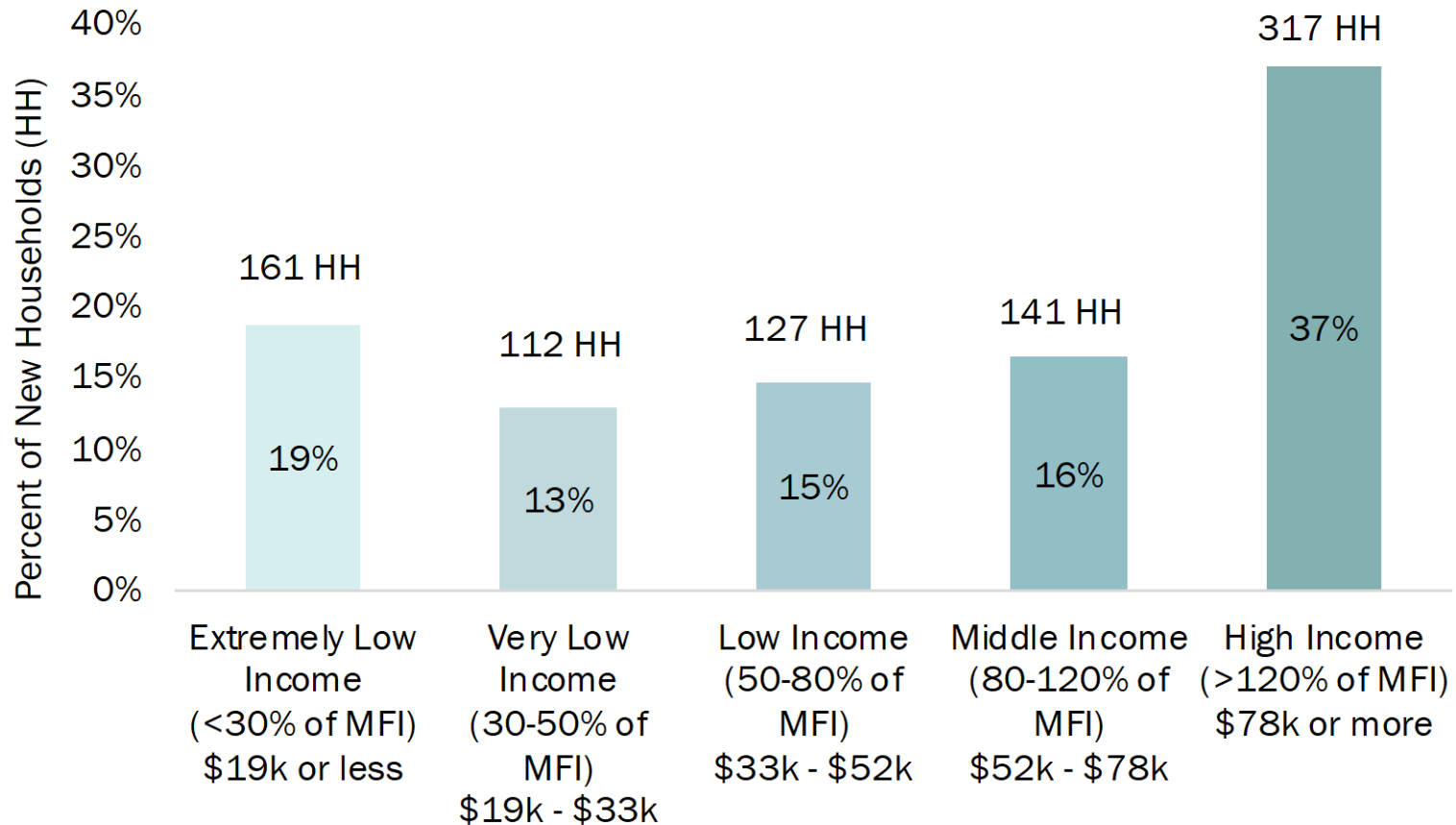
New Units  
(20%)

**300**

New Units  
(35%)



# 47% of new households will be lower income



Source: U.S. Census, American Community Survey 5-year Estimates, 2015-2019.

- Ashland has enough land within its UGB to accommodate growth through 2041
  - Ashland has a surplus of land to accommodate growth in all plan designations
- Ashland will need to annex land in some plan designations to accommodate growth in: Suburban Residential, Normal Neighborhood, and Multifamily Residential Plan Designations



# Ashland's Housing Strategy

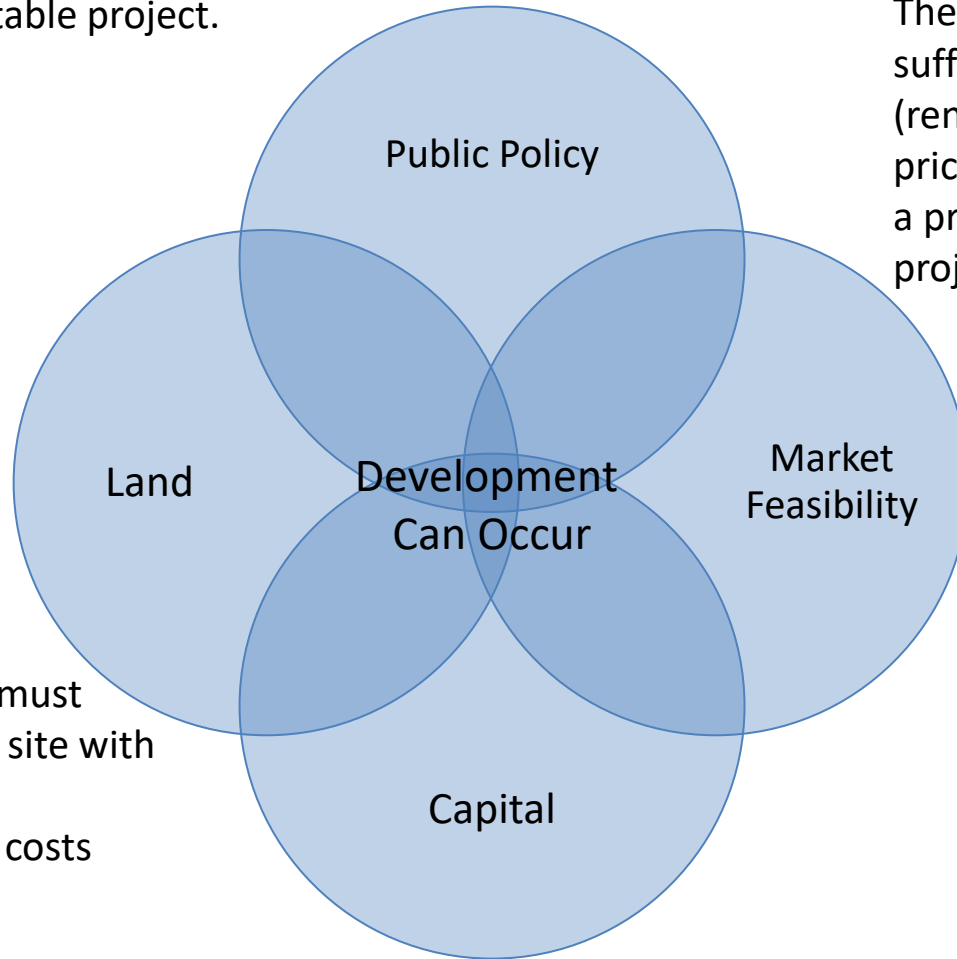
# Factors that Influence Housing Development

Policy & Implementation—including zoning, density, and design requirements—must allow developer to build a profitable project.

There must be sufficient demand (rents, sales prices) to support a profitable project

Ashland can directly influence public policy, land, and infrastructure.

Ashland may have limited influence on market feasibility.



Developer must control the site with reasonable acquisition costs

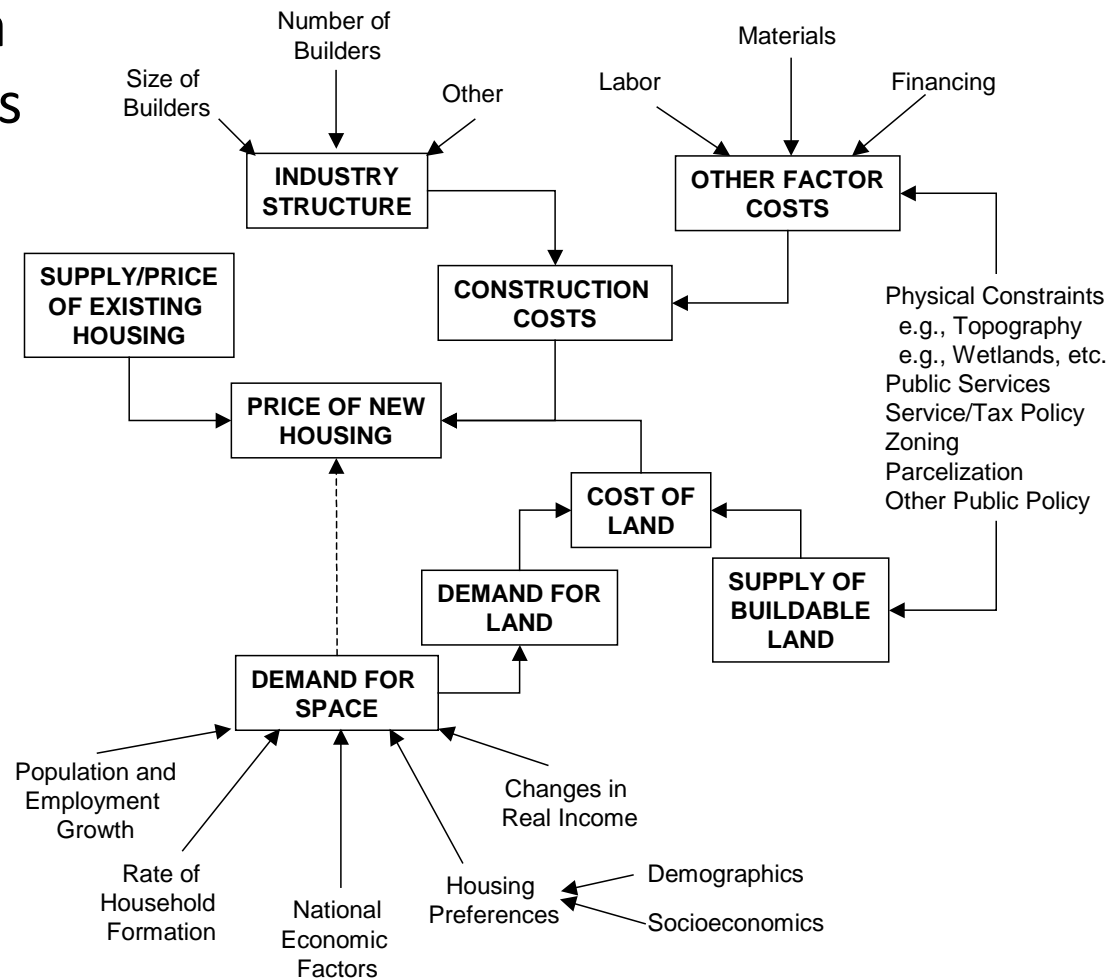
Developer must be able to access resources for investment (e.g., equity investment, bank loans)

# Factors that Affect Housing Price

## National Costs of Building a House: Biggest Contributors

- Construction costs: 61%
  - Interior finishes: 25.4%
  - Framing: 17.4%
  - Exterior finishes: 14.1%
  - Foundations: 11.8%
  - Fees: 6.2%
- Finished Lot cost: 18%
- Profits: 9%

Source: NAHB 2019 Construction Cost Survey





# Categories of Strategic Issues (SI)

- SI 1: Ensure an adequate supply of land is available and serviced
- SI 2: Provide opportunities for housing development to meet the City's identified housing needs
- SI 3: Provide opportunities for development of housing affordable to all income levels
- SI 4: Identify funding sources to support development of infrastructure and housing affordability programs
- SI 5: Align housing planning with the Climate and Energy Action Plan

- ECONorthwest will finalize the HCA and Housing Strategy by mid-June
- Staff will incorporate the HCA into the Comprehensive Plan
- The City will begin work on a Housing Production Strategy

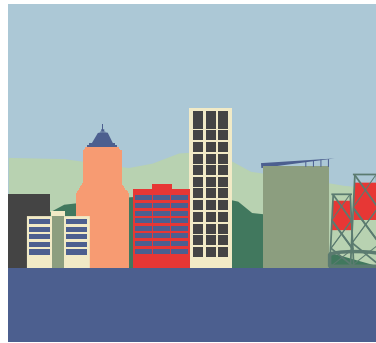


# ECONorthwest

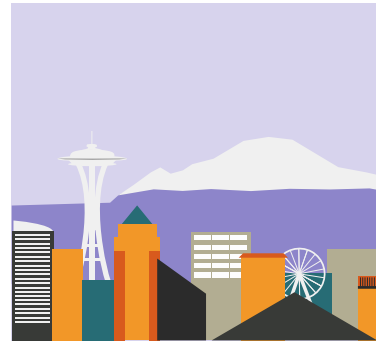
ECONOMICS • FINANCE • PLANNING



Eugene



Portland



Seattle



Boise

# Duplex Code Changes



- Allowed in all residential zones
- Define as two units on one lot in any configuration including either in attached or detached structures
- Two on-site parking spaces required
- Approval process is building permit

# Accessory Residential Unit Code Changes



- Must meet existing size requirements
- No on-site parking spaces required
- Approval process is building permit

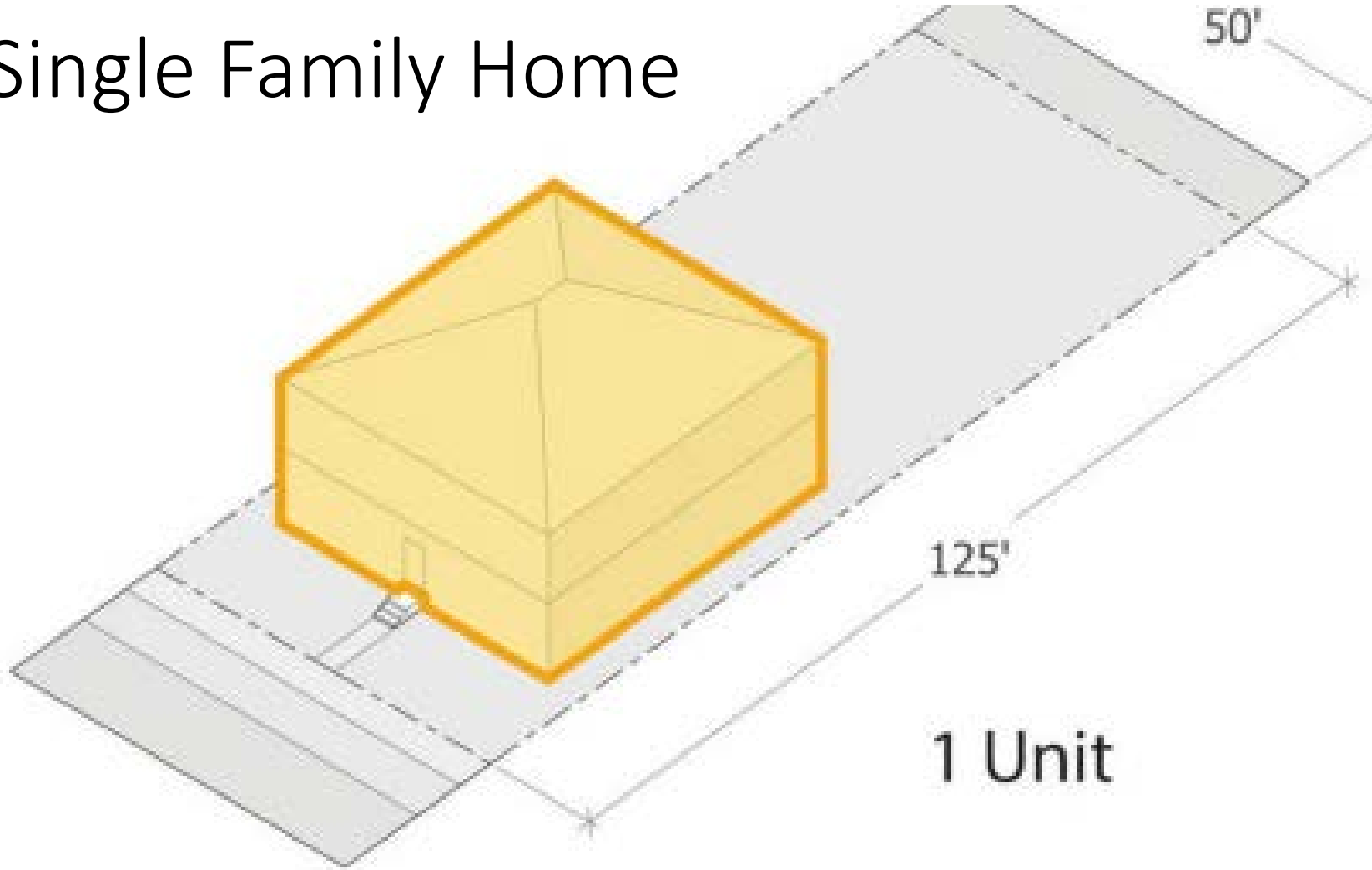


# Building Type vs. Type of Dwelling

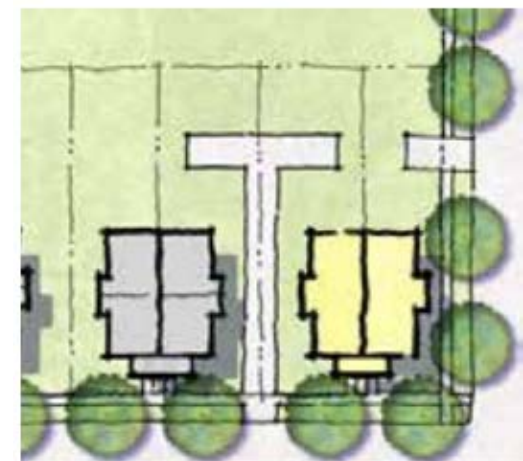
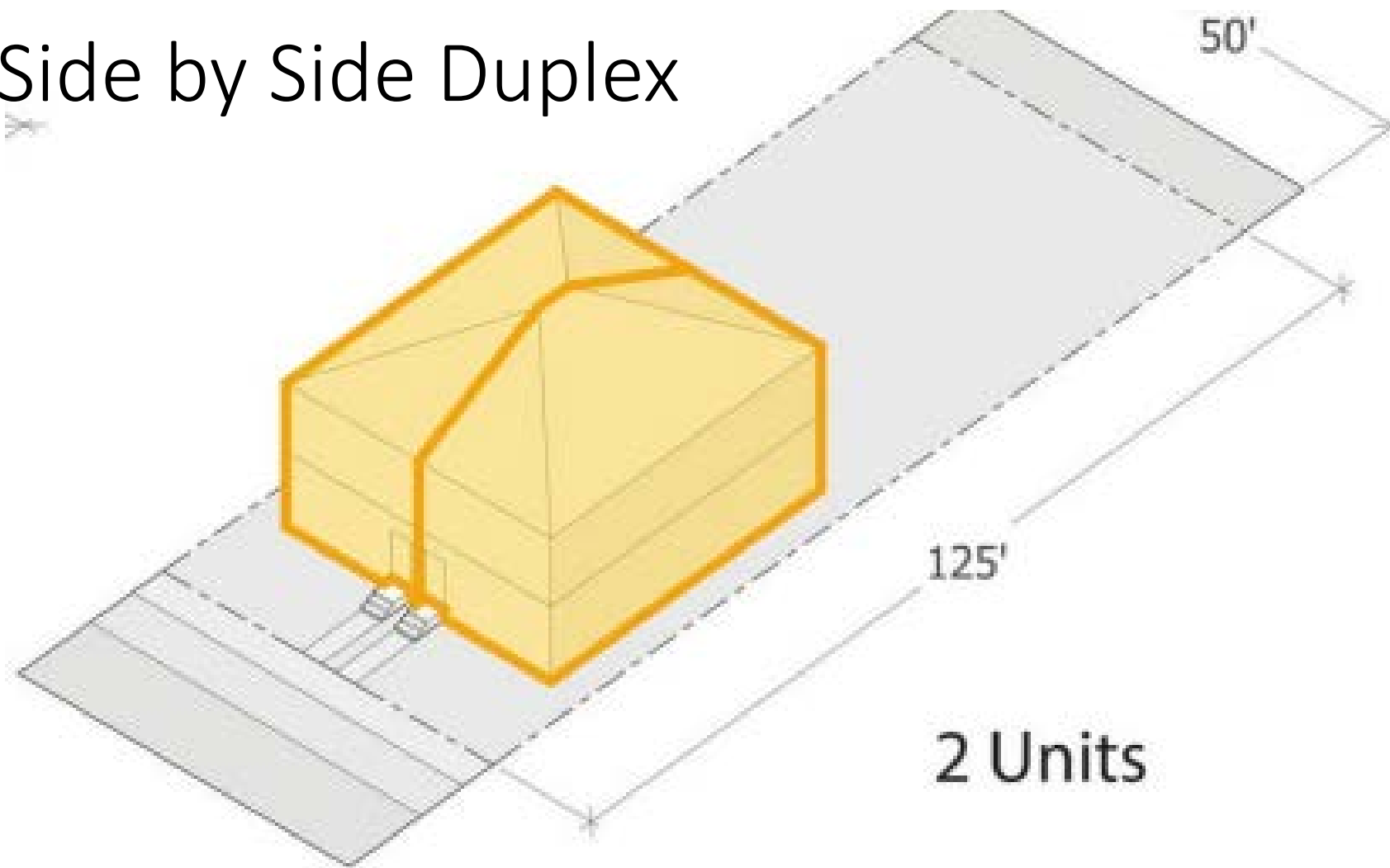


- Attached or detached units
- Number of units on one lot

# Single Family Home



# Side by Side Duplex



# Side by Side Duplex



*Side-by-side duplex, Tacoma, WA  
Torti Gallas + Partners*



*A duplex in Olympia*



# Duplex Examples



Duplex Conversion – Downtown Eugene

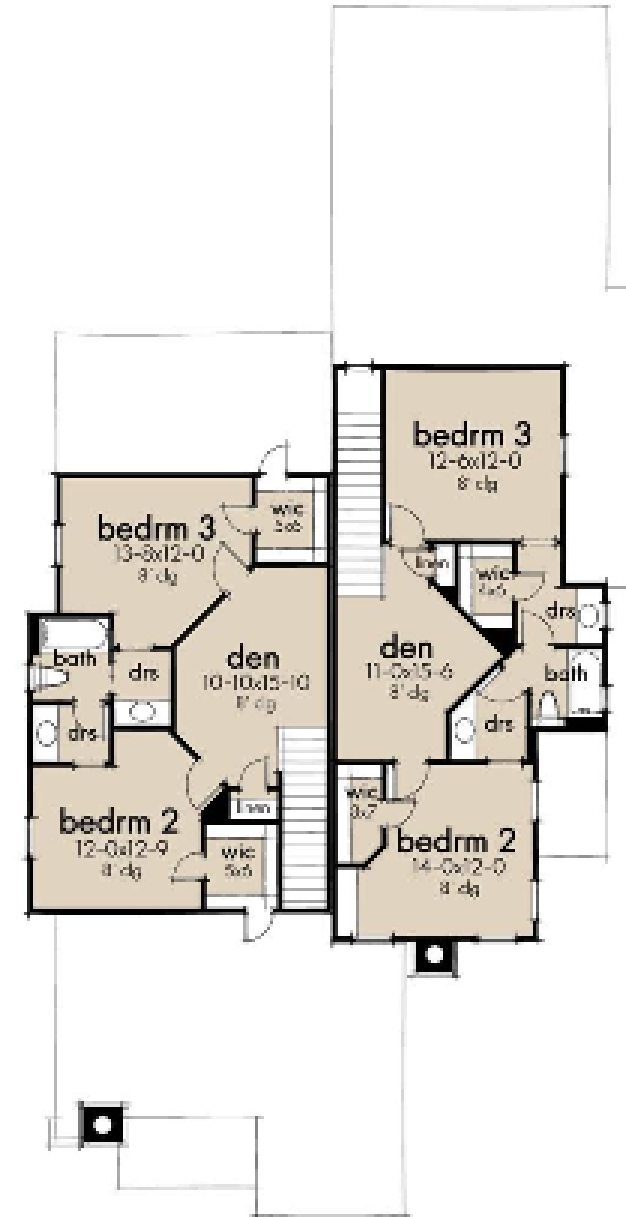


Historic Duplex—Eugene





First Floor Plan



Second Floor Plan

# Stacked Duplex

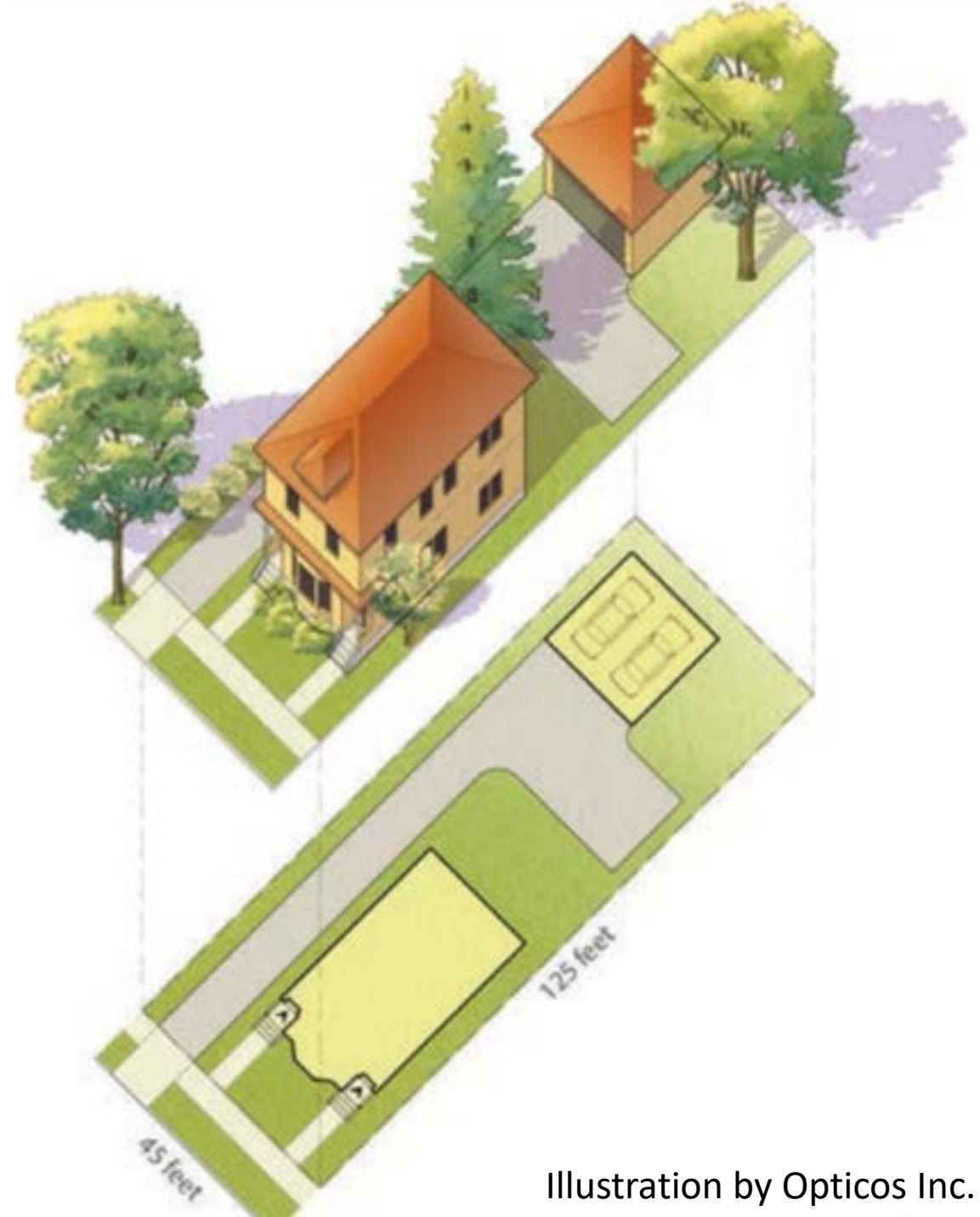
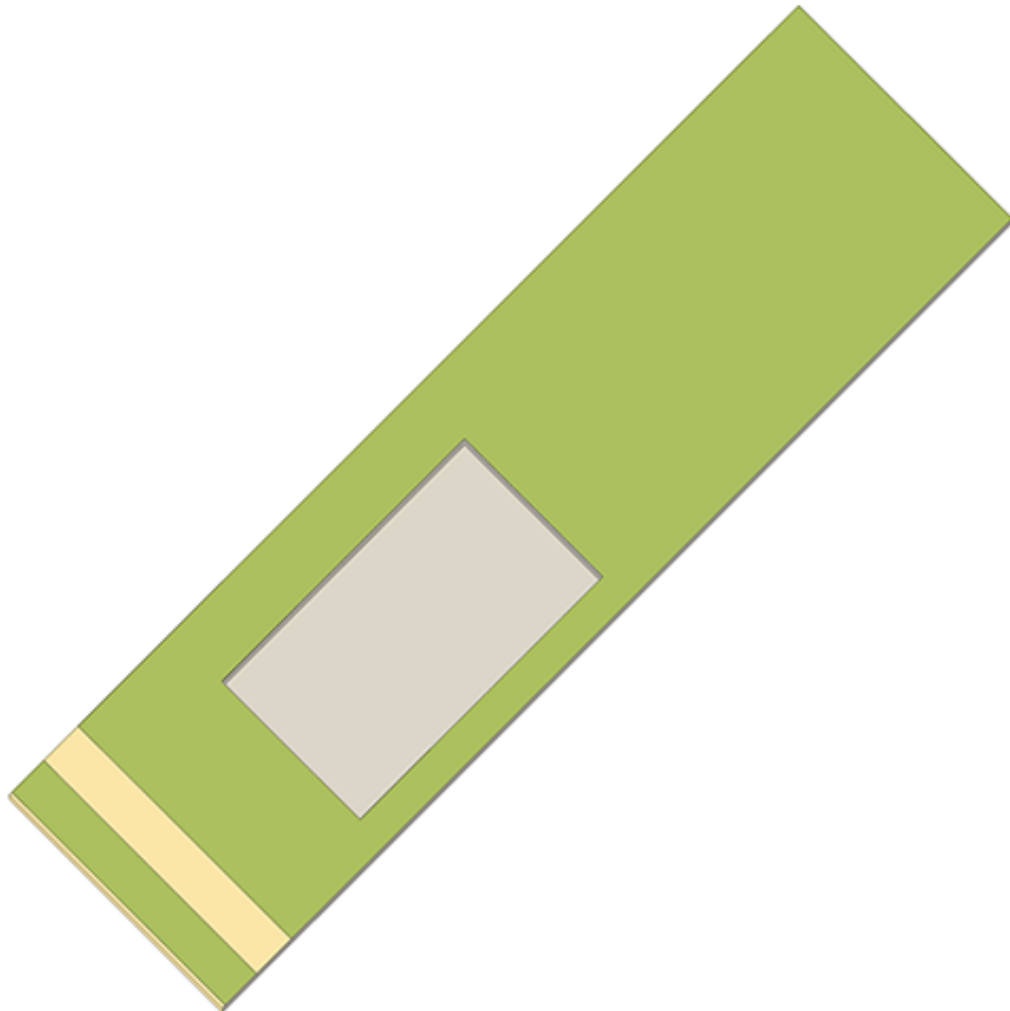


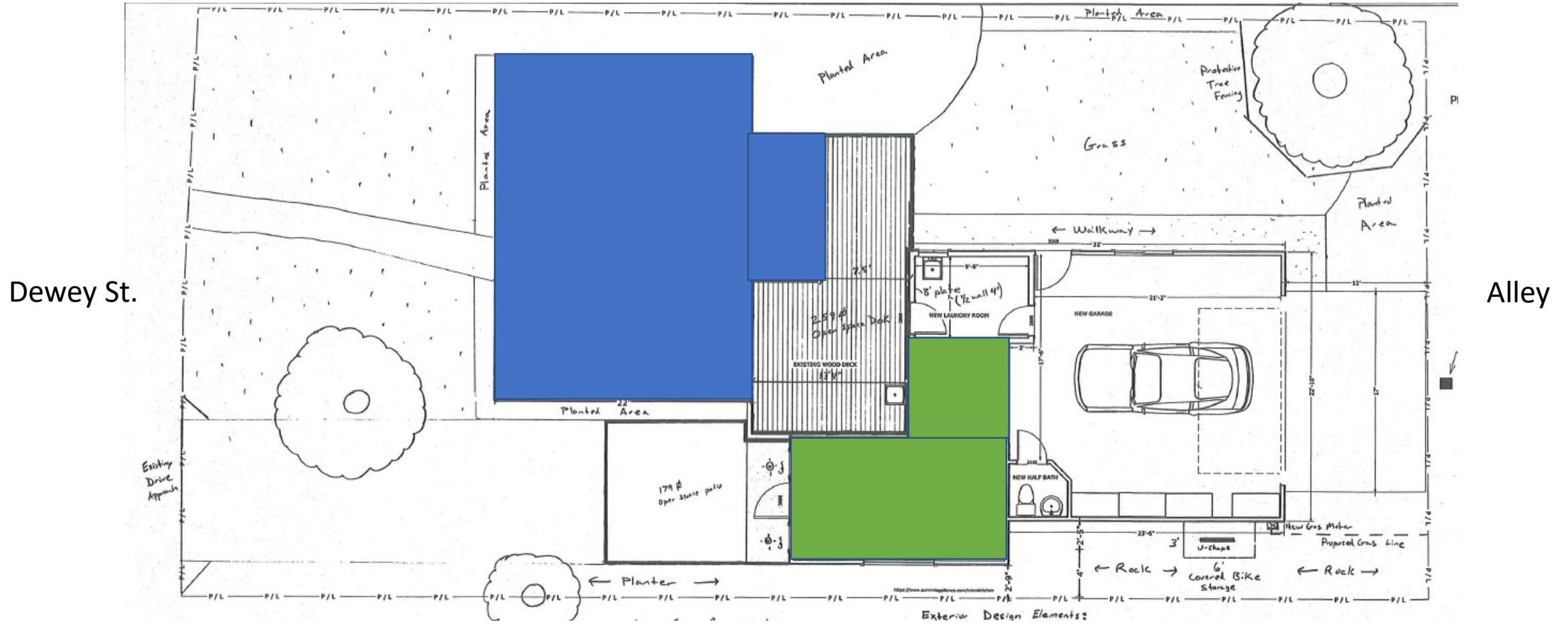
Illustration by Opticos Inc.



# Stacked Duplex



# 84 and 88 Dewey St.





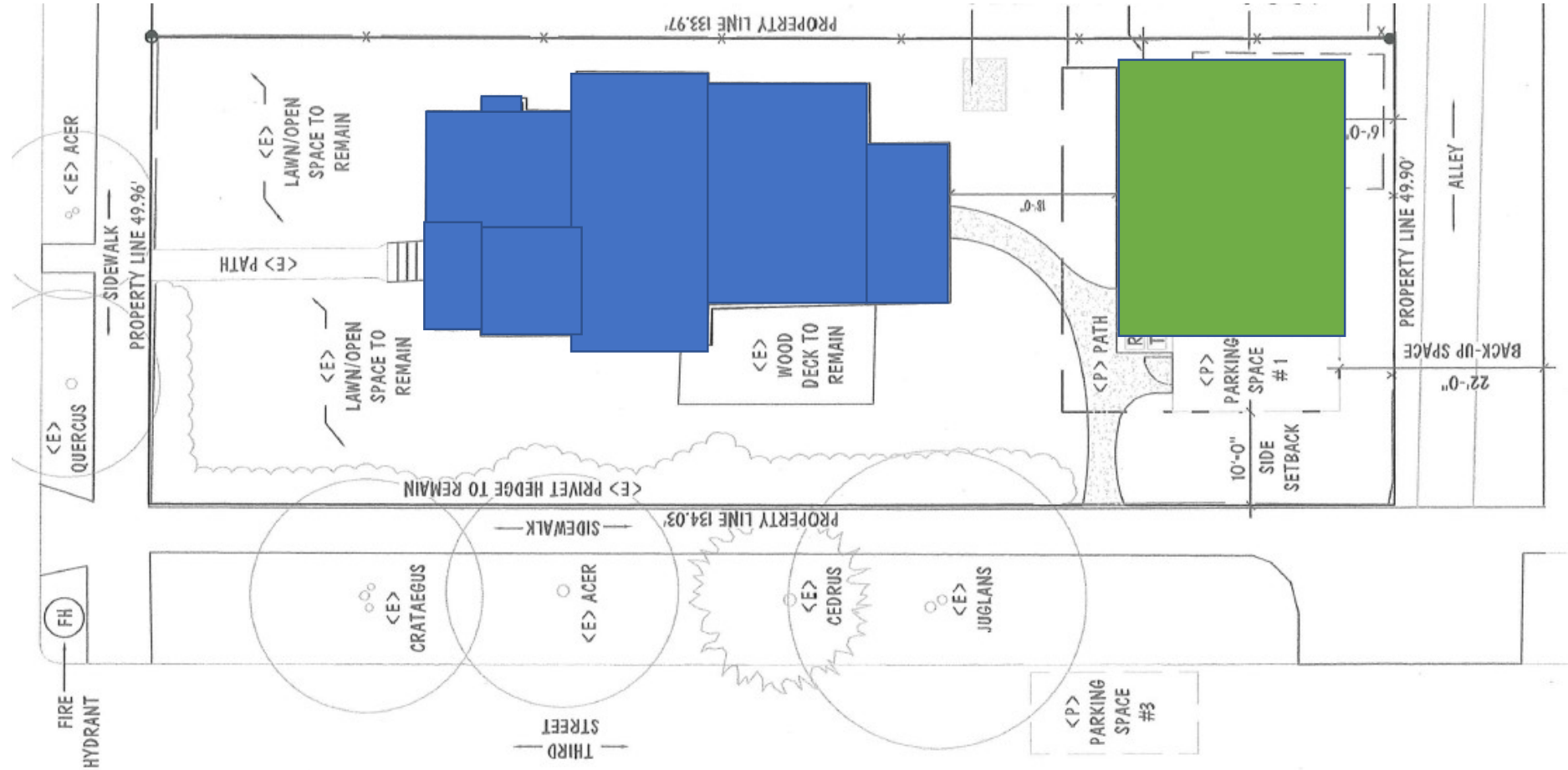
# 84 and 88 Dewey St.





# 426 B St. and 170 Third St.

B St.



Alley

Third St.

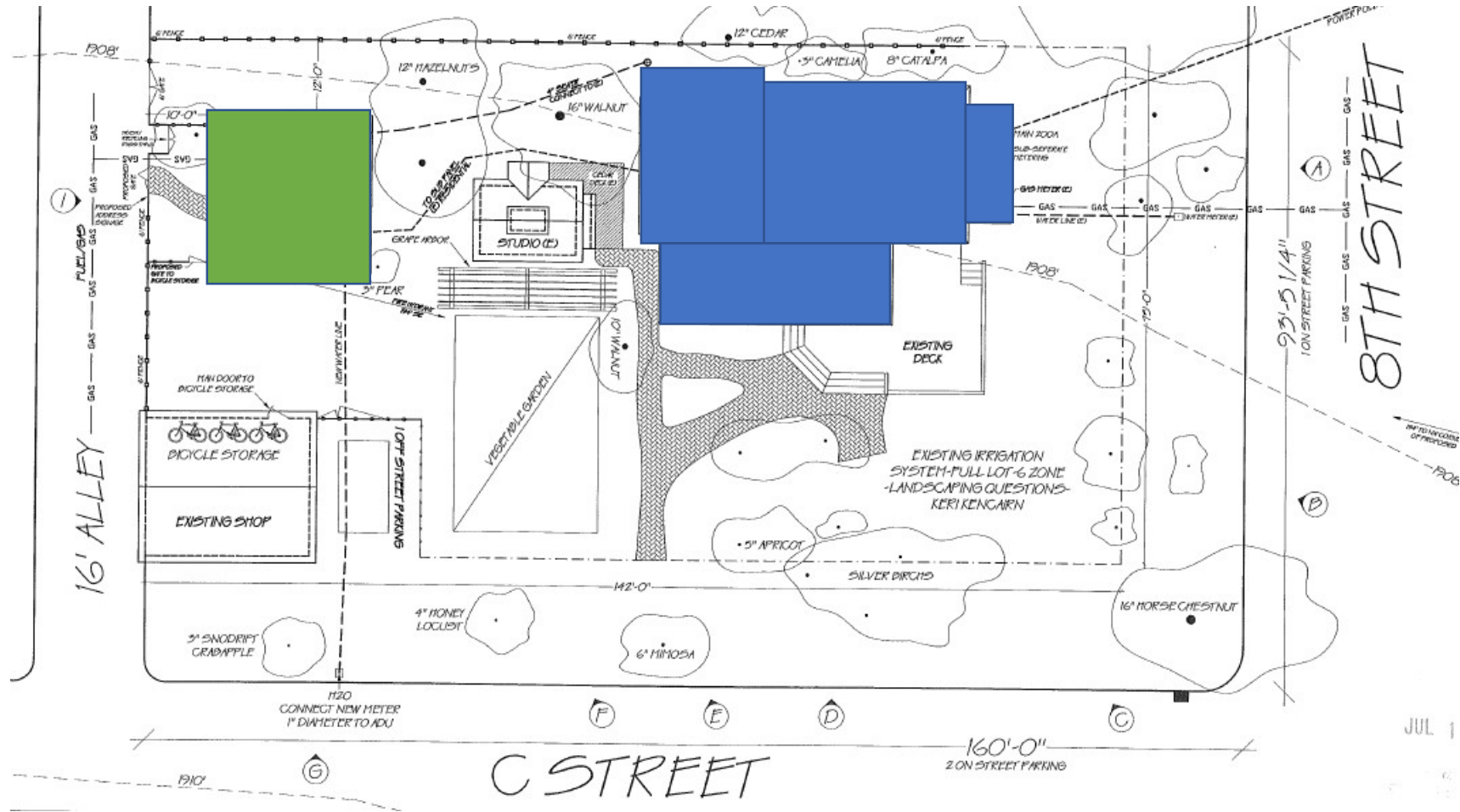
426 B St. and 170 Third St.



# 117 8th St. and 859 C St.

Alley

8th St.



C St.



117 8<sup>th</sup> St. and 859 C St.





# 240 and 244 VanNess

Alley



VanNess

# 240 and 244 VanNess





# Definitions of Types of Dwellings



- Number of units determines type of dwelling
  - ✓ Single-family dwelling – 1 dwelling on 1 lot
  - ✓ ARU – 2 dwellings on 1 lot w/2<sup>nd</sup> dwelling meeting size requirements
  - ✓ Duplex – 2 dwellings on 1 lot
  - ✓ Multifamily dwelling – 3 or more dwellings on 1 lot

# Legislative Timeline



- House Bill 2001 Middle Housing
  - effective August 8, 2019
- OAR Chapter 660 Division 46
  - effective August 7, 2020
- Ashland required to amend local code
  - by June 30, 2021 or the model code is used

# What is Middle Housing?



## Opticos Design, Daniel Parolek

- Middle because these housing types sit in the middle of the spectrum between detached single-family homes and mid-rise and high-rise apartment buildings.



# State Middle Housing Requirements



1. Have to allow duplexes on residentially zoned lots that allow development of detached single-family dwellings
2. Approval process and standards used for duplexes must not be more restrictive than those applied to detached single-family dwellings
3. Jurisdictions cannot require off-street parking and owner-occupancy requirements for accessory dwelling units (ADUs)

# Siting and Design Standards



Cannot apply standards that are more restrictive than those for a detached single-family home including:

- Density
- Minimum lot size
- Height, setbacks and lot coverage
- No more than two off-street parking spaces
- Must allow new construction or conversions



# Siting and Design Standards



Can apply regulations related to natural resources and natural hazards

- Wetlands
- Riparian areas and flood zones
- Hillsides
- Wildfire

# Next Steps



May 11, 2021	Planning Commission Public Hearing
May 17, 2021	City Council Study Session
June 1, 2021	City Council Public Hearing
June 15, 2021	City Council 2 <sup>nd</sup> Reading

# Project Information



[www.ashland.or.us/duplexcode](http://www.ashland.or.us/duplexcode)

