

# Council Business Meeting

08/03/2021

<b>Agenda Item</b>	Public Hearing and First Reading of an Ordinance Amending the Ashland Comprehensive Plan to Adopt the Housing Capacity Analysis as a Technical Report and Supporting Document to Chapter VI [Housing Element].	
<b>From</b>	Brandon Goldman Bill Molnar	Senior Planner Community Development Director
<b>Contact</b>	<a href="mailto:Brandon.Goldman@ashland.or.us">Brandon.Goldman@ashland.or.us</a> , 541-552-2076	

## SUMMARY

The 2021-2041 Housing Capacity Analysis (HCA) provides an assessment of housing needs, residential land supply, and identifies a variety of potential strategies and actions for accommodating future 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.

Council approval of Ordinance#3200 as presented will adopt the 2021-2041 HCA as a Technical Report and supporting document of the Ashland Comprehensive Plan's Housing Element. This analysis will then be available to provide valuable information and projections regarding housing needs and land supply to inform consideration of future housing policies, code changes, and programs. The completion of the HCA through this project further fulfills 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.

Following adoption of the HCA, the City is to begin the development of a Housing Production Strategy per the requirements of [House Bill 2003](#). In addition to the request to approve First Reading of an ordinance adopting the HCA following the public hearing, a separate request is made of Council to direct Staff to seek a technical assistance grant from the Department of Land Conservation and Development to undertake the development of a Housing Production Strategy.

## 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**

At a study session on May 17, 2021 the City Council reviewed the draft Housing Capacity Analysis (HCA) including initial findings relating to the land supply and projected housing needs as presented by EcoNorthwest's Senior Policy Advisor Beth Goodman, and City of Ashland Senior Planner Brandon Goldman.

The City's [Buildable Lands Inventory](#) (BLI) was updated in 2019 ([Resolution 2020-01](#)) and adopted by Council 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 prior [2012 Housing Needs Analysis](#) was completed in June of 2021 and is presented as the 2021-2041 Ashland Housing Capacity Analysis (HCA).

An HCA includes a housing needs projection addressing housing types, residential needs analysis, buildable lands inventory and identification of potential 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 (Appendix A) provides the City with a starting point for the future development of a Housing Production Strategy. The HCA does not set policy or establish housing goals, but rather will inform the development of the Housing Production Strategy (HPS) which is to be developed within one year of the updated HCA according to HB 2003. The development of the HPS will involve reviewing the recommended strategies and actions provided in Appendix A of the Housing Capacity Analysis, 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 over the next eight years.

### **Public Review Background**

To assist in the development of the Housing Capacity Analysis, an advisory group was formed comprised of members of the Planning Commission, Climate Policy 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.

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 virtual open house and 267 people completed the questionnaire. Due to the self-selected method of respondent participation online, and lack of random sampling of the population, the results of this online

questionnaire are not being presented as having a high level of statistical significance. However, with 267 Ashland residents responding, cumulatively this outreach effort represents approximately 22 hours of direct public input (assumed at 5 minutes per respondent) relating to housing issues affecting the community. This broad collection of public opinions will be of further value in development of the Housing Production Strategy document in the coming year.

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. The Housing and Human Services Commission (HHSC) reviewed the final draft of the HCA at their regular meeting on June 24, 2021 and forwarded their recommendations to the Planning Commission and City Council. The Planning Commission reviewed the final draft of the HCA at their regular meeting on July 13, 2021 and forwarded their recommendation to the City Council.

The attached [Staff Report for Planning Action PA-L-2021-00011](#) provides additional the land use procedures relating to a legislative amendment for adoption of the report into the Ashland Comprehensive Plan

### **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.

Adoption of the 2021-2041 HCA does not establish policy or obligate any funding to address housing needs.

In order to develop Ashland's Housing Production Strategy (HPS), staff is seeking Council support to seek funding assistance from the Oregon Department of Land Conservation and Development (DLCD). If awarded state funding, DLCD would pay for consultant assistance at no direct cost to the City. City match requirements would be met by the dedication of Staff time. By requesting State funds and receiving an award, the City would commit to completing the HPS project by June 30, 2022.

### **RECOMMENDATIONS**

Staff recommends approval of Ordinance#3200 adopting the 2021-2041 Housing Capacity Analysis. Staff further recommends Council support an application for State of Oregon Funding Assistance through the Department of Land Conservation and Development to develop a Housing Production Strategy.

The Housing and Human Services Commission (HHSC) reviewed the proposed Housing Capacity Analysis at their regular meeting on June 24, 2021 and unanimously recommend approval of the 2021-2041 Housing Capacity Analysis as a technical report and support document to the Ashland Comprehensive Plan. The HHSC further encourages that in the future development of the Housing Production Strategy that the City Council and Planning Commission prioritize strategies that support the development of Multi-Family and High-Density residential housing.

The Planning Commission reviewed the 2021-2041 Housing Capacity Analysis at their regular meeting on July 13, 2021 and unanimously recommend the City Council approve the ordinance adopting the HCA.

## ACTIONS, OPTIONS & POTENTIAL MOTIONS

### **Motions for Approval**

- **Motion #1:**  
I move to approve first reading of Ordinance No. 3200, which is titled, “An Ordinance Amending the City of Ashland Comprehensive Plan to Adopt the Housing Capacity Analysis as a Supporting Document to the Housing Element of the Comprehensive Plan”, and to move the ordinance to second reading at the August 17, 2021 meeting.
  
- **Motion #2:**  
I move to support an application for State of Oregon Funding Assistance through the Department of Land Conservation and Development to develop a Housing Production Strategy consistent with House Bill 2003.

### ATTACHMENTS

- [Ordinance No.3200 – adopting the 2021-2041 Housing Capacity Analysis](#)
- [Exhibit A - Technical Reports and Supporting Documents](#)
- [Exhibit B -2021 Housing Capacity Analysis](#) (full Report including Appendices)
  - [Appendix A - Housing Strategies](#)
  - [Appendix B - BLI \(approved in 2019\)](#)
  - [Appendix C – BLI Summary](#)
- [Staff Report for Planning Action PA-L-2021-00011](#)
- Draft Findings for Council Review at Second Reading (Aug 17, 2021)
- **Additional Information online**
  - Meeting Archives and additional materials available online:  
<http://www.ashland.or.us/HCA2021>
  - [2018-2068 Coordinated Population Forecast for Jackson County](#)