

# Council Business Meeting

January 16, 2018

**Title:** Infill Strategy Update and Ordinance Revisions  
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## Summary:

This item is to update the Mayor and City Council on the infill strategy project and seek permission to initiate ordinance amendments based on the draft land use code revisions prepared by Fregonese Associates. The infill strategy aims to identify the factors that limit development and create incentives for additional housing and business development adjacent to the bus route which in turn, may result in increased transit ridership. The study area is referred to as the transit triangle and includes the area in the southeast part of the city comprised of the property adjacent to the bus route on Ashland St., Tolman Creek Rd. and Siskiyou Boulevard.



Fregonese Associates developed a package of draft code amendments to address zoning and land use standards that were identified in the first phase as affecting the market feasibility of development, particularly for projects including housing units. The amendments would apply to the Transit Triangle Overlay and include:

- deleting the maximum residential density
- using a maximum floor area ratio (FAR) to control building volume and intensity
- allowing additional building height and stories
- requiring a building step back above the second story or building articulation for 25 percent of building façade

- requiring housing units to be rental units and not allowing condominiums or travelers' accommodations
- reducing the parking requirement for housing units to one per 800 sq. ft. unit
- allowing some commercial floor area without additional off-street parking
- reducing the landscaping requirement in the R-2 and R-3 zones; and
- allowing limited floor area for commercial uses in the R-2 and R-3 zones.

The Planning Commission reviewed the draft amendments on October 24, 2016 ([meeting minutes](#)), an open house meeting was held on December 11, 2017 and a stakeholder meeting of developers, design professionals, real estate brokers and agency representatives was held on December 12, 2017. Project materials are available on the project web page at [www.ashland.or.us/transit\\_triangle](http://www.ashland.or.us/transit_triangle).

**Actions, Options, or Potential Motions:**

I move to direct the Planning Commission to initiate ordinance revisions to implement the infill strategy for the transit triangle study area.

**Staff Recommendation:**

Staff recommends moving forward with ordinance amendments to implement the draft land use code revisions developed by Fregonese Associates. The ordinance amendments are intended to create incentives for business and housing development adjacent to the bus route.

**Resource Requirements:**

The resources required for this project are budgeted within the current biennium. The contract with Fregonese Associates of \$38,320.00 was approved by the City Council on March 21, 2017.

**Policies, Plans and Goals Supported:**

The project addresses a variety of City Council goals and strategies as well as adopted City plans. The attached Draft Guiding Principles document details the applicable Council goals and policies including the following City Council goals for people and the environment.

**People**

Seek opportunities to enable all citizens to meet basic needs. (5)

5.2.a Pursue affordable housing opportunities, especially workforce housing. Identify specific incentives for developers to build more affordable housing.

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

**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.

The Transportation System Plan includes four projects in the transit triangle related to improving sidewalks, bus shelters and intersections enhancements for pedestrians including two projects for Ashland Street Streetscape Enhancements (R38 for Siskiyou Blvd. to Walker Ave. and R-39 for Walker Ave. to Normal Ave.), Ashland Street/Tolman Creek Road (R41) and the Walker Ave. festival street (R40).

The infill strategy project also relates to policies included in the Climate and Energy Action Plan (CEAP). Specifically, the plan includes strategies to address residential travel and the emissions associated with passenger cars and trucks. Common strategies for replacing residential travel trips in passenger cars and trucks include promoting land use development patterns that utilize existing public infrastructure and making using transit and alternate modes of transportation possible and even desirable.

**Background and Additional Information:**

Fregonese Associates has prepared an infill strategy for the transit triangle that includes three components – land use ordinance amendments, streetscape improvements and a vertical housing development zone (see attached Ashland Transit Triangle Infill Strategies Project, January 2018). A vertical housing development zone provides a 10-year property tax exemption for residential units developed above the ground floor in mixed-use, multi-story buildings.

The action item before the Mayor and City Council at this time is providing direction regarding the land use ordinance amendments. Future work would include working with the Public Works Department on the streetscape improvements in the transit triangle and developing the framework for a Vertical Housing Development Zone.

Fregonese Associates developed a package of draft code amendments to address zoning and land use standards that were identified in the first phase as affecting the market feasibility of development, particularly for projects including housing units. The implementation strategy includes removing existing housing density maximums to provide an incentive for the private market to build at a higher density with a focus on smaller unit sizes.

The draft land use ordinance revisions are attached. The recommended zoning changes include establishing a Transit Triangle Overlay, eliminating the Pedestrian Places Overlay and the following ordinance amendments.

- Allowing four-story buildings in the C-1 and E-1 zones and three-story buildings in the R-2 and R-3 zones. Currently, building height is limited to 40 feet with a five-foot parapet (i.e., three stories) in the C-1 and E-1 zones and 35 feet or 2.5 stories in the R-2 and R-3 zones.
- Buildings would be required to be stepped back at least 10 feet for any portion of the building over 25 feet in height (i.e., third and fourth stories). An alternative would be to have articulation for at least 25% of the building façade. The step back or articulation would be required on the front of the building or any building side that is within 25 feet of a residential zone. Step backs are not currently required.
- Delete the allowed units per acre and instead regulate building volume and intensity by a maximum floor area ratio (FAR). The recommended FAR is 1.5 for C-1 and E-1 zones and 1.25 for the R-2 and R-3 zones. Currently, 30 housing units per acre are allowed in C-1, 15 units per acre are allowed in E-1, 13.5 units per acre in the R-2

zone and 20 units per acre in the R-3 zone. In addition, there is no maximum FAR at this time.

- Residential units developed under the Transit Triangle Overlay option would be required to be rental units. Condominiums and travelers' accommodations would not be allowed.
- Reduce the off-street parking requirement to one space for residential units less than 800 square feet. Currently, one parking space is required for units less than 500 square feet.
- Additional parking would not be required for the first 1,250 square feet of commercial floor area in mixed use buildings (e.g., commercial and residential uses).
- Reduce the required landscape area to 20 percent in the R-2 and R-3 zones. Currently, the required landscape area is 35 percent in the R-2 zone and 25 percent in the R-3 zone.
- Allow limited floor area for commercial uses in the R-2 and R-3 zones.

The Planning Commission reviewed the draft amendments on October 24, 2016 ([meeting minutes](#)), an open house meeting was held on December 11, 2017 and a stakeholder meeting of developers, design professionals, real estate brokers and agency representatives was held on December 12, 2017. Project materials are available on the project web page at [www.ashland.or.us/transit\\_triangle](http://www.ashland.or.us/transit_triangle).

Approximately 30 people attended the open house meeting on December 11, 2017 and participated in a lively discussion. Some of the issues discussed and comments included objection to allowing additional building stories or residential units, support of additional stories along street or at intersections, support of additional building height with building step backs, concerns about additional traffic and requiring less parking, support for more affordable housing, and concerns about potential noise impacts from new mechanical equipment on adjacent residential neighborhoods. Approximately 900 invitations were sent by mail to properties located in and surrounding the transit triangle study area. The meeting was also posted on the City of Ashland web site news items.

The presentation at the open house meeting included building design options (e.g., number of stories, with or without a step back) and participants were asked to vote on their preferred design. As a follow-up to the meeting, a questionnaire was emailed to participants to gather the public's preferences regarding various building types and to collect information from community members about desired neighborhood and community characteristics. The questionnaire is available on the project web page <http://www.surveygizmo.com/s3/4064983/Ashland-Transit-Triangle-Survey>. At the time of writing, 24 questionnaires were completed. A summary of the results is attached (see Report for Ashland Transit Triangle Survey).

Twelve individuals attended the stakeholder meeting on December 12, 2017 including developers, design professionals, real estate brokers and representatives from Rogue Valley Transportation District (RVTD) and Jackson County Housing Authority. Some of the issues discussed included providing flexibility to the step back requirement to allow articulation through other architectural features, continuing rise of construction costs, providing bus passes and requiring less parking for affordable units, consider higher FAR and more stories because

helps with economies of scale, consider allowing development of residential units on ground floor that can be converted to commercial because there is limited commercial demand in Ashland, and the potential of car-sharing programs, smart car parking and self-driving cars to dramatically change the area required for parking. Thirty individuals were invited to the meeting.

The first phase of the project involved conducting a market feasibility analysis for a variety of building types incorporating land, construction and permitting costs and the physical attributes of buildings allowed by the zoning and land use standards. The analysis determined that the current market conditions and existing zoning of the area promotes building larger housing unit sizes and the projected rental rates exceed the amount a two-person household at median income can afford. The recommendations included making zoning changes such as eliminating the maximum density, slightly lowering the amount of parking required and lowering the amount of landscaping required.

Fregonese Associates and planning staff provided the City Council an update on the first phase and information about the findings of the market feasibility analysis at the December 19, 2016 City Council study session ([meeting minutes](#)). Council directed staff to move forward with the next steps and bring back a package of options for implementation. The Planning Commission reviewed this work at the October 11, 2016 and November 22, 2016 meetings. In addition, a developer roundtable was held on December 19, 2016 with developers, contractors and design professionals to review the market feasibility analysis. Interviews with development industry professionals were also used to verify the construction costs and rents used in the model.

The transit triangle is served by Rogue Valley Transportation District (RVTD) Route 10 with 20-minute service from 7am-5pm (Monday-Friday) and 30-minute service for the remainder of the day (5am-7am and 5pm-7pm, Monday - Friday). Route 10 also includes service on Saturdays at hour intervals. Route 10 provides the highest ridership in the RVTD system (50 percent of all RVTD riders) and the Bi-Mart stop on Tolman Creek Rd. is one of the most used stops system wide. RVTD has preliminarily identified service enhancements including expanded early morning and later evening service Monday through Friday and providing 30-minute service on Saturdays.

Other opportunities in the transit triangle include vacant and redevelopable land, well-established public facilities, and shopping, services and neighborhoods within walking distance. A challenge in the transit triangle is the transition between new development and existing residential neighborhoods.

**Attachments:**

Draft Guiding Principles, October 11, 2016

Ashland Transit Triangle Infill Strategies Project, January 2018

Draft Land Use Code Revisions, 18.3.12.070 Ashland Transit Triangle Overlay

Report for Ashland Transit Triangle Survey