

# Council Study Session

Date May 6, 2019

<b>Agenda Item</b>	Ashland Housing Strategy Implementation Plan (draft)	
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<b>Item Type</b>	Requested by Council <input checked="" type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input type="checkbox"/> Presentation <input type="checkbox"/>	

## **SUMMARY**

The draft Ashland Housing Strategy Implementation Plan was produced by the planning consulting firm ECONorthwest through a technical assistance grant provided by the Department of Land Conservation and Development. The plan provides an analysis of Ashland's housing markets and recommends various strategies that could be considered to promote the development of multi-family housing within the community.

## **POLICIES, PLANS & GOALS SUPPORTED**

### Comprehensive Plan Housing Element

Goal: Ensure a variety of dwelling types and provide housing opportunities for the total cross section of Ashland's population, consistent with preserving the character and appearance of the City.

### Council Goals and Values 2019

#### Tier 2: Moderate Priority

- Housing Needs
- All-Age Friendly Community

## **BACKGROUND AND ADDITIONAL INFORMATION**

In 2018 participating Regional Problem Solving (RPS) jurisdictions within the Rogue Valley examined local regulatory barriers and potential incentives to address needed housing. As part of this regional effort the Ashland Housing Strategies document was drafted by ECONorthwest after working with City planning and housing staff to review our land use code and existing housing programs. This initial document was presented to the City Council on [October 1, 2018](#), and it identified several potential actions and regulatory reforms to be considered to address the following:

- Improve the efficiency of residential land use by increasing the concentration of housing under certain circumstances,
- Increase opportunity for development of housing types that are comparatively affordable, such as missing middle housing types (such as duplexes, townhouses, cottage housing, or garden apartments)
- Increase land use efficiency and provide opportunities for development of comparatively affordable housing.

To further evaluate the Ashland Housing Strategies, the City's Planning Division was fortunate to receive a technical assistance grant from the Department of Land Conservation and Development (DLCD). The City Council approved a [Memorandum of Understanding](#) (MOU) with DLCD in October of 2018 to work with ECONorthwest to analyze and adopt a housing strategy implementation plan to facilitate the provision of needed housing within the community. In recognition of Ashland's need for multi-family rental housing the scope of work outlined in the MOU focused on those specific actions that encourage the development of new multifamily units through identifying barriers in the land use ordinance as well as considering other incentives. Specifically, the DLCD technical assistance grant enabled the City and ECONorthwest to undertake the following:

- Conduct a code audit and evaluation of the impacts of potential increases to maximum residential density, building height and lot coverage, and potential decreases to parking requirements for multifamily housing types.
- Evaluate financial returns of for-sale versus rental housing to understand the market conditions necessary to facilitate production of rental housing.
- Evaluate the potential impact of the multiple-unit limited tax exemption program on the development feasibility of higher density rental housing types.
- Review the impact of Ashland's annexation policies and approval standards on multi-family residential land supply within the City Limits.
- Develop recommendations for code amendments that are most likely to be effective in both removing obstacles and identifying incentives to promote the construction of multifamily rental housing in R-2, R-3 and other multi-family zones.

The Ashland Housing Strategy Implementation Plan presented to the City Council this evening addresses each of the above stated objectives. The draft Ashland Housing Strategy Implementation Plan completed by ECONorthwest provides an analysis of Ashland's unique housing market, an analysis of existing multifamily development standards, and explores tax abatement strategies available to promote the development of multifamily housing. The draft plan further provides preliminary recommendations that the City may consider as part of a subsequent legislative process. These recommendations (pg 36-38) outline specific amendments to existing development standards in multi-family zones (R-2, R-3), and discuss financial incentives through partial tax exemptions for multi-family housing development.

The Housing & Human Services Commission and Planning Commission reviewed the draft plan at a joint study session on April 23<sup>rd</sup>, and staff will present a summary of their comments during this evening's presentation. Following these study sessions, and in consideration of Commission and Council discussions, ECONorthwest will complete the final Ashland Housing Strategy Implementation Plan per the approved Scope of Work. With the final plan in hand the Council may consider directing staff to initiate a public code amendment process for the final recommendations provided.

Any future amendments to the development code will be processed through a separate legislative adoption process including public outreach, study sessions before the Planning and Housing &

Human Services Commissions, public notices, and ultimately public hearings for adoption of ordinance amendments or resolutions by the City Council.

**FISCAL IMPACTS**

No additional financial resources are necessary to complete the final Housing Strategy Implementation Plan. In the event Council directs staff to develop code amendments for consideration long-range planning staff time will be dedicated to the project. Additionally, staff will explore Department of Land Conservation and Development technical assistance grant opportunities that may be available in FY 2020. Receiving such grant assistance would enable the City to obtain consultant services to assist in drafting code amendments and conducting the legislative public involvement process.

**DISCUSSION QUESTIONS**

Does the Council have questions or comments regarding the Draft Ashland Housing Strategy Implementation Plan?

**SUGGESTED NEXT STEPS**

Upon completion of the final Ashland Housing Implementation Plan staff will present the plan to the City Council and request direction on whether to proceed with implementation of recommendation outlined in the plan.

**REFERENCES & ATTACHMENTS**

Ashland Housing Strategy Implementation Plan – Public Review Draft

[Regional Problem Solving Ashland Housing Strategies 2018](#)

- [City Council Study Session minutes October 1, 2018](#)

[DLCD Memorandum of Understanding October 2, 2018](#)