

ORDINANCE NO. [2020-xxxx]

AN ORDINANCE AMENDING CHAPTERS 18.2.3, 18.2.5, 18.5.8 AND 18.5.9 OF THE ASHLAND LAND USE ORDINANCE REGARDING CONVERSION OF MULTI-FAMILY RENTAL UNITS INTO FOR-PURCHASE HOUSING, AFFORDABLE HOUSING STANDARDS, AND APPROVAL STANDARDS FOR ZONE CHANGES AND ANNEXATIONS.

Annotated to show ~~deletions~~ and **additions** to the code sections being modified. Deletions are **bold lined through** and additions are in **bold underline**.

WHEREAS, Article 2. Section 1 of the Ashland City Charter provides:

Powers of the City The City shall have all powers which the constitutions, statutes, and common law of the United States and of this State expressly or impliedly grant or allow municipalities, as fully as though this Charter specifically enumerated each of those powers, as well as all powers not inconsistent with the foregoing; and, in addition thereto, shall possess all powers hereinafter specifically granted. All the authority thereof shall have perpetual succession.

WHEREAS, the above referenced grant of power has been interpreted as affording all legislative powers home rule constitutional provisions reserved to Oregon Cities. City of Beaverton v. International Ass'n of Firefighters, Local 1660, Beaverton Shop 20 Or. App. 293; 531 P 2d 730, 734 (1975); and

WHEREAS the City of Ashland recognizes that under Goal 10 of Oregon's Statewide Planning Goals & Guidelines (OAR 660-015-0000(10)) that jurisdictions shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density; and

WHEREAS, the Housing Element of the City of Ashland Comprehensive Plan establishes the goal of supporting the creation and preservation of housing that is affordable to low- and moderate-income households and that is commensurate with the incomes of Ashland's workforce; and

WHEREAS the City of Ashland City Council recognizes that for a healthy community the provision of a range of affordable housing is a top priority for the City of Ashland; and

WHEREAS, the City Council of the City of Ashland has determined that neither the private market, nor the public sector, has yet provided the levels of housing affordability necessary to maintain a balanced community, local government must take an active lead to ensure an adequate supply of housing for residents and working people of all income levels;

WHEREAS, the City of Ashland Housing and Human Services Commission conducted on September 24th, 2020 a duly advertised public meeting on amendments to the Ashland Land Use Ordinance concerning the standards relating to affordable housing, and standards for zone changes and annexations, and following deliberations recommended [REDACTED] of the amendments;

WHEREAS, the City of Ashland Planning Commission conducted on [REDACTED] a duly advertised public hearing on amendments to the Ashland Land Use Ordinance concerning the standards relating to affordable housing, and standards for zone changes and annexations, and following deliberations recommended [REDACTED] of the amendments;

WHEREAS, the City Council of the City of Ashland conducted a duly advertised public hearing on the above-referenced amendments [REDACTED]; and

WHEREAS, the City Council of the City of Ashland, following the close of the public hearing and record, deliberated and conducted first and second readings approving adoption of the Ordinance in accordance with Article 10 of the Ashland City Charter.

WHEREAS, the City Council of the City of Ashland has determined that in order to protect and benefit the health, safety and welfare of existing and future residents of the City, it is necessary to amend the Ashland Municipal Code and Land Use Ordinance in manner proposed, that an adequate factual base exists for the amendments, the amendments are consistent with the comprehensive plan and that such amendments are fully supported by the record of this proceeding.

THE PEOPLE OF THE CITY OF ASHLAND DO ORDAIN AS FOLLOWS:

SECTION 1. The above recitations are true and correct and are incorporated herein by this reference.

SECTION 2. The Special Use Standards Chapter of Ashland Land Use Ordinance, sub-section 18.2.3.200.C.5 is hereby amended as follows:

18.2.3.200 Multiple-Family Rental Unit Conversion to For-Purchase Units

18.2.3.200.C

5. Affordable Housing Units provided under 18.2.3.200.C.2 and 18.2.3.200.C.3 shall meet the following affordability standards:

a. Affordable Rental Units shall be affordable for rent by households earning at or below ~~60~~ **80** percent of the AMI in accordance with the standards established by section 18.2.5.050 (~~Resolution 2006-13~~).

b. Affordable Ownership Units shall be affordable for purchase by households earning at or below 80 percent of the AMI in accordance with the standards established by section 18.2.5.050 (~~Resolution 2006-13~~).

SECTION 3. The Standards for Residential Zones Chapter of Ashland Land Use Ordinance subsection 18.2.5.050, Affordable Housing Standards, is hereby amended as follows:

18.2.5.050 Affordable Housing Standards

A. General Eligibility – Rental and Purchased Housing.

1. All qualifying ownership or rental units required to be affordable through density bonuses, annexation, zone change, condominium conversion, or other land use approval under this ordinance shall not be eligible to receive a waiver of the Community Development and Engineering Services fees associated with the development of said affordable units unless a waiver is approved by the City Council.
2. All qualifying ownership or rental units required to be affordable through density bonuses, annexation, zone change, condominium conversion, or other land use approval under this ordinance shall be eligible to receive a deferral of the System Development Charges associated with the development of said affordable units.
3. All qualifying ownership or rental units voluntarily provided as affordable to low income households, consistent with subsections 18.2.5.050.A.1 and 18.2.5.050.A.2, above, shall be eligible for a System Development Charge, Engineering Service, and Community Development Fee deferral or waiver without obtaining approval from the Council.
4. Affordable Housing Units covered under this section can only be sold or rented to occupant households from the same income category as the original purchasers or renters for a period of not less than 30 years, or as required through the condition of approval for a unit required to be affordable through a land use approval.
5. System Development Charges, Engineering Services, and Community Development Fees may be deferred or waived when units are sold or rented to low-income persons. For purposes of this subsection, "low-income persons" means:
 - a. With regard to rental housing, persons with an income at or below 60 percent of the area median income (AMI) as determined by the State Housing Council based on information from the United States Department of Housing and Urban Development (HUD); and
 - b. With regard to home ownership housing and lease to purchase home ownership housing, persons with an income at or below 80 percent of the AMI as determined by the State Housing Council based on information from HUD.

B. Rental Housing. Units designated for affordable rental housing in developments which have qualified for density bonuses, annexation, zone change, condominium conversion, or other land use approval under this ordinance shall be rented to individuals or households whose annual income is consistent with the target income identified in the planning approval. Incomes

shall be qualified as being equal to or less than either at the 60 percent or 80 percent median income levels maximums annually established for households in the Medford-Ashland Metropolitan Statistical Area (MSA). This figure shall be known as the "qualifying household income" and shall be determined by the City's Community Development Department in May of each year from the annual family incomes published by HUD for the Medford-Ashland MSA.

1. Area Median Income – 60 and 80 percent. The rent charged for such affordable rental housing benefiting households earning 60 percent Area Median Income or less, and 80 percent AMI of Area Median Income or greater-less, including any home-owners association or maintenance fees, shall ~~not exceed 23 percent of the qualifying monthly income (qualifying family income divided by twelve) as provided in the following formulas: not exceed 23 percent of the qualifying monthly income (qualifying family income divided by twelve) as provided in the following formulas: comply with the maximum rents established by U.S. Department of Housing and Urban Development (HUD) for the HOME program for the corresponding bedroom size.~~

~~Table 18.2.5.050.B. Rent Charges for Affordable Rental Housing~~

Unit Type	Maximum Rent Charges
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

- a. The City's Community Development Department shall maintain a table of maximum rent levels permitted pursuant to the formulas of Table 18.2.5.050.B established by U.S. Department of Housing and Urban Development (HUD) for the HOME program and shall annually update the table in May of each year.
- b. The HUD "Low Rent" limit shall apply to units targeted toward households earning 60% of Area Median Income or less.

- c. The HUD “High Rent” limit shall apply to units targeted toward households earning greater than 60% Area Median Income up to and including 80% of Area Median Income.
- d. Low-Income Housing Tax Credit (LIHTC) assisted affordable rental housing units, subject to rent control through the LIHTC program, may utilize the rent limits established by the LIHTC program as an alternative to the rent levels established by U.S. Department of Housing and Urban Development (HUD) for the HOME program. Upon completion of the LIHTC compliance period the maximum rent levels established in 18.2.5.050.B.1.a-c shall apply through the remaining term of affordability.

~~2. Area Median Income – 60 percent or lower. The rent charged for such affordable rental housing benefiting households earning 60 percent AMI or less, including any home-owners association or maintenance fees, shall comply with the maximum rents established by the State of Oregon HOME Program based on the target income qualification as adjusted annually by HUD for the Medford-Ashland MSA. The HOME program indexed allowable rents are adjusted annually by the State of Oregon Housing and Community Services Department (OHCS).~~

3. Owner’s Obligation. The owner of the affordable rental housing shall sign a 30-year agreement, or longer depending on the period of affordability established through **this ordinance a planning action approval or legislative land use decision**, with the City that guarantees these rent levels will not be exceeded and that the owner will rent only to households meeting the income limits. The agreement shall bind subsequent owners who purchase the rental housing during the established period of affordability. The agreement shall also require the owner to allow the unit to be rented to HUD Section 8 qualified applicants and agree to accept rent vouchers for all of the affordable units when applicable. The City shall file the agreement for recordation in the County Clerk deed records, Jackson County, Oregon.

4. Certification of qualifying occupants. The owner of record, or the designated agent of the record, owner, shall annually file with the City a signed certificate stating the occupants of the record owner’s rental housing units continue to be qualified households, or are a household that qualified at its initial occupancy, within the meaning of this resolution, and any amendment made to it. The City shall provide the record owner or the record owner’s agent with access to a form to complete and sign to comply with this provision.

C. Purchased Houses – Qualifying. Units designated for affordable housing available for purchase in developments which have qualified for **affordable housing** density bonuses, annexation, zone change, condominium conversion, or other land use approval under this ordinance must satisfy the criteria in subsections 18.2.5.050.C.1 and 18.2.5.050.C.2, below:

1. They shall only be sold to occupant households whose:
 - a. Annual income is consistent with the target income identified in the planning approval for the development. Incomes shall be qualified at the applicable ~~60 percent~~, 80 percent, 100 percent, or 120 percent median income levels for households based on number of people per household as adjusted annually by HUD for the Medford-Ashland **MSA Metropolitan Service Area (MSA)**.

b. The maximum initial purchase price shall be determined on the date the designated affordable unit enters the affordable housing program. The maximum initial purchase price is based on a formula that accounts for what a qualifying household can afford to pay as a maximum monthly housing payment. The formula used to calculate the maximum monthly housing payment incorporates the following:

- i. **The maximum monthly housing payment shall not exceed 30% of the monthly income for the target income level indicated in subsection 18.2.5.050.C.1.a.**
- ii. **The formula used to calculate the monthly housing payment shall include Principal, Interest, Taxes, and Insurance (PITI) and any homeowners or regular maintenance fees.**
- iii. **The formula used to calculate the monthly housing payment will assume a down payment equal to 10% of the purchase price.**
- iv. **The formula used to calculate monthly housing payment will assume a 30-year fixed-rate mortgage with an interest rate of 5%.**

~~b. c.~~ The maximum monthly **housing** payment for a covered unit shall be established to not exceed the affordability limits, established in ~~the paragraph above this section~~, and pursuant to the occupancy number indicated in Table 18.2.5.050.C.

Table 18.2.5.050.C. Occupancy Basis for Affordable ~~Rental~~ Ownership Housing

Unit Type		Occupancy
Households with a greater or lesser number of occupants shall remain eligible for covered units but the sale price shall not be adjusted due to household size above the limits established above.		
Studio	=	1 person household income for the designated income level
1 Bedroom	=	2 person household income for the designated income level

Unit Type		Occupancy
2 Bedroom	=	4 <u>3</u> person household income for the designated income level
3 Bedroom <u>or greater</u>	=	6 <u>5</u> person household income for the designated income level
4 Bedroom	=	7 person household income for the designated income level

c. Net assets, excluding pension plans and IRAs and excluding the down payment and closing costs, do not exceed ~~\$20,000~~ \$25,000 for a household or ~~\$130,000~~ \$175,000 if one household member is 65 years or older.

~~d. Mortgage payment does not exceed more than 30 percent of the monthly income for the target income level indicated in subsection 18.2.5.050.C.1.a, above on total housing costs which includes principal, interest, taxes, insurance, and any homeowners or regular maintenance fees.~~

~~e. The maximum monthly payment for a covered unit shall be calculated by utilizing the interest rate for the Oregon Bond Loan Rate Advantage as updated by the OHCS.~~

2. They shall remain affordable as follows:

a. The purchasers of the affordable housing units shall agree to the City of Ashland Affordable Housing Resale Restriction Agreement establishing a period of affordability of not less than 30 years. ~~In no event will a purchaser be required to sell the unit subject to the aforementioned Agreement for less than his or her original purchase price, plus any applicable closing costs and realtor fees.~~

b. The maximum resale price will be calculated using the current seller's initial purchase price plus an additional 0.125% of said initial purchase price for each full month the current seller has owned the home.

c. In no event will a purchaser be required to sell the unit subject to the Affordable Housing Resale Restriction Agreement for less than his or her original purchase price, plus any applicable closing costs and realtor fees.

~~b. For housing financed by Farmer's Home Administration (FHA), the affordability shall be assured by the FHA's recapture provisions FHA which require sellers to repay FHA for all the subsidies accrued during the period the sellers resided in the housing unit.~~

SECTION 4. The Annexations Chapter of Ashland Land Use Ordinance, sub-sections 18.5.8.050.C, 18.5.8.050.G and 18.5.8.050.H are hereby amended as follows:

Annexation

18.5.8.050 Approval Criteria and Standards

An annexation may be approved if the proposed request for annexation conforms, or can be made to conform through the imposition of conditions, with all of the following approval criteria.

- A.** The land is within the City's Urban Growth Boundary.
- B.** The proposed zoning for the annexed area is in conformance with the designation indicated on the Comprehensive Plan Map, and the project, if proposed concurrently with the annexation, is an allowed use within the proposed zoning.
- C.** The land is currently contiguous with the present city limits.
- D.** Adequate City facilities for the provision of water to the site as determined by the Public Works Department; the transport of sewage from the site to the waste water treatment plant as determined by the Public Works Department; the provision of electricity to the site as determined by the Electric Department; urban storm drainage as determined by the Public Works Department can and will be provided to and through the subject property. Unless the City has declared a moratorium based upon a shortage of water, sewer, or electricity, it is recognized that adequate capacity exists system-wide for these facilities.
- E.** Adequate transportation can and will be provided to and through the subject property. For the purposes of this section "adequate transportation" for annexations consists of vehicular, bicycle, pedestrian, and transit transportation meeting the following standards.
 - 1. For vehicular transportation a 20-foot wide paved access exists, or can and will be constructed, along the full frontage of the project site to the nearest fully improved collector or arterial street. All streets adjacent to the annexed area shall be improved, at a minimum, to a half-street standard with a minimum 20-foot wide driving surface. The City may, after assessing the impact of the development, require the full improvement of streets adjacent to the annexed area. All streets located within annexed areas shall be fully improved to City standards. Where future street dedications are indicated on the Street Dedication Map or required by the City, provisions shall be made for the dedication and improvement of these streets and included with the application for annexation.
 - 2. For bicycle transportation safe and accessible bicycle facilities exist, or can and will be constructed. Should the annexation be adjacent to an arterial street, bike lanes shall be provided on or adjacent to the arterial street. Likely bicycle destinations from the project site shall be determined and safe and accessible bicycle facilities serving those destinations shall be indicated.

3. For pedestrian transportation safe and accessible pedestrian facilities exist, or can and will be constructed. Full sidewalk improvements shall be provided on one side adjacent to the annexation for all streets adjacent to the proposed annexed area. Sidewalks shall be provided as required by ordinance on all streets within the annexed area. Where the project site is within a quarter of a mile of an existing sidewalk system, the sidewalks from the project site shall be constructed to extend and connect to the existing system. Likely pedestrian destinations from the project site shall be determined and the safe and accessible pedestrian facilities serving those destinations shall be indicated.

4. For transit transportation, should transit service be available to the site, or be likely to be extended to the site in the future based on information from the local public transit provider, provisions shall be made for the construction of adequate transit facilities, such as bus shelters and bus turn-out lanes. All required transportation improvements shall be constructed and installed prior to the issuance of a certificate of occupancy for any new structures on the annexed property.

F. For all residential annexations, a plan shall be provided demonstrating that the development of the entire property will ultimately occur at a minimum density of 90 percent of the base density for the zone, unless reductions in the total number of units is necessary to accommodate significant natural features, topography, access limitations, or similar physical constraints. The owner or owners of the property shall sign an agreement, to be recorded with the county clerk after approval of the annexation, ensuring that future development will occur in accord with the minimum density indicated in the development plan. For purposes of computing maximum density, portions of the annexed area containing undevelopable areas such as wetlands, floodplain corridor lands, or slopes greater than 35 percent, shall not be included.

G. Except as provided in 18.5.8.050.G.7, below, annexations with a density or potential density of four residential units or greater and involving residential zoned lands, or commercial, employment or industrial lands with a Residential Overlay (R-Overlay) shall meet the following requirements.

1. The total number of affordable units provided to qualifying buyers, or to qualifying renters, shall be equal to or exceed 25 percent of the base density as calculated using the unit equivalency values set forth herein. **The base density of the property for the purposes of this calculation shall exclude any undevelopable portions of the property such as wetlands, floodplain corridor lands, water resource areas, slopes greater than 35 percent, or land area dedicated as a public park.**

a. Ownership units restricted to households earning at or below 120 percent the area median income shall have an equivalency value of 0.75 unit.

b. Ownership units restricted to households earning at or below 100 percent the area median income shall have an equivalency value of 1.0 unit.

c. Ownership **or rental** units restricted to households earning at or below 80 percent the area median income shall have an equivalency value of 1.25 unit.

~~d. Ownership or Rental units restricted to households earning at or below 60 percent the area median income shall have an equivalency value of 1.5 unit.~~

2. As alternative to providing affordable units per section 18.5.8.050.G.1, above, the applicant may provide title to a sufficient amount of buildable land for development complying with subsection 18.5.8.050.G.1.b, above, through transfer to a non-profit (IRC 501(3)(c) affordable housing developer or public corporation created under ORS 456.055 to 456.235.

a. The land to be transferred shall be located within the project meeting the standards set forth in 18.5.8.050.G, subsections 4 - 6.

b. All needed public facilities shall be extended to the area or areas proposed for transfer.

c. Prior to commencement of the project, title to the land shall be transferred to the City, an affordable housing developer which must either be a unit of government, a non-profit 501(C)(3) organization, or public corporation created under ORS 456.055 to 456.235.

d. The land to be transferred shall be deed restricted to comply with Ashland's affordable housing program requirements.

3. The affordable units shall be comparable in bedroom mix **and housing type** with the market rate units in the development.

a. The number of bedrooms per dwelling unit in the affordable units within the residential development shall be in equal proportion to the number of bedrooms per dwelling unit in the market-rate units within the residential development. This provision is not intended to require the same floor area in affordable units as compared to market-rate units. The minimum square footage of each affordable unit shall comply with the minimum required floor based as set forth in Table 18.5.8.050.G.3 , **or as established by the U.S. Department of Housing and Urban Development (HUD) for dwelling units developed under the HOME program.**

Table 18.5.8.050.G.3.

Unit Type	Minimum Required Unit Floor Area (Square Feet)
Studio	350
1 Bedroom	500
2 Bedroom	800

Unit Type	Minimum Required Unit Floor Area (Square Feet)
3 Bedroom	1,000
4 Bedroom	1,250

~~b. The required on-site affordable units shall be comprised of the different unit types in the same proportion as the market dwelling units within the development.~~

4. A development schedule shall be provided that demonstrates that that the affordable housing units per subsection 18.5.8.050.G shall be developed, and made available for occupancy, as follows.

a. That 50 percent of the affordable units shall have been issued building permits prior to issuance of a certificate of occupancy for the last of the first 50 percent of the market rate units.

b. Prior to issuance of a building permit for the final ten percent of the market rate units, the final 50 percent of the affordable units shall have been issued certificates of occupancy.

c. Transfer of title of buildable land to a non-profit (IRC 501(3)(c) affordable housing developer, or public corporation, shall be considered a demonstration that 18.5.8.050G.4(a) and 18.5.8.050G.4(b) are satisfied, provided the transferred land is deed restricted to be developed as affordable housing in compliance with subsection 18.5.8.050.G.2 and the transfer of title is completed prior to the issuance of a certificate of occupancy for the last of the first 25% of the market rate units.

~~5. That affordable housing units shall be distributed throughout the project.~~

~~6.~~ 5. That affordable housing units shall be constructed using comparable building materials and include equivalent amenities as the market rate units.

a. The exterior appearance of the affordable units in any residential development shall be visually compatible with the market-rate units in the development. External building materials and finishes shall be substantially the same in type and quality for affordable units as for market-rate units.

b. Affordable units may differ from market-rate units with regard to **floor area,** interior finishes and materials, **and housing type** provided that the affordable housing units are provided with comparable features to the market rate units, and shall have generally comparable improvements related to energy efficiency, including plumbing, insulation, windows, appliances, and heating and cooling systems.

~~7.6.~~ Exceptions to the requirements of 18.5.8.050, subsections G.2 – G.5, above, may be approved by the City Council upon consideration of one or more of the following.

a. That an alternative land dedication as proposed would accomplish additional benefits for the City, consistent with the purposes of this chapter, than would development meeting the on-site dedication requirement of subsection 18.5.8.050.G.2.

~~b. That an alternative mix of housing types not meeting the requirements of subsection 18.5.8.050.G.3.b would accomplish additional benefits to the City consistent with this chapter, than would the development providing a proportional mix of unit types.~~

~~c.b.~~ That the alternative phasing proposal not meeting subsection 18.5.8.050.G.4 provided by the applicant provides adequate assurance that the affordable housing units will be provided in a timely fashion.

~~d. That the distribution of affordable units within the development not meeting subsection 18.5.8.050.G.5 is necessary for development of an affordable housing project that provides onsite staff with supportive services.~~

~~e. That the distribution of affordable units within the development as proposed would accomplish additional benefits for the city, consistent with the purposes of this chapter, than would development meeting the distribution requirement of subsection 18.5.8.050.G.5.~~

~~f. c.~~ That the materials and amenities applied to the affordable units within the development, that are not equivalent to the market rate units per subsection 18.5.8.050.G.6, are necessary due to local, State, or Federal Affordable Housing standards or financing limitations.

~~8.7.~~ The total number of affordable units described in this section 18.5.8.050.G shall be determined by rounding down fractional answers to the nearest whole unit. A deed restriction or similar legal instrument shall be used to guarantee compliance with affordable criteria for a period of not less than 60 years for units qualified as affordable rental housing, or 30 years for units qualified as affordable for-purchase housing . ~~Properties providing affordable units as part of the annexation process shall qualify for a maximum density bonus of 25 percent.~~

H. One or more of the following standards are met.

1. The proposed area for annexation is to be residentially zoned, ~~and there is less than a five-year supply of vacant and redevelopable land in the proposed land use classification within the current city limits. “Redevelopable land” means land zoned for residential use on which development has already occurred but on which, due to present or expected market forces, there exists the likelihood that existing development will be converted to more intensive residential uses during the planning period. The five-year supply shall be determined from vacant and redevelopable land~~

~~inventories and by the methodology for land need projections from the Housing Element of the Comprehensive Plan, under the Comprehensive Plan, and that the applicant will obtain planning action approval for an outright permitted use, special permitted use, or conditional use in conformance with the annexation request.~~

2. The proposed lot or lots will be zoned **M-1**, CM, E-1, or C-1 under the Comprehensive Plan, and that the applicant will obtain Site Design Review approval for an outright permitted use, or special permitted use concurrent with the annexation request.
3. A current or probable public health hazard exists due to lack of full City sanitary sewer or water services.
4. Existing development in the proposed annexation has inadequate water or sanitary sewer service, or the service will become inadequate within one year.
5. The area proposed for annexation has existing City water or sanitary sewer service extended, connected, and in use, and a signed consent to annexation agreement has been filed and accepted by the City.
6. The lot or lots proposed for annexation are an island completely surrounded by lands within the city limits.

SECTION 5. The Application Review Procedures and Approval Criteria Chapter of Ashland Land Use Ordinance, subsection 18.5.9.020.A is hereby amended as follows:

18.5.9.020 Applicability and Review Procedure

Applications for Plan Amendments and Zone Changes are as follows:

- A. Type II.** The Type II procedure is used for applications involving zoning map amendments consistent with the Comprehensive Plan map, and minor map amendments or corrections. Amendments under this section may be approved if in compliance with the Comprehensive Plan and the application demonstrates that one or more of the following.
1. The change implements a public need, ~~other than the provision of affordable housing,~~ supported by the Comprehensive Plan.
 2. A substantial change in circumstances has occurred since the existing zoning or Plan designation was proposed, necessitating the need to adjust to the changed circumstances.
 3. Circumstances relating to the general public welfare exist that require such an action.
 4. Proposed increases in residential zoning density resulting from a change from one zoning district to another zoning district, will provide 25 percent of the proposed base density as affordable housing consistent with the approval standards set forth in subsection 18.5.8.050.G.

5. Increases in residential zoning density of four units or greater on commercial, employment, or industrial zoned lands (i.e., Residential Overlay), will not negatively impact the City's commercial and industrial land supply as required in the Comprehensive Plan, and will provide 25 percent of the proposed base density as affordable housing consistent with the approval standards set forth in subsection 18.5.8.050.G.

6. The total number of affordable units described in 18.5.9.020.A, subsections 4 or 5, above, shall be determined by rounding down fractional answers to the nearest whole unit.

7. A deed restriction, or similar legal instrument, shall be used to guarantee compliance with affordable criteria for a period of not less than 60 years **for units qualified as affordable rental housing, or 30 years for units qualified as affordable for-purchase housing**. 18.5.9.020.A subsections 4 and 5 do not apply to Council initiated actions.

SECTION 6. Severability. The sections, subsections, paragraphs and clauses of this ordinance are severable. The invalidity of one section, subsection, paragraph, or clause shall not affect the validity of the remaining sections, subsections, paragraphs and clauses.

SECTION 7. Codification. Provisions of this Ordinance shall be incorporated in the City Comprehensive Plan and the word "ordinance" may be changed to "code", "article", "section", or another word, and the sections of this Ordinance may be renumbered, or re-lettered, provided however that any Whereas clauses and boilerplate provisions (i.e. Sections 1, 6-7) need not be codified. In preparing this ordinance for publication and distribution, the City Recorder shall not alter the sense, meaning, effect, or substance of the ordinance, but within such limitations, may:

- (a) Renumber sections and parts of sections of the ordinance;
- (b) Rearrange sections;
- (c) Change reference numbers to agree with renumbered chapters, sections or other parts;
- (d) Delete references to repealed sections;
- (e) Substitute the proper subsection, section, or chapter numbers;
- (f) Change capitalization and spelling for the purpose of uniformity;
- (g) Add headings for purposes of grouping like sections together for ease of reference; and
- (h) Correct manifest clerical, grammatical, or typographical errors.

The foregoing ordinance was first read by title only in accordance with Ashland Municipal Code §2.04.090 on the _____ day of _____, 2020,
and duly PASSED and ADOPTED this _____ day of _____, 2020.

Melissa Huhtala, City Recorder

SIGNED and APPROVED this ____ day of _____, 2020.

John Stromberg, Mayor

Reviewed as to form:

David Lohman, City Attorney