

Note: Anyone wishing to speak at any Planning Commission meeting is encouraged to do so. If you wish to speak, please rise and, after you have been recognized by the Chair, give your name and complete address for the record. You will then be allowed to speak. Please note that the public testimony may be limited by the Chair and normally is not allowed after the Public Hearing is closed.

**ASHLAND PLANNING COMMISSION  
REGULAR MEETING  
OCTOBER 11, 2016  
AGENDA**

- I. **CALL TO ORDER:** 7:00 PM, Civic Center Council Chambers, 1175 E. Main Street
  
- II. **ANNOUNCEMENTS**
  
- III. **AD-HOC COMMITTEE UPDATES**
  
- IV. **CONSENT AGENDA**
  - A. **Approval of Minutes**
    - 1. September 13, 2016 Regular Meeting.
  
- V. **PUBLIC FORUM**
  
- VI. **DISCUSSION ITEMS**
  - A. **Ashland Transit Triangle – Infill Strategies Project**
  
- VII. **ADJOURNMENT**

**CITY OF  
ASHLAND**



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Development office at 541-488-5305 (TTY phone is 1-800-735-2900). Notification 48 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 1).

# CITY OF ASHLAND

## ASHLAND PLANNING COMMISSION REGULAR MEETING MINUTES SEPTEMBER 13, 2016

### CALL TO ORDER

Vice Chair Roger Pearce called the meeting to order at 7:00 p.m. in the Civic Center Council Chambers, 1175 East Main Street.

#### **Commissioners Present:**

Troy J. Brown, Jr.  
Michael Dawkins  
Debbie Miller  
Haywood Norton  
Roger Pearce  
Lynn Thompson

#### **Staff Present:**

Bill Molnar, Community Development Director  
April Lucas, Administrative Supervisor

#### **Absent Members:**

Melanie Mindlin

#### **Council Liaison:**

Greg Lemhouse, absent

### ANNOUNCEMENTS

Community Development Director Bill Molnar announced there is still time to sign up for the American Planning Association conference scheduled for Sept. 14-16. He also announced a public meeting has been scheduled to discuss the potential replacement or remodel of city hall. The meeting will be held Sept. 15 at Pioneer Hall.

### AD HOC COMMITTEE UPDATES

Commissioner Dawkins provided an update on the Downtown Parking Management and Circulation Committee. He handed out the 20 strategies listed in the final plan and stated a public meeting has been scheduled for November 2. Dawkins commented on a "sharrow" street design which would establish a clear path for bicycles and not require a reduction in travel lanes, and stated the committee voted unanimously to forward this concept to the city council. He noted the group has primarily focused on parking and a new committee may be formed next year to focus on the multimodal piece.

### CONSENT AGENDA

#### **A. Approval of Minutes.**

1. August 9, 2016 Regular Meeting.
2. August 23, 2016 Study Session.

Commissioners Miller/Brown m/s to approve the Consent Agenda. Voice Vote: all AYES. Motion passed unanimously.

### PUBLIC FORUM

Huelz Gutcheon/2253 Hwy 99/Commented on zero net energy and autonomous (off-grid) homes, as well as energy efficiency program upgrades. He also recommended energy ratings and carbon tax figures be listed on home sale listings.

### UNFINISHED BUSINESS

#### **A. Adoption of Findings for PA-2016-00309, 150 N. Pioneer.**

Community Development Director Bill Molnar clarified the findings are a summary of the commission's recommendation and the city council will make the final decision on this action.

Commissioner Brown recommended Finding 2.2 be corrected to read "...that there is no public need or public benefit as described in the Ashland Comprehensive Plan that would be addressed in approving the request."

Commissioners Brown/Dawkins m/s to approve the Findings for PA-2016-00309 as amended. Voice Vote: all AYES. Motion passed unanimously.

### DISCUSSION ITEMS

#### **A. Climate and Energy Action Plan – Plan Update.**

Project Manager Adam Hanks and Conservation Commission Chair/Climate and Energy Action Plan Committee Vice Chair Roxane Beigel-Coryell addressed the commission and provided an update on the committee's work to date. Mr. Hanks explained the committee's scope of work is to: 1) develop a set of recommendations to protect people and resources from the ongoing impacts of climate change, 2) develop a plan that includes targets and strategies to reduce greenhouse gas emissions in Ashland, 3) targets and strategies will consider cost, feasibility, community acceptance and likelihood of success, with emphasis on voluntary measures for community action, and 4) the plan will include specific, measurable actions that citizens and local businesses can undertake upon adoption of the plan. Mr. Hanks noted the committee has been working with Cascadia Consulting Group to develop the plan and outlined the project timelines and meeting highlights. He provided an overview of greenhouse gas inventory and climate trends and analysis, and stated the preliminary plan goal is to be a carbon neutral community by 2047 using a sector based calculation methodology. Mr. Hanks provided an overview of the overarching trends that came out of the first public open house and explained the plan's focus areas have been defined as: 1) building and energy, 2) urban form, land use, and transportation, 3) consumption and materials management, 4) health and social systems, and 5) natural systems. He stated the committee is currently creating proposed actions for each of these areas and requested the Planning Commission provide feedback so that it can be incorporated into the plan. Mr. Hanks stated there is a strong interest in having the goals adopted by ordinance to hold the community accountable and he invited the commission to the next open house scheduled for September 25.

Mr. Hanks and Ms. Beigel-Coryell were asked to clarify how the 30 year goal will be measured. Ms. Beigel-Coryell explained this is based on the community's greenhouse gas inventory and 2015 is the base year. She clarified the sector based methodology includes local emissions from building energy uses, transportation energy use, methane emissions from waste, and fugitive leakage of refrigerants. It does not include the consumption piece which are the emissions generated outside the community from the production of goods, foods, and services consumed by Ashland residents.

Several commissioners expressed concern with adopting the plan elements by ordinance and the timing of the ordinance request which is identified as before the adoption of the plan by council.

Mr. Hanks handed out the draft strategies and actions for the commission's review and stated one of the options is to enhance programs they already have, such as the energy conservation bonus, pedestrian places, and transit oriented development. He explained some of the actions will be regulatory and others will be voluntary. He added the suggested actions will be vetted and included in the final plan, and then they will funnel to the respective departments for implementing. Mr. Hanks thanked the commission for providing feedback and stated he will be taking this to the other city commissions as well to make sure they are approaching this right and are considering all elements.

### ADJOURNMENT

Meeting adjourned at 8:10 p.m.

*Submitted by,  
April Lucas, Administrative Supervisor*

# ASHLAND TRANSIT TRIANGLE

## Infill Strategies Project

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### Problem Statement

The commercially zoned areas along Ashland St. and Siskiyou Blvd. are less successful than the downtown and railroad district in attracting development with a mix of business and residential uses and an environment that generates pedestrian traffic.

The downtown and railroad district attract well-designed, multi-story mixed use projects with residences on upper floors and business space on the ground floor. In contrast, Ashland St. and Siskiyou Blvd. have primarily attracted a limited number of highway-oriented uses involving national and regional businesses (e.g. Wendy's, Sherwin Williams, Taco Bell) over the past 25 years. These developments include single use, one-story development that one would see on commercial corridors throughout the country.

### Opportunities

The transit triangle, comprised of Ashland St. along the north edge, Siskiyou Blvd. on the southwest side and Tolman Creek Rd. on the eastern edge, includes a large supply of vacant and redevelopable land that allows for a mix of residential and commercial uses. Well established neighborhoods are within walking distance and the area is served by Rogue Valley Transportation District (RVTD).

### Infill Strategies Project

#### Purpose

The purpose of the infill strategies project is to evaluate and explore new policies, programs and actions that create an incentive for business and housing development to accommodate projected growth, while supporting transit service and establishing a vibrant and walkable area.

#### Background and Policy Support

The City Council identified the infill strategies project as a high priority long range planning project in 2014. Specifically, the project was described as “create and analyze development scenarios accommodating varying levels of future employment and housing growth for the transit corridors in the southeast portion of the city. Identify strategies to encourage a concentration and mix of housing and jobs (i.e., transient-oriented development) and increase the desirability of the corridors for residential living.”

A variety of City Council goals and strategies as well as adopted City plans support the examination, discussion and consideration of a new approach to land use development and transportation systems in the transit triangle. See “Draft Guiding Principles” document.

## Phase I: Identify Existing Conditions

City staff worked with Fregonese Associates to evaluate the existing conditions and development pattern in the transit triangle and identify the factors that have and continue to limit the amount and type of redevelopment in the area. Specifically, a return on investment (ROI) analysis was conducted to examine the market feasibility of different types of development along the main streets in the commercial, employment and multi-family residential zones.

A variety of building prototypes with a range and mix of uses were analyzed. The building prototypes include the physical attributes of buildings, such as height and landscaping, and also the financial attributes, such as rents and construction costs. The prototypes included mixed use apartment and retail, mixed use retail and office, office and flexible space (light industrial), adaptive reuse of existing commercial buildings, apartments, condominiums, garden apartments, townhomes and cottages. Most of the building prototypes were multi-story buildings with the exception of adaptive reuse of existing buildings and cottages.

The analysis involved using the Envision Tomorrow (ET) model to understand the real estate market and development potential within the transit triangle, and how potential changes to zoning and the street environment may be impacting that potential.

The ET model provides a quick, sketch-level glimpse of the possible impacts of policies, development decisions and current growth trajectories. ET includes tools that assess redevelopment readiness at the city, neighborhood, or site scale. ET can be used to analyze an individual site or grouping of sites while identifying the rents or sales prices, incentives, or land costs required to make projects "pencil."

## Study Area

The transit triangle area is the area bounded by Ashland St. along the north edge, Siskiyou Blvd. on the southwest side and Tolman Creek Rd. on the eastern edge. Southern Oregon University (SOU) is located on the northwestern side of the area. The Rogue Valley Transportation District (RVTD) Route 10 provides bus service on Ashland St., Tolman Creek Rd. and Siskiyou Blvd. Route 10 runs every 30 minutes. Sherwood Park and Clay Street Park are both located within the Transit Triangle.

The northeastern corner of the triangle where Ashland St. and Tolman Creek Rd. intersect is a primarily commercial area with larger retailers. The other commercial area is on the west side near Walker Ave., Ashland St. and Siskiyou Blvd. This area has smaller, more local serving restaurant and retail services that serve the surrounding neighborhoods and the university. The remainder of the study area is mostly residential with range of housing from single family homes to apartments.

Three creeks, Cemetery, Clay and Hamilton, traverse the interior of the study area. While the area between Siskiyou Blvd. and Ashland St. includes some steeper areas, the commercially developed lots have been heavily altered over time. The majority of the study area is moderately sloped for Ashland.

## Zoning

The transit triangle area is comprised of a variety zones, but the primary development opportunities are adjacent to the main roadways and located in the Commercial (C-1), Employment (E-1) and High Density Multifamily (R-3) zones. Most of Ashland St. and a portion of Siskiyou Blvd. and Tolman Creek Rd. are

located in the Detail Site Review overlay. The areas surrounding the intersections of Ashland St. and Walker Ave. and Ashland St. and Tolman Creek Rd. are also located in the Pedestrian Places overlay.

### Commercial (C-1)

The C-1 zone allows a range of commercial and residential uses, heights of up to 40 feet and residential densities of up to 30 dwelling units per acre.

### Employment (E-1)

The E-1 zone also allows a range of commercial and residential uses as well as light industrial uses, heights of up to 40 feet and residential densities of up to 15 dwelling units per acre.

### High Density Multiple Family Residential Zone (R-3)

The R-3 zone allows single-family and multi-family developments, heights up to two and a half stories and residential densities of up to 20 units per acre. Like the other residential zones, uses such as parks, religious institutions and schools are also accommodated in the R-3 zone. Offices are allowed in the R-3 zone through the Conditional use Permit (CUP) process.

## Buildable Lands Inventory

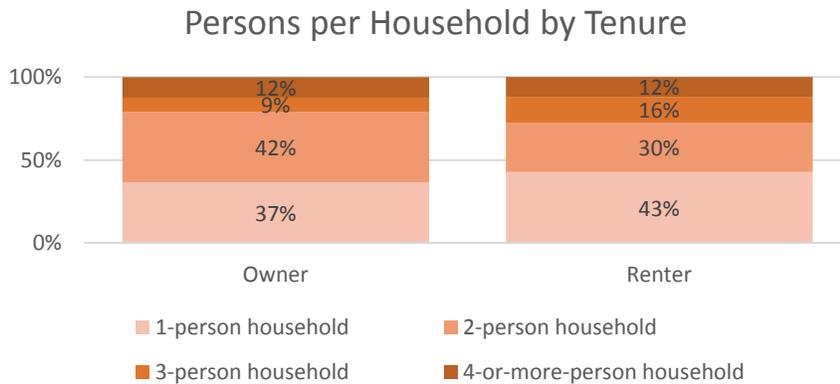
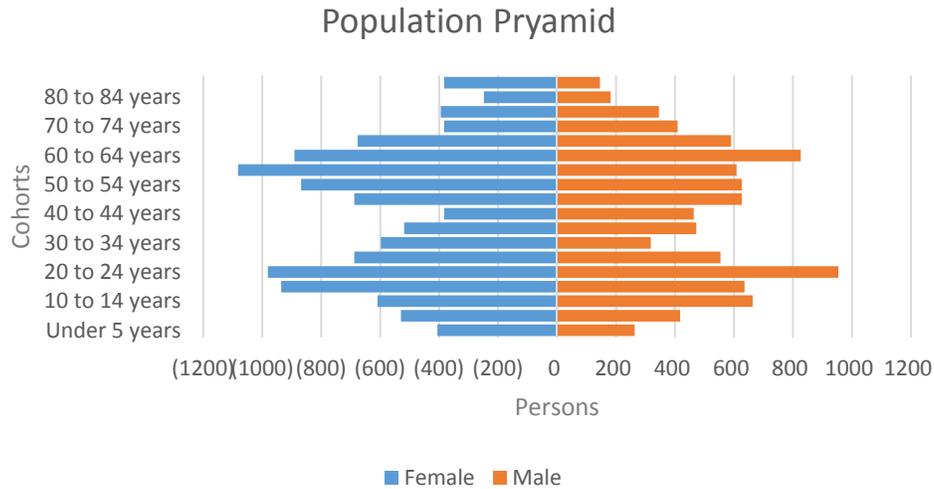
The 2011 Buildable Lands Inventory (BLI) identifies approximately 32 acres of developable land in the transit triangle including 13.7 acres of vacant land and 18.5 acres of partially vacant land. The partially vacant land category is land that is presently developed but retains additional developable property on site. Redevelopment potential of properties that are currently developed can be assessed using two factors including 1) the value of the improvements (structures) relative to the value of the land and 2) the age of the existing buildings on site. The state approved methodology defines a “redevelopable” property as one in which the property’s improvements (structures on the property) are worth less than 30% of the combined value of the improvements and the land. However, within Ashland, the high land cost relative to the building valuations makes using this calculation in isolation a poor indicator of supply of land for future housing and commercial land needs. Jackson County Assessment data shows that nearly half of the buildings within the transit triangle study area were built before 1980, which in combination with the building value to land value ratio, indicates that the area has significant redevelopment potential.

## Demographics

Ashland is changing and there are segments of the current housing market that are not well served by the predominantly single family housing pattern. For instance, one and two person households, such as students and aging Boomers, comprise a large and growing segment of the housing market today.

## Small Households

Similar to national trends, households in Ashland today are largely comprised of one and two people. This is reflective of the major population groups – young and old without children. What is driving the small households is the age composition of Ashland’s population, which is largely young and older residents and limited numbers of 30-50 year olds. The population pyramid looks more like an hour glass than a pyramid, reflecting a sizeable proportion of people in their teens and early 20s and also late 50s and 60s. Charts are based on data from the US Census (American Community Survey 2013) for the City of Ashland.



This is a long term national trend that is changing housing demand. Demand for smaller units, including compact single family, townhomes and apartments, is increasing. In the transit triangle area of Ashland, an opportunity exists to accommodate housing types that can satisfy the City’s housing needs.

# Current Market

## Big Picture

Like many places in Oregon, the real estate market in Ashland has rebounded from the Great Recession of 2007-2009. Healthy condominium sales prices have justified several new construction projects in downtown. The neighborhoods around the transit triangle have also see appreciation but little new construction of denser housing types, such as apartments, has occurred on the main streets within the study area.

In development, costs tend to be fairly fixed and predictable. Land is a fixed cost. Construction costs are also fairly consistent within product types and within regional economies. The amount of value that can be derived from a particular site varies based on the land uses and intensity allowed by zoning and development standards. Ultimately, the mix and intensity of uses determines if the land, construction and public improvement costs can be absorbed or not. Understood this way, the City has considerable influence over rents and development viability through zoning authority and capital investments.

The City of Ashland has direct influence over key aspects of the real estate market. While the City cannot effect private land prices or construction costs, the City does control the land use standards and permitting process, soft costs such as impact fees [ e.g., impact fees for new development such as systems development charges (SDCs)] and capital investments such as street enhancements (e.g., safer and shorter pedestrian crossings, measures to slow vehicular traffic speeds, wider sidewalks, street trees, medians). Understanding this influence and how best to direct it, will allow the City to make positive change more quickly.

## Developer Interviews

In order to better understand the local market and the potential for future investment, Fregonese Associates conducted a limited number of in-person interviews with several people within the development community: an architect/builder, two developers and a commercial contractor. The interviewees were allowed to speak anonymously in order to get their honest assessment of the development experience in Ashland, and specifically within the transit triangle.

This section expresses the general observations of the interviewees from the development community.

Urban development opportunities in Ashland have tended to be centered in the downtown core. A variety of reasons were given for this, including significant urban amenities (e.g., parks, small retail, transit) within walking distance and a strong for-purchase condominium market.

Eastern Ashland, including the transit triangle, has not demonstrated a strong market for multi-story mixed use buildings. However, several of those interviewed said that the area could become more desirable and attract increased investments with greater investment in public improvements such as street trees, lighting, landscaping and wider sidewalks, and flexibility with zoning standards.

Concerns were raised about the uncertainty of the land use and permitting process in Ashland. A lengthy public process can add significant time, cost and uncertainty. Several interviewees said the process is

faster and more predictable in other communities within the Rogue Valley and, as a result, they have built significantly more projects in those areas in the past few years.

Ashland has a history of resistance to and scrutiny of new development. This has taken the form of elevated scrutiny from both the planning commission and the public, and resistance to increased density. However, when density is limited but land prices are high, new construction is only financially feasible in the strongest parts of the Ashland market, such as downtown. Prices in these projects can exceed \$400,000+ per unit and thus developers can justify expensive land and a lengthy and uncertain process. Lower cost, rental projects do not have the profit margins under current zoning to make them appealing in an uncertain environment.

## Return on Investment (ROI) Analysis

Using the developer interviews and online, regional databases of construction costs (RSMeans) and rents (Zillow, LoopNet), Fregonese Associates compiled the range of costs and revenues that could be expected within the study area. A summary table of the key findings is below.

Today, the achievable rents in the study area are too low to make new construction feasible. Based on achievable rents in other, more desirable parts of the City, an increase in achievable rents could be realized within parts of the study area with the right mix of zoning changes and public investments. This would allow the private market to construct rental housing without a subsidy, but still be affordable to people with median or below median incomes.

A high level comparison of both fixed and variable costs and revenues are detailed in the table below under two scenarios: today’s zoning and street environment vs. more flexible zoning and a more pedestrian-friendly environment. While fixed costs generally don’t change, the revenue potential expands with more flexible zoning and additionally by 20% or more with more amenities in the area – and thus investment becomes feasible and far more likely.

***A note on construction costs:*** Construction costs have increased across the state as the economy has expanded and demand for skilled and semi-skilled labor has increased. In markets like Ashland, which are not close to major metropolitan areas, a particularly acute shortage of specialized labor can result in even higher costs.

Cost / Revenue Item	Today	Assuming Zoning and Street Environment Changes
Apartment Rents (\$ / Sq Ft)	\$1.25	\$1.45 - \$1.65
Retail Rent (\$ / Sq Ft NNN)	\$12-15	\$18-22
Construction Costs (\$ / Sq Ft)	\$130-175	\$130-175
Land Costs (\$ / Sq Ft)	\$16-22+	\$16-22+

## Submarkets within Study Area

Not all areas within Ashland are equal in terms of market demand and potential. The same is true for the transit triangle study area. Generally, the residential and mixed-use retail opportunity is higher in the western portion of the study area. The eastern portion of the study area is dominated by auto-oriented uses that focus on traffic from Hwy 66 and Siskiyou Blvd.

Opportunities on the western portion of the study area, centered on the intersection of Ashland St. and Siskiyou Blvd. are highest. Closer to downtown and the university, the western area has broader appeal to the segments of the housing market most likely to desire more compact housing and pedestrian-friendly amenities. Thus, one possible approach would be phasing potential flexibility in land use standards and public investment to improve walkability in the western portion of the transit triangle.

## Building Types Evaluated

A range of building types or “prototypes” were modeled for each of the zones using the ET pro forma model. The building prototypes include the physical attributes of buildings, such as height and landscaping, and also the financial attributes, such as rents and construction costs.

The building prototypes created for the transit triangle represent a range of product types that would be attractive to the smaller households that comprise so much of Ashland’s housing demand today. A variety of building prototypes with a range and mix of uses were analyzed including mixed use apartment and retail, mixed use retail and office, office and flexible space (light industrial), adaptive reuse of existing commercial buildings, apartments, condominiums, garden apartments, townhomes and cottages. Most of the building prototypes were multi-story buildings with the exception of adaptive reuse of existing buildings and cottages.

The ET pro forma model is used to evaluate the financial feasibility of the building prototypes. The model can then be used to look at different scenarios or changes to building and site characteristics and see if the financial feasibility of the development is impacted. For example, reductions in the amount of parking required for a mixed use building with office and residential units can be evaluated to see how the return on investment (ROI) is impacted.

For each building, two versions are shown. One version is consistent with current zoning, while the other incorporates example changes to land use standards. The difference between the two is also shown in the last column.

The rents and sales prices of the residential units are set to a level that would be required to meet a minimum accepted level of financial return (10% for rental; 20% for for-sale). As such, the rental rates and sales prices shown may exceed what is likely to be accepted in the marketplace today, particularly for the versions designed to be consistent with current zoning – and thus would not be considered a viable project. This underscores why there has been very limited, if any, new investment in these product types within the transit triangle.

However, the revised building prototypes show that costs per unit would decrease, allowing a more affordable unit to be produced without subsidy. In the cases of the rental units, the units are affordable to a family of two earning the median income.

## C-1 Zone

## Mixed-Use Apartment & Retail

Site Characteristics	Current Zoning	Market Feasible	Change
Lot Size (Sq Ft)	20,000	20,000	0%
Max Land Cost (/Sq Ft)	\$23	\$25	9%
Height (Stories)	3	4	25%
Parking Spaces	30 (1 per Unit)	32 (1 per Unit)	7%
Units on Site	14	23	64%
Density (Net)	30 DU / Acre	50 DU / Acre	67%
Floor Area Ratio	0.95	1.34	41%
Landscaping	15%	10%	-50%
Project Value	\$3.7 Million	\$5 Million	35%
Average Unit Size	775 sq ft	655 sq ft	-15%
Unit Rent	\$1,473 /month (\$1.90 / sq ft)	\$1,172 /month (\$1.79 / sq ft)	-20%
Affordability (% AMI) <small>(100% AMI for family of 2: \$44,800)</small>	131%	105%	-20%

## R-3 Zone

## Mid-Rise Apartment

Site Characteristics	Current Zoning	Market Feasible	Change
Lot Size (Sq Ft)	10,000	10,000	0%
Max Land Cost (/Sq Ft)	\$16	\$25	56%
Height (Stories)	2	4	100%
Parking Spaces	4 (1 per Unit)	14 (1 per Unit)	250%
Units on Site	4	15	275%
Density (Net)	19 DU / Acre	64 DU / Acre	237%
Floor Area Ratio	0.53	1.31	147%
Landscaping	55% <small>(because of density caps)</small>	15%	-73%
Project Value	\$1 Million	\$2.4 Million	141%
Average Unit Size	1000 sq ft	750 sq ft	-25%
Unit Rent	\$1,750 /month (\$1.75 / Sq Ft)	\$1,238 /month (\$1.65 / Sq Ft)	-29%
Affordability (% AMI) <small>(100% AMI for family of 2: \$44,800)</small>	156%	110%	-29%

## R-3 Zone

## Garden Apartment

Site Characteristics	Current Zoning	Market Feasible	Change
Lot Size (Sq Ft)	10,000	10,000	0%
Max Land Cost (/Sq Ft)	\$16	\$25	56%
Height (Stories)	2	3	50%
Parking Spaces	4 (1 per Unit)	10 (1 per Unit)	150%
Units on Site	4	12	300%
Density (Net)	19 DU / Acre (20 MAX)	53 DU / Acre	178%
Floor Area Ratio	0.53	1.00	89%
Landscaping	55% (because of density caps)	20%	-64%
Project Value	\$1 Million	\$1.9 Million	90%
Average Unit Size	1000 sq ft (large because of density caps)	700 sq ft	-30%
Unit Rent	\$1,750 /month (\$1.75 / Sq Ft)	\$1,190 /month (\$1.70 / Sq Ft)	-32%
Affordability (% AMI) (100% AMI for family of 2: \$44,800)	156%	106%	-32%

## R-2 Zone

## Townhome

Site Characteristics	Current Zoning	Market Feasible	Change
Lot Size (Sq Ft)	10,000	10,000	0%
Max Land Cost (/Sq Ft)	\$17	\$17	0%
Height (Stories)	2	2	0%
Parking Spaces	3 (1 per Unit)	7 (1 per Unit)	133%
Units on Site	3	7	133%
Density (Net)	13.4 DU / Acre	33 DU / Acre	146%
Floor Area Ratio	0.41	1.00	144%
Landscaping	65% (because of density caps)	20%	69%
Project Value	\$511,000	\$1.7 Million	232%
Average Unit Size	1200 sq ft	1200 sq ft	0%
Unit Sale Price	\$314,071 (\$262 / sq ft) \$1,885 Mo Mortgage	\$271,341 (\$226 / sq ft) \$1,626 Mo Mortgage	-14%
Affordability (% AMI) (100% AMI for family of 2: \$44,800)	194%	168%	-14%

## Land Use Considerations

The ROI analysis identified several key areas that potentially could be adjusted to help attract mixed use, multi-story development to the main corridors in the transit triangle. In general, increasing height and density allowances and reducing landscaping and commercial parking requirements resulted in more cost effective projects (both for developers and renters). Across the northwest over the last 20 years, a four story apartment building with frame construction has become a new, more common prototype in urban settings. Thousands of new units have brought housing to older parts of the cities in Oregon and Washington, as these are more feasible for the higher land costs associated with infill, and are suited to a smaller parcel size. Many different finishes can be applied, and often they are built as mixed use buildings. They fit well in pedestrian friendly environments as well.

Where the building height is an issue, several design elements can be used, such as building step-backs over a certain height. A good example is the mixed use public library in the Sellwood neighborhood in Portland. The pedestrian on the sidewalk experiences a 1 story façade, but the building is actually 4 stories.



Fregonese Associates has brought this concept to many other places, below is an example from work they have done in London. We would expect some design standard and setback issues would need to be addressed to ensure compatibility of a taller building in its setting.



## C-1 Zone

Existing density maximums limit the development feasibility in the C-1 zone. Densities of a three or four story mixed-use building can reach 50-60 units an acre depending on the mix of unit sizes. Unit size is closely related to affordability, so allowing increased densities can help deliver smaller, lower cost housing types.

The height limit of 40 feet effectively limits buildings to three stories. Often times ground floor retail needs ceiling heights of 15 or more feet to be successful because high ceilings are desirable. Construction cost is closely related to the number of floors in a building. In certain areas, the City may consider a setting maximum building heights to 50 to 65 feet to allow for the construction of four to five story buildings. Setback and design standards can keep this compatible with the surrounding area. These buildings would be similar in scale to the Greensprings Dorms (but of a more modern and attractive design).

## R-3 Zone

Similar to the C-1 zone, the density of the R-3 zone limits development feasibility. Since land cost is a fixed cost, the only way to afford the land and construction cost in a low density zone is to price the housing units at a high price point.

The R-3 zone maximum density of 20 units per acre results in one of two outcomes. Either investment is not financially feasible and new construction does not happen, or the resulting units are very large and have a high price tag. Setting a maximum of 40-50 units per acre would allow a broader range of unit sizes to be constructed, which would improve the financial feasibility and also better match the housing types that are in demand in Ashland.

An alternative used by some cities is to regulate Floor Area Ratio (FAR), rather than unit count, as the impact of a large apartment is quite a bit more than a small studio, but is treated the same by the unit based regulations.

The landscaping requirements also affect the financial viability of new construction. The R-3 zone requires 25% landscaping whereas 15% and 20% is more typical in urban areas surrounding transit corridors. If this is concentrated in the most visible areas or used in critical landscape buffers, the effect will be similar.

The R-3 zone allows 2 ½ stories or 35 feet, which is the same as the Single Family R-1-5 zone. In residential zones where ground floor retail is not needed, a maximum of 50 feet would allow for a four story building that can accommodate desirable high ceiling units.

## Potential Changes

The ROI analysis identified potential zoning changes that, if made, would improve the financial feasibility of development in the transit triangle and help deliver housing types that meet the demand of the current and future households in Ashland.

- Increase residential densities to increase the likelihood of a range of smaller unit sizes
  - C-1: from 30 to 50 - 60 units per acre
  - R-3: from 20 to 40 - 50 units per acre
  - R-2: from 13.5 to 30 - 40 units per acre
- Increase maximum heights
  - C-1: from 40' to 55' - 65' to allow four – five story construction with ground floor retail
  - R-3: from 35' to 50' to allow four story construction
  - R-2: from 35' to 40' to allow three full height floors
- Decrease commercial parking standards
  - C-1 and E-1: reduce to 1/750 to 1/1000 square feet of all commercial space
  - Depending on the use, the developer or financial partner may require more but generally the City should let the market establish appropriate parking standards
- Reduce required landscaping standards
  - C-1 and E-1: from 15% to 10%
  - R-3: from 25% to 15%
  - R-2: from 35% to 20%

If this is accepted as an implementation strategy, there would potentially be modifications to the zoning setbacks and Site Design Standards to ensure compatibility.

## Targeted Investments will Improve Market Strength

Housing close to urban amenities such as walkable streets, retail, parks, transit and bike facilities have higher value than those without. This phenomenon is demonstrated empirically by academics through the use of hedonic price modeling, but is also evident by observing the Ashland real estate market.

Downtown Ashland has high quality amenities and has high valued housing. The academic literature is extensive on this subject, and the estimated increases in achievable rents range widely depending on the types of amenities and distances examined, however, as reasonable assumption is between 10-20%.

Within the transit triangle, a program of strategic capital investments in street enhancements, such as traffic calming (road diet), safer and shorter pedestrian crossings, bike lanes, on-street parking, street lighting and trees, would increase desirability and safety in the area. This increased desirability translates into increased demand from a wider demographic cross section. The western portion of the study area adjacent to Southern Oregon University has the greatest short term market potential, thus the recommendation is a targeted and phased enhancement strategy that begins at the western portion of the study area.

## Attachments

Draft Guiding Principles

Maps of Ashland Transit Corridor Study Area

- City Zones
- 2011 Buildable Lands
- Detail Site Review and Pedestrian Places Overlays

# ASHLAND TRANSIT TRIANGLE

## Infill Strategies Project

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### Draft Guiding Principles

Throughout the process of developing infill strategies, the Planning Commission, property owners engaged in the process, consultant team and staff will reference the following guiding principles to help guide discussions about strategies identified.

- Update infill strategy along major transportation corridors to promote housing and business development, as well as alternative transportation choices (Council Goal 13.2).
- Conduct a Return on Investment (ROI) analysis on sample properties to examine the market feasibility of mixed use development within the project area.
- Consider changes to the land use ordinance that may be inhibiting redevelopment or new construction (Economic Development Strategy 7.3).
- Consider additions to the Site Design Standards and other land use ordinances to ensure that higher density buildings are compatible with their settings.
- Promote a development pattern that results in a balanced, multi-modal transportation system and that enhances opportunities for walking, bicycling or using transit in areas planned for transit service.
- Promote infill development along transit corridors to provide alternatives to, or delays the need for, expansion of the City UGB (RPS).
- Reduce emissions that contribute to climate change through changes to transportation or land use plans that reduce expected automobile vehicle miles traveled.
- Provide a strategy for implementation of project outcomes.

### Applicable Council Goals and Policies

#### Environment

Develop and support land use and transportation policies to achieve sustainable development. (13)

13.2 Develop infill and compact urban form policies.

- Update infill strategy along major transportation corridors to promote housing and business development, as well as alternative transportation choices.

#### Regional Problem Solving Element of the Comprehensive Plan

The City of Ashland did not identify any Urban Reserve Areas (URAs) through the regional planning process. Therefore it is incumbent upon the City to increase efficiency in the use of land through concentration of housing in centrally located areas within the City UGB which are planned for future

urban development. Promoting infill development along transit corridors provides alternatives to, or delays the need for, expansion of the City UGB.

## Energy and Infrastructure

Be proactive in using best practices in infrastructure management and modernization. (21)

21.2 Expand public transportation options.

## Economy

Ensure that commercial and industrial areas are available for development. (19)

19.3 Use existing financial tools to support re-development.

19.4 Create predictable pathways for development of employment land.

## Applicable Economic Development Strategies

6. Provide appropriate land supplies for needed business growth/expansion with quality infrastructure to all commercial and employment lands

6.5 Evaluate land availability for business expansion on lands on or adjacent to existing businesses

6.6 Determine feasibility and cost/benefit for public purchase of key industrial lands to make “shovel ready” for re-sale for business development

7. Manage physical development process to ensure understandable requirements with timely and predictable results while safeguarding and improving the quality of the environment and the community

7.3 Consider changes to Land Use Development Code that may be inhibiting redevelopment or new construction

## Applicable Administrative Goals (Long-Range Planning Objectives)

Encourage responsible development of employment lands. (34)

34.3 Conduct pre development site expansion/growth evaluations for key employment lands within Ashland (Econ Dev Strategy action 6.5)

Investigate strategies that provide housing opportunities for the total cross section of Ashland’s population. (36)

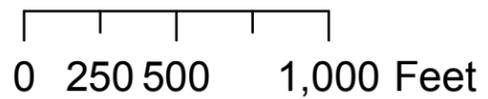
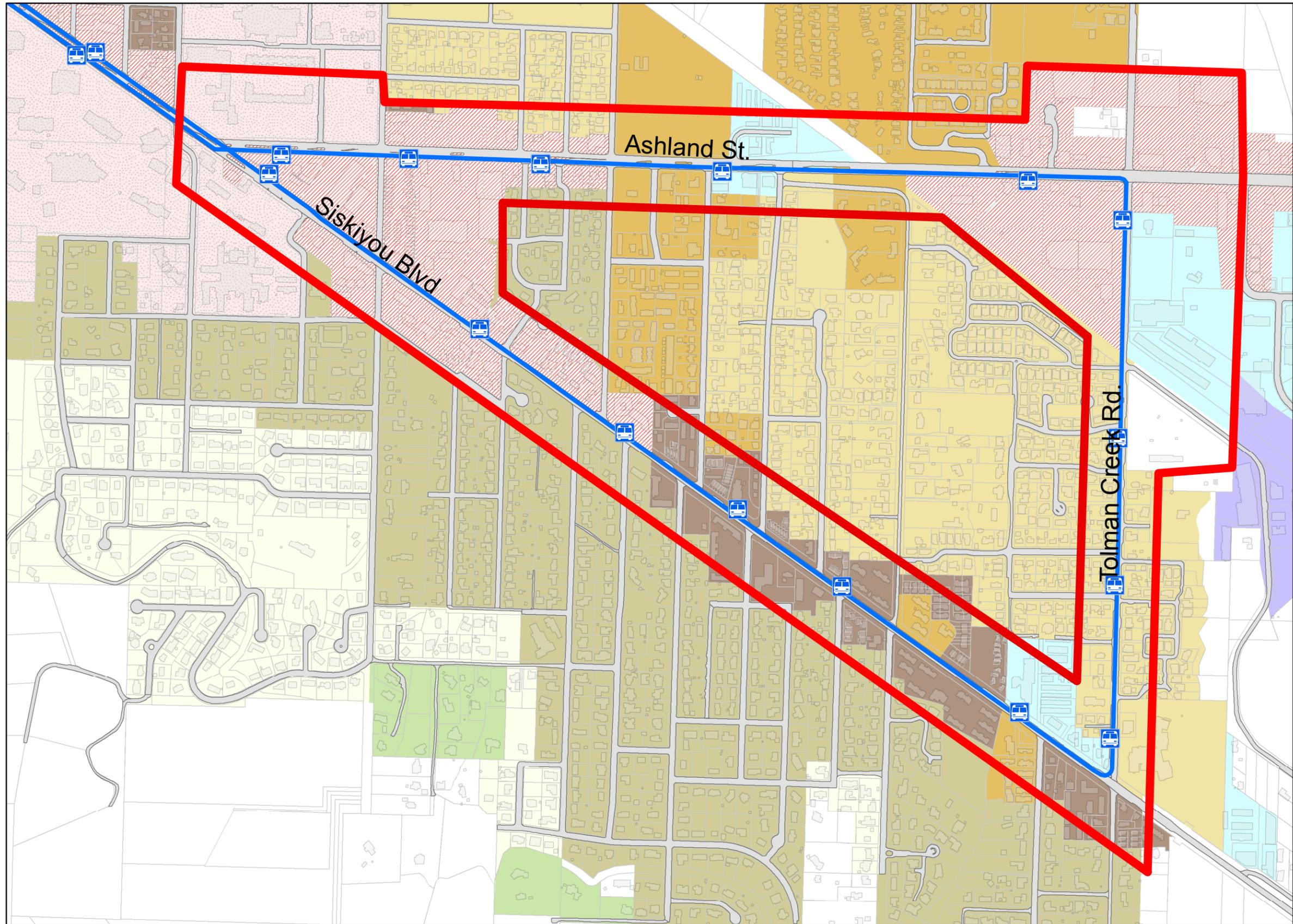
36.2 Adjust infill strategies in order to promote housing development along major transportation corridors

# Ashland Transit Corridor Study Area

**City Zones**

**ZONING**

- C-1
- E-1
- M-1
- R-1-10
- R-1-5
- R-1-7.5
- R-2
- R-3
- RR-.5
- SO
- RVTD Route

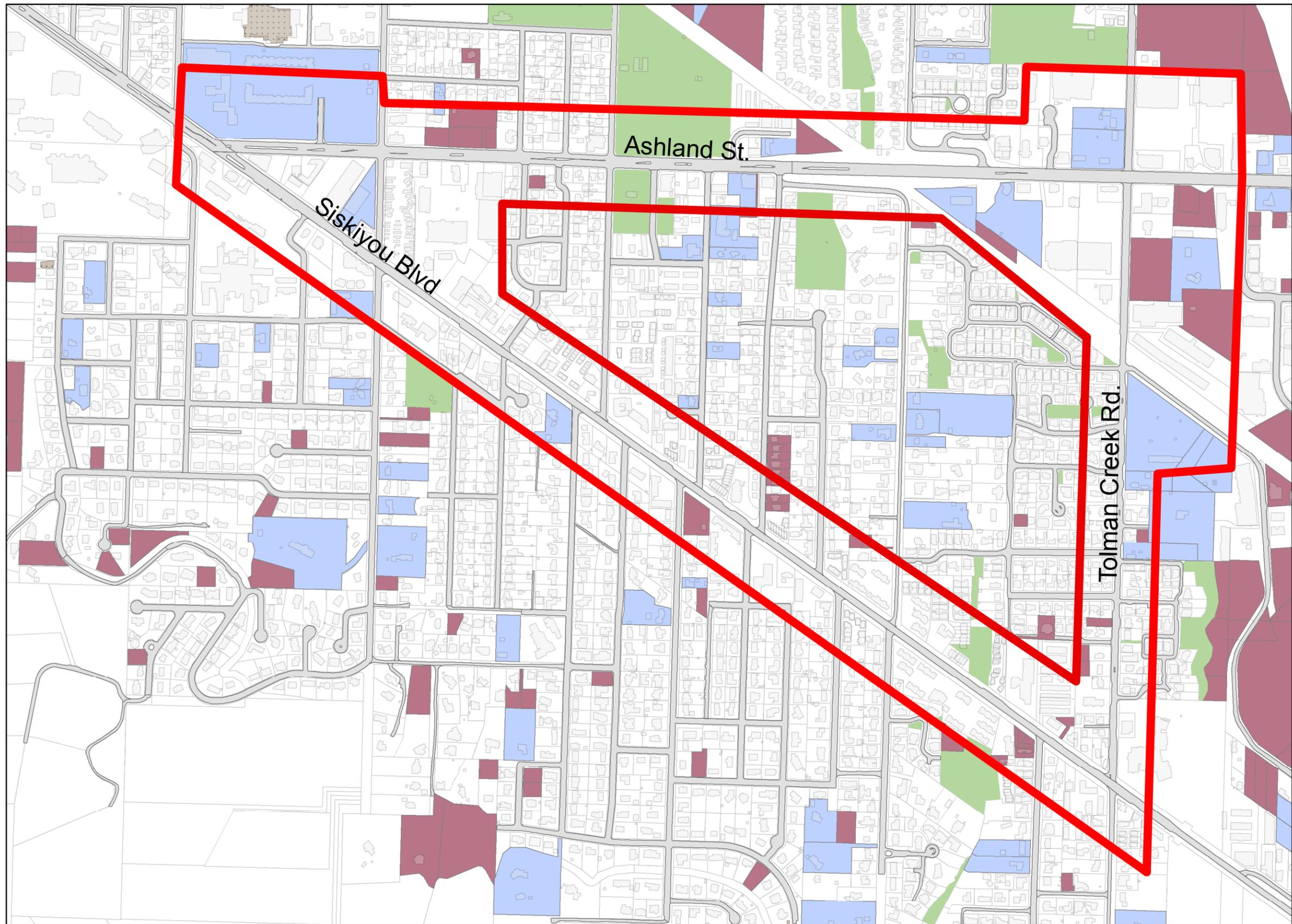


Property lines are for reference only, not scaleable

# Ashland Transit Corridor Study Area

**2011 Buildable Lands**

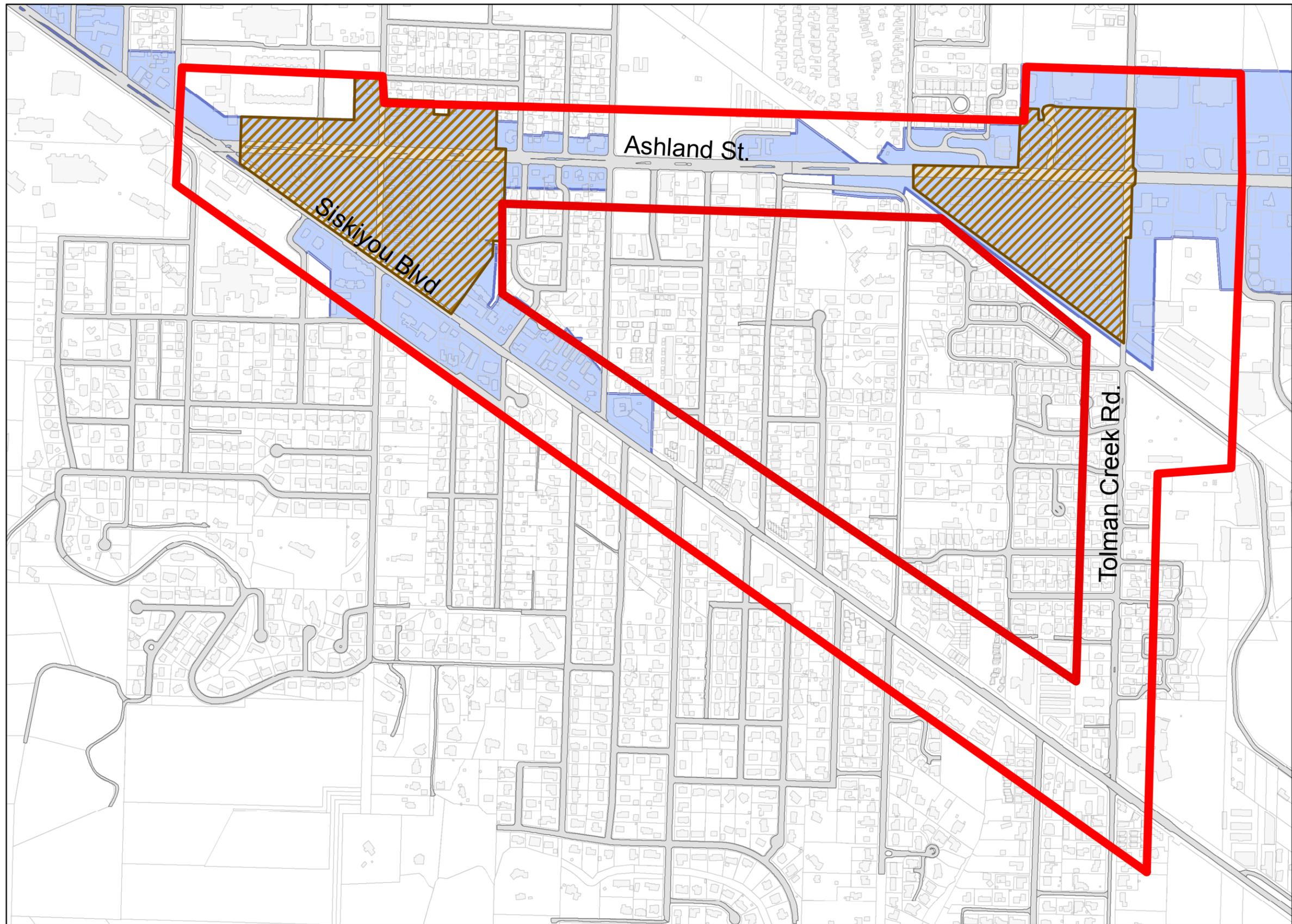
- Partially Vacant
- Vacant
- Park / Open Space



0 250 500 1,000 Feet

# Ashland Transit Corridor Study Area

 Pedestrian Places  
 Detail Site Review



0 250 500 1,000 Feet