

Council Study Session

5/17/2021

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| Agenda Item | Housing Capacity Analysis Update | |
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| Item Type | Requested by Council <input type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input type="checkbox"/> Presentation <input checked="" type="checkbox"/> | |

SUMMARY

The Housing Capacity Analysis (HCA) includes an assessment of housing needs, residential land supply, and identifies a variety of strategies and actions for accommodating needed housing. The primary purpose of the HCA is to ensure that Ashland has an available land supply sufficient to accommodate our population's housing needs over the next 20 years. The draft HCA is presented to the City Council at this study session as a progress update and to address questions or comments from City Councilors in advance of the preparation of the final document.

The completion of the HCA through this project will allow the City to fulfill requirements set forth in [House Bill 2003](#) which established a mandated deadline for Ashland to complete an update of the HCA by December 31, 2023. The availability and award of the Department of Land Conservation and Development grant funding allowed the City to accelerate the completion of the HCA in advance of this deadline.

POLICIES, PLANS & GOALS SUPPORTED

Ashland Comprehensive Plan

- Housing Element Chapter VI Goal (6.10.04): *Forecast and plan for changing housing needs over time in relation to land supply and housing production.*
 - *Policy 22: Maintain a data base that includes, measurement of the amount of vacant land and land consumption, housing conditions, land use, land values, and any other pertinent information.*
 - *Housing Needs Analysis "Technical Reports and Supporting Documents"*

State of Oregon

- Statewide Planning Goal 10 (Housing): *Buildable lands for residential use shall be inventoried, and plans shall encourage the availability of adequate numbers of 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."*
- Oregon Revised Statutes 197.296: *Factors to establish sufficiency of buildable lands within urban growth boundary.*
- [House Bill 2003](#): The 2019 Oregon Legislature passed the law which requires Oregon's cities over 10,000 population to study the future housing needs of their residents and to develop strategies that encourage the production of housing their residents need.

PREVIOUS COUNCIL ACTION

In May of 2020 the City Council authorized an application for State of Oregon funding assistance to updating the City's Housing Capacity Analysis (HCA). The City of Ashland received a grant from the State Department of Land Conservation and Development (DLCD) to undertake an update of Ashland's 2012 Housing Needs Analysis.

The City's [Buildable Lands Inventory](#) (BLI) was updated in 2019 ([Resolution 2020-01](#)) and adopted on [January 21, 2020](#). This recently completed BLI provided a factual basis to evaluate land availability within Ashland's Urban Growth Boundary and was the first step in preparing for the City's HCA update.

BACKGROUND AND ADDITIONAL INFORMATION

Following the award of a State Grant from the Department of Land Conservation and Development, EcoNorthwest consultants and City staff began an analysis of Ashland's housing capacity in October 2020. This update of Ashland's [2012 Housing Needs Analysis](#) is on schedule and is to be completed by June 30, 2021. At the conclusion of grant funded work by EcoNorthwest the City will have a hearings-ready draft Housing Capacity Analysis (HCA).

An HNA includes a housing needs projection addressing housing types and price levels, residential needs analysis, buildable lands inventory and identification of measures for accommodating needed housing as described in Oregon Administrative Rules (Chapter 660, Divisions 7 and 8 and ORS 197.307).

The Housing Strategy appendix to the draft Housing Capacity Analysis provides the City with a starting point for the future development of a Housing Production Strategy. A Housing Production Strategy shall be developed within one year of the updated HCA according to HB 2003, and will involve reviewing the recommended strategies and actions provided in this document, assessing whether additional strategies are necessary, providing more detail about each selected strategy, and setting an implementation schedule for specific actions to be undertaken by the City by the year 2030.

To assist in the development of the Housing Capacity Analysis, an advisory group was formed comprised of members of the Planning Commission, Conservation Commission, Housing and Human Services Commission, a member of the Ashland School Board, and members of both the non-profit and market-rate housing development communities. This advisory group discussed general project assumptions, results, and implications at four meetings held between December 2020 and April 2021. The group also explored and suggested a range of housing policy options and strategies for the City of Ashland to further consider as it addresses its housing needs.

On January 21, 2021 the Planning Commission and Housing and Human Services Commission held a joint study session to review initial findings presented by EcoNorthwest relating to the land supply and projected housing needs. The Planning Commission held a study session on the HCA on March 23, 2021. The Housing and Human Services Commission met on March 25th, 2021, to further discuss the draft analysis and housing strategies presented for consideration.

From April 1st through April 15th the City of Ashland held a "virtual open house" in which Ashland residents could review information relating to Ashland's housing market, demographics, land need, and needed housing types. The open-house also included a series of survey questions for respondents

to provide their perspective on the community's housing needs, preferences, and values. Approximately 400 people attended the open house and 267 people responded to the survey. The summary of the survey responses is provided as an attachment to this communication.

FISCAL IMPACTS

Funding assistance from the Oregon Department of Land Conservation and Development paid for consultant assistance to research Ashland's housing market, coordinate with Ashland Commissions and the advisory group, and draft a hearings ready Housing Capacity Analysis at no direct cost to the City other than Staff time.

DISCUSSION QUESTIONS

Does the City Council have any general questions or comments regarding the draft Housing Capacity Analysis?

Does the City Council have any general questions or comments regarding the draft Housing Strategy included as Appendix A of the draft HCA?

NEXT STEPS

City Staff and EcoNorthwest consultants will prepare the final hearings-ready draft of the Housing Capacity Analysis by June 30, 2021. In addition to the adoption of a Housing Capacity Analysis, House Bill 2003 requires cities over 10,000 population to adopt a Housing Production Strategy (HPS) one year following completion of the HCA.

REFERENCES & ATTACHMENTS

Attachment 1: HCA_Draft_Report_20210504

Attachment 2: HCA_Survey_20210416